

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. NUSF-2
Public Service Commission, on)
its own motion, seeking to) PROGRESSION ORDER #5
establish guidelines for the)
administration of the Nebraska)
Lifeline Program.) Entered: July 24, 2001

BY THE COMMISSION:

1. On December 2, 1997, in Docket No. C-1645, the Commission entered an order which approved the creation of the Nebraska Lifeline and Link-Up Assistance Plan. Subsequently, the Nebraska Legislature authorized the creation of the Nebraska Universal Service Fund (NUSF) and charged the Commission with maximizing the federal lifeline support for qualified Nebraska telephone subscribers. The Commission opened this docket on March 16, 1999, for the purpose of administering the Nebraska Lifeline Program.

2. By order entered May 23, 2001, the Commission requested comment on a proposal that would:

- A. Prohibit telecommunications companies from disconnecting qualifying subscribers for non-payment until 60 days after all credits due had been fully applied to the subscriber's account; and
- B. Require written notification to qualifying subscribers upon their subscription to Lifeline services that credits due to the subscriber may not appear on their initial bill(s) and that the subscriber cannot be disconnected until 60 days after all credits have been fully applied to the subscriber's account.

Comments on this proposal were due on or before June 15, 2001. Three parties, Nebraska Independent Telephone Association (NITA), ALLTEL Communications (ALLTEL) and Qwest Corporation (Qwest), filed comments in this matter.

O P I N I O N A N D F I N D I N G S

3. NITA expressed a concern that since Lifeline service confers an on-going monthly credit, Lifeline customers would always have a credit to be processed and could therefore never be disconnected under the Commission's proposal. Thus, NITA proposed that telecommunications companies be prohibited from disconnecting a qualifying subscriber for non-payment until all initial credits due for both Lifeline and Link-Up have been fully applied to the subscriber's account.

4. The Commission recognizes NITA's concern, however limiting the disconnection requirements to only initial credits could allow the disconnection of qualifying Lifeline subscribers in the event that on-going credits are not correctly applied to the

amounts billed to the subscriber. Accordingly, we find that telecommunications companies shall not disconnect a qualifying subscriber for non-payment until 60 days after all Lifeline and Link-Up credits due for a particular billing period have been fully applied to any billed amounts for that particular billing period for which the subscriber has not made full and complete payment.

5. Qwest expressed concern that subscribers will apply for benefits after an account becomes in treatment for non-payment. The purpose of the Lifeline and Link-Up Program is to assist qualifying low-income Nebraskans with obtaining and maintaining telephone service. In the event an existing subscriber whose account is in treatment would apply and become eligible for the Lifeline program, the Commission believes that granting such a subscriber an additional 60 days to pay any outstanding balance after any credits due have been fully applied to the subscriber's account will not impose an undue burden on the telecommunications company and is consistent with the goals of the Lifeline and Link-Up Program.

6. ALLTEL supported the Commission's proposal for the most part; however, it did not feel it would be practical or effective to require companies to write to each Lifeline subscriber immediately upon subscription to inform them that Lifeline and Link-Up credits may not appear on their initial bill and that they cannot be disconnected until 60 days after all such credits are applied to their account. ALLTEL would prefer to inform subscribers as part of the annual notification to all subscribers of the availability of the Lifeline and Link-Up programs.

7. The Commission does not believe an annual notice would be effective in notifying qualifying Lifeline subscriber to the fact that Lifeline and Link-Up credits may not appear on initial bills and that they cannot be disconnected until 60 days after these credits have been fully applied to their account. However, the Commission will allow the telecommunications companies to notify subscribers either through a separate letter or through a bill message. Any bill message must be clearly printed on the bill itself and must not be on a separate bill insert.

8. Qwest proposes that the Commission, rather than the telecommunications company, send the qualifying subscriber a letter advising that it will take up to two billing periods to receive credit. While the Commission will continue its efforts to inform subscribers about all aspects of the Lifeline and Link-Up program, the Commission has little or no control over the billing cycles or order processing of the various telecommunications companies. Accordingly, the Commission believes that it should be the

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responsibility of the telecommunications company to notify qualifying subscribers rather than the Commission.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that telecommunications companies shall not disconnect a qualifying Lifeline subscriber for non-payment until 60 days after all Lifeline and Link-Up credits due for a particular billing period have been fully applied to any billed amounts for that particular billing period for which the subscriber has not made full and complete payment.

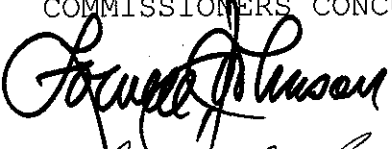

IT IS FURTHER ORDERED by the Nebraska Public Service Commission that in the event a subscriber becomes eligible for the Lifeline and Link-Up support on an existing line of service, a telecommunications company shall not disconnect such a subscriber for non-payment on an outstanding balance that existed prior to eligibility until 60 days after the initial Lifeline and Link-Up credits have been fully applied to the subscriber's account.

IT IS FURTHER ORDERED by the Nebraska Public Service Commission that telecommunications companies shall notify qualifying subscribers, either through a separate letter or a bill message, immediately upon their subscription to Lifeline service that credits due to the subscriber may not appear on initial bills and the subscriber cannot be disconnected until 60 days after any credits due have been applied to billed amounts.

MADE AND ENTERED at Lincoln, Nebraska, this 24th day of July, 2001.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

 
Chairman



//s//Frank E. Landis

ATTEST:


Executive Director

