

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission)
Investigation Into Various Aspects)
Of and the Need for Lifeline Tele-) Case No. 69-45-TP-COI
phone Service in Ohio.)

FINDING AND ORDER

The Commission finds:

- 1) By previous orders in various dockets, the Commission approved, on an experimental basis, the Telephone Assistance Plan (TAP) for the eight larger Ohio local telephone companies. TAP has provided a form of telephone assistance to qualified Ohio residential customers since 1986. This plan provides a waiver of deposit and a 50 percent reduction of service connection charges for residential customers who are current participants in either the Home Energy Assistance Program (HEAP) or the Ohio Energy Credits Program (OECF). In addition, TAP qualifies under a federal lifeline assistance program such that customers receiving benefits under TAP also receive matching federal benefits in the form of a temporary waiver of the subscriber line charge.
- 2) The Commission approved another form of telephone assistance in Case No. 87-1228-TP-COI. All Ohio local telephone companies, except for four companies which we have exempted, provide assistance to certain Ohio residential customers through the Link Up America program, adopted by the Federal Communications Commission (FCC). The FCC grants assistance to qualifying customers sufficient to pay one-half of their service connection charges, up to \$30.00. The availability of this assistance is conditioned upon the local telephone companies filing with this Commission tariff provisions containing FCC-mandated eligibility requirements.
- 3) In January 1989, the Commission initiated this docket (89-45 docket) for the purpose of gathering information and data in order to prepare a report to the Ohio General Assembly on the need for lifeline telephone service in Ohio.

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Based on the various information and data collected, the Commission's staff prepared a report summarizing its findings and recommendations relative to the need for lifeline telephone service in this state and delivered it to the General Assembly on May 1, 1989. Subsequently, the Commission issued an entry in the 89-45 docket, on May 24, 1989, adopting our staff's recommendations and proposing to enhance the existing TAP and Link Up America programs by expanding the eligibility requirements, improving the application process, requiring information and education programs, and requiring participation in TAP by all local telephone companies, unless otherwise exempted.

- 4) The Commission allowed interested persons to file comments on the specifics of our proposal, and comments were filed in June of 1989.
- 5) In the time since those comments were filed, the Commission organized and chaired a task force, composed of both industry and consumer interests, and, through that task force, actively participated in the legislative process in an effort to obtain passage of a consensus bill which would have provided a comprehensive telephone assistance program for low-income Ohioans. While the consensus bill did not pass the Senate, a substitute bill did (Substitute House Bill Number 254 or HB 254), which establishes a more limited telephone service assistance program targeted at certain seniors and disabled individuals.
- 6) HB 254 includes TAP and Link Up America type benefits, but the eligibility pool is narrowed considerably, such that, absent the Commission's current programs, customers who currently qualify for these benefits would no longer be eligible under the bill. Therefore, in our docket under which we are implementing HB 254 (Case No. 91-564-TP-UNC), we have concluded, in a companion order to this case, that it is in the best interests of the public to retain the existing TAP and Link Up America programs. We have combined the two programs and have renamed them Service Connection Assistance (SCA). The Commission left to this docket the issue of whether the programs

should still be expanded in terms of their reach, given the passage of HB 254. This order addresses that issue.

- 7) As we state in our companion order in Case No. 91-564-TP-UNC, SCA offers Ohioans a form of telephone assistance different than that provided under HB 254. Its main focus is in helping potential customers face what is often times the biggest barrier to accessing the telecommunications network, that being an inability to pay the upfront costs associated with obtaining telephone service, i.e. service connection charges and deposits. To date, many low-income Ohioans have not been able to take advantage of this assistance because of program eligibility being limited to participation in HEAP and OECP. To the extent that expanding the reach of SCA beyond HEAP and OECP would help more individuals join the telecommunications network and share in the fixed costs of operation of the network, all customers on the network would benefit. We, therefore, find that it is in the public interest not only to continue TAP and Link Up America benefits under SCA, but also to expand the eligibility pool for SCA.

Originally, the Commission proposed to expand eligibility to TAP and Link Up America to include, in addition to participants in HEAP and OECP, participants in Supplemental Security Income (SSI), General Assistance (GA), Aid to Families with Dependent Children (AFDC), Food Stamps, and Emergency HEAP (E-HEAP). As we noted above, since the time that we made our original proposal, HB 254 was passed requiring implementation of telephone service assistance (TSA). Given that there will now be three different telephone assistance programs (SCA actually consists of two different types of assistance), the Commission believes that there should be some parallelism between TSA and SCA in an effort not only to ease administration of these programs, but also to avoid confusion on the part of customers, as well as the qualifying agencies, the telephone company employees, and Commission employees involved in implementing the telephone assistance programs.

Accordingly, we have re-evaluated our original proposal for expansion. In doing so, we were particularly concerned with reaching low-income families with dependent children, a group overlooked by HB 254. We were also concerned about the ease of verifying eligibility, given that verification is a requirement to qualifying for federal dollars, and given our belief that the ease of the application and verification process will be critical to the success of TSA and SCA. The Commission concludes that both AFDC and GA should be ruled out as qualifying programs for SCA because participation in these programs would be difficult to verify. There is virtually no way for customers to document AFDC participation, and any means of customers documenting GA would vary county to county, being that GA is a county-administered program. Likewise, we think food stamps should be excluded as a qualifying program. Food stamp assistance generally supplements the other forms of assistance, so recipients are also often on Medicaid, AFDC, SSI, HEAP, or OECP. Thus, its inclusion as a qualifying program could unnecessarily complicate the verification process. We further conclude, however, that Medicaid should be added to the eligibility requirements for SCA. It is easy to verify participation in Medicaid. Moreover, it reaches the exact same population as AFDC, since all families participating in AFDC are also on Medicaid, and also reaches many others in addition to low-income families with dependent children, including some on food stamps. We also find that SSI and E-HEAP should be added to extend the reach of SCA to seniors, disabled persons, and low-income families or individuals who otherwise do not qualify for HEAP, OECP, or Medicaid. These additional programs, along with the current qualifying programs, will reach some of those which would have been covered had we added GA or food stamps to the list of qualifying programs. In sum, we find that eligibility for SCA should be expanded to include, in addition to HEAP and OECP, E-HEAP, SSI, and Medicaid. We believe that these qualifying programs best target the consumers which we think will benefit most from SCA, while still allowing for a manageable administration of SCA.

- 8) The Commission also believes that SCA should be expanded in terms of which companies must offer the assistance. Currently, only the eight larger local telephone companies offer TAP benefits, while all but four of the local telephone companies offer Link Up America benefits. After reviewing the comments filed previously in this docket, the Commission concludes that all of the local telephone companies which currently provide Link Up America benefits shall also be required to provide TAP benefits to eligible customers, unless they can otherwise demonstrate to the Commission economic or technical reasons which would justify exempting them from offering such assistance program.

Additionally, it has come to the Commission's attention that one company, which has, to date, been exempt from providing Link Up America benefits, should no longer be exempt because its service connection fee has since been raised from zero to \$15.00. Therefore, The Doylestown Company shall now be required to offer SCA (meaning both TAP and Link Up America benefits).

As with TSA, we believe it appropriate to require uniformity among the companies in their SCA tariffs (See Attachment A). All local telephone companies, except for Columbus Grove Telephone Company, The Conneaut Telephone Company, and Pattersonville Telephone Company (these being the three companies currently exempt from providing Link Up America), shall file with the Commission, by no later than July 8, 1991, new tariffs for SCA in the same form as depicted in Attachment A, except that the blanks should be filled in specific to the companies. Companies which must also provide TSA shall file a combined TSA/SCA tariff under the 91-564-TP-UNC docket, and companies which must only provide SCA shall file their SCA tariffs under the 89-45 docket. It is the intent of the Commission that the SCA tariffs be approved and go into effect at the same time as the TSA tariffs. Therefore, unless the Commission specifically acts otherwise, the companies' SCA tariffs will automatically be approved on July 25, 1991, and take effect on August 1, 1991.

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- 9) The Commission previously proposed to standardize the application and verification process for TAP and Link Up America, so as to make it easier for applicants to obtain assistance and the companies to verify eligibility. In the companion order to this case, the Commission has established a uniform application and verification process to be followed for both TSA and SCA (See Finding 10 and Revised Attachment A to the companion order in Case No. 91-564-TP-UNC). Attached to this order (See Attachment B) is a list, which we have compiled, as to the various types of documentation which the companies shall accept as proof of eligibility. If, as this expanded program gets underway, the companies find other means of documenting eligibility to be acceptable to them, we encourage them to expand this list.
- 10) We also previously concluded that a concerted effort was needed on the part of the Commission, the involved public agencies, and the telephone companies to inform and educate the public about the availability of TAP and Link Up America. We reaffirm this conclusion. As we state in our companion order to this case, the telephone company representatives shall be required to inform all new applicants for telephone service of the existence of both SCA and TSA and the general eligibility requirements. If, based on that general information, the applicant indicates an interest in these programs, the company representatives shall go into more specifics about the programs. The telephone companies shall also coordinate with the qualifying public agencies and provide them information for dissemination, such as brochures or fact sheets, and application forms. They shall file with us, by December 31, 1991, copies of any informational materials provided to the public or agencies. As we also state in our companion order, we will be scheduling regional public forums in the near future for purposes of informing and educating the public and those involved in implementing TSA and SCA.
- 11) In addition to the outreach efforts just discussed, the Commission believes that it would be appropriate to require an annual notice for SCA, at the same time as the TSA notice, and

in the same form. This, we think, will give the public more complete information about all of the types of telephone assistance for which they might be eligible, at relatively little additional cost to the companies required to provide TSA. We conclude that a uniform notice is the best way to insure that the public receives a plain and clear explanation of the availability and terms of SCA. Thus, we require the text of the SCA notice to mirror that contained in Attachment C to this entry. For companies providing both TSA and SCA, the relevant text of Attachment C should be included in the TSA annual notice towards the end of the TSA notice text, just before the last paragraph telling consumers how they can get further information. For those companies required to provide SCA, but not TSA, the SCA notice shall be given at the same time as initially required for TSA (See Finding 14 to the companion order in Case No. 91-564-TP-UNC), and annually thereafter. The notice shall take the form of publication in newspapers in general circulation in the service areas. The notice shall be prominent and shall not be placed in the legal notice section of the newspaper. We will not require a bill insert, since a bill insert would not target the population which could benefit from SCA.

- 12) Section 6 of HB 254 requires the Commission to submit, by no later than January 1, 1995, to the committees of the House of Representatives and Senate which deal principally with matters relating to public utilities, a report including, among other things, "any recommendations for continuation of, and changes relative to, this act". The Commission finds that it would be beneficial to the preparation of our report to have data relative to SCA which could be compared to the TSA data. Such data might provide insights into ways to change or improve TSA. Thus, the Commission concludes that the telephone companies should also file, annually, reports in the form attached (See Attachment D). The reports should be filed at the same time as the TSA reports, that being September 1 of each year, beginning in 1992.

In that the companies will be filing these new annual reports on SCA, and since the FCC no

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longer requires the filing of FCC Form 496 by companies participating in the TAP or Link Up America programs, the Commission finds that all reporting requirements previously instituted under the 89-45 docket should now be eliminated.

- 13) Finally, there are some outstanding motions in the 89-45 docket which must be addressed. The City of Cleveland (Cleveland) filed, on June 23, 1989, a motion requesting the Commission to expand the scope of the 89-45 proceeding to consider the establishment of a comprehensive ongoing lifeline telephone service for Ohioans, and to hold local public hearings on the issue. The Greater Cleveland Welfare Rights Organization, et al. (GCWRO) supported Cleveland's request by filing its own motion, on July 27, 1989, for the Commission to establish a "true lifeline telephone service" in Ohio. Additionally, Cleveland, GCWRO, the Office of Consumers' Counsel, the Consumer League of Ohio, and the Western Reserve Alliance all filed petitions to intervene in the 89-45 docket.

The Commission finds that Cleveland's and GCWRO's motions to expand the 89-45 docket should be denied. Obviously, these motions were filed long before HB 254 was even being considered. Now that HB 254 requires implementation of TSA and now that we are requiring expansion of SCA, the Commission sees no need to consider any other telephone assistance for this state at this time. Apart from the question of whether it is even appropriate for the Commission to consider implementing a more comprehensive ongoing type of assistance than the General Assembly has deemed appropriate, it makes no sense, in our view, to consider any other telephone assistance before the effectiveness of TSA and SCA can be evaluated.

Additionally, the Commission finds no purpose would be served by holding hearings in the 89-45 docket, since comments have been allowed and the issues involved are of a policy nature. Therefore, the motions to intervene are moot and should be denied.

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It is, therefore,

ORDERED, That SCA is expanded and enhanced in accordance with the above findings. It is, further,

ORDERED, That all local telephone companies, except for Columbus Grove Telephone Company, The Conneaut Telephone Company, and Pattersonville Telephone Company, shall file SCA tariffs with the Commission in accordance with Finding 8. It is, further,

ORDERED, That, unless the Commission acts otherwise before July 25, 1991, the companies' SCA tariffs shall be automatically approved on that date, and effective on August 1, 1991. The companies shall file three printed copies of the final SCA tariffs in the appropriate TRF dockets, no later than August 1, 1991. It is, further,

ORDERED, That the companies required to provide SCA file copies of their informational materials in accordance with Finding 10. It is, further,

ORDERED, That the companies required to provide SCA give the public notice of SCA in accordance with Finding 11. It is, further,

ORDERED, That Cleveland's and GCWRO's motions to expand the scope of the 89-45 docket are denied. It is, further,

ORDERED, That all motions to intervene in this case are denied as moot. It is, further,

ORDERED, That copies of this entry be served upon all local telephone companies in Ohio, all persons ordered to be served in the companion order in Case No. 91-564-TP-UNC, and all other interested persons of record.

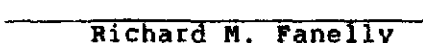
THE PUBLIC UTILITIES COMMISSION OF OHIO


Craig A. Glazer, Chairman


J. Michael Biddison


Ashley C. Brown


Jolynn Barry Butler


Richard M. Fanelly

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Entered in the Journal
JUN 20 1991

A True Copy


E. Vigorito
Secretary

ATTACHMENT A

THE XXXXXXXXXXXX
TELEPHONE COMPANYSECTION XX
ORIGINAL SHEET NO. 1

P.U.C.O. NO. X

XXXXXXXXXXXXXXX TARIFFS

BASIC TELEPHONE ASSISTANCE

NOTE: ITEMS ENCLOSED BY < > ARE TO BE COMPANY SPECIFIC.

Basic Telephone Assistance is comprised of two distinct and separate telephone assistance programs. Service Connection Assistance is targeted to help defray the one-time, upfront costs of connecting to the local exchange network for qualified customers. It provides waiver of the deposit requirement, full or partial waiver of the service connection charges, and a limited or temporary waiver of the monthly federal subscriber line charge. Telephone Service Assistance also provides a waiver of the deposit and service connection charges along with a recurring discount to the cost of monthly basic local exchange service and continued waiver of the federal subscriber line charge for qualified customers.

1. SERVICE CONNECTION ASSISTANCE

A. General

Service Connection Assistance is a telephone assistance program which provides certain eligible residential customers requesting local exchange service with the following benefits:

- o Waiver of applicable deposit requirements under < Section X > of this tariff.
- o Full or partial waiver of applicable service connection charges for establishing or re-establishing local exchange service as described in <Section X> of this tariff (Service Connection Assistance does not apply to network wiring charges).
- o Waiver of the monthly federal subscriber line charge for the number of months necessary to match the value of the waived deposit and one-half of the waived service connection charges.

ISSUED: July 8, 1991

EFFECTIVE: August 1, 1991

P.U.C.O. NO. X

XXXXXXXXXXXXXXX TARIFFS

B. Regulations

1. Service Connection Assistance is a basic local exchange residential service offering available to customers who are currently participating in one of the following assistance programs:
 - (a) Home Energy Assistance Program (HEAP);
 - (b) Emergency - Home Energy Assistance Program (E-HEAP);
 - (c) Ohio Energy Credits Program (OECF);
 - (d) Supplemental Security Income (SSI) under Title XVI of the Social Security Act; or
 - (e) Medical Assistance under Chapter 5111 of the Ohio Revised Code (Medicaid).
2. The Telephone Company shall require, as proof of eligibility for Service Connection Assistance, documentation of the customer's participation in one of the above assistance programs.
3. Customers of Service Connection Assistance cannot be a dependent (as defined by the Federal Income Tax Code) under the age of 60.

ISSUED: July 8, 1991

EFFECTIVE: August 1, 1991

In accordance with Case No. 89-45-TP-COI issued
by the Public Utilities Commission of Ohio

THE XXXXXXXXXXXX
TELEPHONE COMPANY

SECTION XX
ORIGINAL SHEET NO. 3

P.U.C.O. NO. X

XXXXXXXXXXXXXXX TARIFFS

1. SERVICE CONNECTION ASSISTANCE (cont'd)

B. Regulations (cont'd)

4. Service Connection Assistance is available for all grades of service.
5. Service Connection Assistance is available for a single telephone line at the customer's principal place of residence. No other exchange service will be permitted in the same household.
6. Service Connection Assistance shall be available to eligible customers not more than once in a one-year period at the same address. Customers must pay or make arrangements to pay to the Telephone Company any outstanding bills for regulated telephone services in the customer's name, and no other member of the household owes money for such services previously provided at customer's current address.
7. Service Connection Assistance customers are not restricted on the optional services to which they may subscribe.

2. RESERVED FOR FUTURE USE (Telephone Service Assistance)

ISSUED: July 8, 1991

EFFECTIVE: August 1, 1991

In accordance with Case No. 89-45-TP-COI issued
by the Public Utilities Commission of Ohio

ATTACHMENT B

ACCEPTABLE FORMS OF DOCUMENTATION FOR SCA

<u>Qualifying Program</u>	<u>Acceptable Documentation</u>
1) HEAP	1) Original or photocopy of HEAP approval notice from the most recent assistance period, OR 2) Original or photocopy of a utility bill from the most recent assistance period showing a HEAP credit.
2) E-HEAP	1) Original or photocopy of E-HEAP Notice of Decision or approval letter (form of letter will vary depending on the community action agency issuing approval), OR 2) Company's own records may reflect E-HEAP payment or receipt of Intent to Pay Notice from Community Action Agency.
3) OECF	1) Original or photocopy of OECF approval notice from the most recent assistance period, OR 2) Original or photocopy of a utility bill from the most recent assistance period showing OECF discount.
4) SSI	1) Original Health Insurance Identification Card, OR 2) Original or photocopy of current month or preceding month's SSI check, OR 3) Original or photocopy of recent SSI Notice of Change Letter, OR 4) Original or photocopy of Report of Confidential Security Benefit Information (Form SSA-2458), OR

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Qualifying Program
(cont.)

Acceptable Documentation
(cont.)

5) Medicaid

5) Original or photocopy of TPQY computer print out (third party inquiry) which indicates under Medicare data that recipient is entitled to hospital insurance or medical insurance.

- 1) Original Medical Assistance Identification Card (Medicaid ID), OR
- 2) Original or copy of current month or preceding month's AFDC check.

ATTACHMENT C

[FOR COMPANIES WHICH OFFER BOTH TSA AND SCA, THE FOLLOWING NOTICE IS REQUIRED TO BE ADDED TO THE TSA NOTICE]

(Company name) also offers another type of assistance to help certain eligible persons obtain new telephone service. This assistance provides a waiver of the deposit requirement, a full or partial waiver of the service connection charges, and a temporary waiver of the \$3.50 federal subscriber line charge for a number of months, depending on the total amount of the waived deposit and service connection charges. This assistance is called "Service Connection Assistance".

You are eligible to receive service connection assistance, if you do not already have telephone service at your household, and if you are currently a participant in any one of the following programs:

- 1) The Ohio Energy Credits Program;
- 2) The Home Energy Assistance Plan (HEAP);
- 3) Emergency HEAP;
- 4) Supplemental Security Income; or
- 5) Medicaid.

In order to receive this assistance, you must follow the same application procedure as with telephone service assistance.

Unlike telephone service assistance, there are no restrictions with service connection assistance on the grade of service to which you can subscribe or on the optional telephone services for which you may sign up. You would not, however, be allowed to have any other telephone lines in your household.

[THE FOLLOWING NOTICE IS REQUIRED FOR COMPANIES WHO OFFER ONLY SCA]

**IMPORTANT NOTICE TO OHIO RESIDENTS REGARDING
SERVICE CONNECTION ASSISTANCE**

(Company name) offers assistance to help eligible persons obtain new telephone service, if they currently do not have it, by

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allowing them to sign up for service without paying the usual upfront charges, such as deposits and service connection charges. (Company name) also offers assistance to eligible persons, once they have obtained service, by providing a temporary waiver of the \$3.50 federal subscriber line charge for a number of months, depending on the total amount of the waived deposit and service connection charges. This assistance is called "Service Connection Assistance".

You are eligible to receive service connection assistance, if you do not already have telephone service at your household, and if you are currently a participant in any one of the following programs:

- 1) The Ohio Energy Credits Program;
- 2) The Home Energy Assistance Plan (HEAP);
- 3) Emergency HEAP;
- 4) Supplemental Security Income; or
- 5) Medicaid.

In order to receive this assistance, you must complete an application, documenting your eligibility in one of the above programs and return it to (company's name) offices. You may obtain an application either from our business office, located at (company's address), or from the public agency which administers the assistance under which you qualify for service connection assistance.

You are not restricted with service connection assistance on the grade of service to which you can subscribe or on the optional telephone services for which you may sign up. You would not, however, be allowed to have any other telephone lines in your household.

If you have any questions or would like further information about this assistance, you may call (company's name) offices at (xxx-xxxx) or you may call the Public Interest Center of the Public Utilities Commission at 466-3292, in the Columbus area, or 1-800-686-PUCO, outside of the Columbus area. TTY-TDD hearing impaired customers may reach the Public Utilities Commission at 1-800-686-1570.

Service Connection Assistance (SCA) Annual Reporting Form

ATTACHMENT D

Class of Service	Number of Program Participants - End of Period [A]	Number of New Program Participants - During Period [B]	Number of Participants By Qualifying Program					Percentage Penetration of Optional Features				Participants Disconnected for Non-Payment [L]
			HEAP [C]	E-HEAP [D]	OECF [E]	SSI [F]	Medicaid [G]	Touchtone [H]	Wire Care [I]	Non-Pub [J]	Custom Calling [K]	
Flat												
Message												
Measured												
TOTAL												

Class of Service	Average Monthly Local Bill [M]	Average Monthly Toll Bill [N]	Average Service Connection Charge Waived [O]	Average of Waived Deposits [P]	Amount of Monthly Subscriber Line Charge [Q]	Number of Months for SLC Waiver [R]
Flat	\$	\$	\$	\$	\$	
Message	\$	\$	\$	\$	\$	
Measured	\$	\$	\$	\$	\$	
TOTAL						

Telephone Company

Street / P.O. Box

City, State, Zip Code

Name of Person Completing Form

Signature

Date