

Depend on Our People. Count on Our Advice.<sup>™</sup>

December 1, 2017

Daniel P. Wolf Executive Secretary Minnesota Public Utilities Commission 121 Seventh Place E, Suite 350 St. Paul, MN 55101-2147

Re: In the Matter of the Petition of Halstad Telephone Company for Designation as an Eligible Telecommunications Carrier

Dear Mr. Wolf:

Enclosed via eFiling please find the Original Filing, Summary of Filing, Petition for Designation as an Eligible Telecommunications Carrier ("Petition"), and Affidavit of Service in the above entitled Docket on behalf of Halstad Telephone Company ("HTC").

Sincerely,

/s/ Thomas G. Burns

Thomas G. Burns Consultant on behalf of Halstad Telephone Company

# STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange Dan Lipschultz Matt Schuerger John Tuma Katie Siebin Chair Vice Chair Commissioner Commissioner

In the Matter of the Petition of Halstad Telephone Company for Designation as an Eligible Telecommunications Carrier MPUC Docket No.:\_\_\_\_\_

# **ORIGINAL FILING**

Halstad Telephone Company ("HTC") requests the Minnesota Public Utilities Commission (the "Commission") for an order designating it as an "eligible telecommunications carrier" ("ETC") for the limited purposes of providing local services under the Lifeline program.

The filing includes the following attachments:

- Attachment 1One paragraph summary of the filing in accordance with Minn.Rules pt. 7829.1300.
- Attachment 2 Petition for Designation as an Eligible Telecommunications Carrier, which contains a description of the filing, the impact on Petitioner and affected ratepayers, and the reasons for the filings, provided in accordance with Minn. Rules pt. 7829.1300, subp. 4(F).

Attachment 3 Affidavit of Service.

In addition, the following information is provided, in accordance with Minn. Rules pt. 7829.1300, subp. 4:

Utility:	Halstad Telephone Company 345 2nd Avenue W PO Box 55 Halstad, MN 56548-00550
Date of Filing	12/01/2017
Controlling Statute for Time in Processing the Filing	Minn. Rules pt. <u>7811.1400</u> , subp. 12

If additional information is required, please contact me at 651.621.8322.

/s/ Thomas G. Burns

Thomas Burns Consultant on behalf of Halstad Telephone Company

# STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange Dan Lipschultz Matt Schuerger John Tuma Katie Siebin Chair Vice Chair Commissioner Commissioner Commissioner

In the Matter of the Petition of Halstad Telephone Company for Designation as an Eligible Telecommunications Carrier MPUC Docket No.:\_\_\_\_\_

# SUMMARY OF FILING

Halstad Telephone Company ("HTC") requests the Minnesota Public Utilities Commission (the "Commission") for an order designating it as an "Eligible Telecommunications Carrier" ("ETC") for the limited purposes of providing local services pursuant to the Lifeline program.

# STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange Dan Lipschultz Matt Schuerger John Tuma Katie Siebin Chair Vice Chair Commissioner Commissioner Commissioner

In the Matter of the Petition of Halstad Telephone Company for Designation as an Eligible Telecommunications Carrier MPUC Docket No.:\_\_\_\_\_

# PETITION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

Halstad Telephone Company hereby petitions the Minnesota Public Utilities Commission for designation as an ETC for the limited purpose of receiving support for service provided pursuant to the federal Lifeline program.

In support of its Petition, HTC states as follows:

A. The legal name, address and telephone number of the Petitioner and its designated contact person are as follows:

Halstad Telephone Company 345 2nd Avenue West PO Box 55 Halstad, MN 56548-0055

- B. The name and title of the officer or representative of HTC authorizing this petition is Mark Forseth, whose signature appears at the end of this petition.
- C. The proposed effective date of designation of eligibility to receive Universal Service Support is immediately upon the Commission's issuance of an Order approving this Petition.
- D. The service area for which designation is sought, the local exchange carrier and whether the local exchange carrier is a rural telephone company is set forth following:

1. The service area for which HTC requests designation as an ETC is the following Minnesota Exchanges: Crookston and East Grand Forks where CenturyLink QC is the ILEC.

A map of the Proposed Service Area is attached as <u>Exhibit 1</u>.

- 2. HTC believes of CenturyLink QC is not a rural carrier as defined under  $47 \text{ USC } \\ \underline{153(44)}$ .
- E. HTC's Petition for designation as an ETC for the Service Area is consistent with the public interest, convenience and necessity, and satisfies the requirements for receiving universal service support under state and federal law, for the following reasons:

# HTC POSSESSES THE INTENT AND CAPABILITY OF PROVIDING SERVICE UPON REASONABLE CUSTOMER REQUEST THROUGHOUT THE SERVICE AREA

- 1. <u>HTC's Regulatory Authority</u> The Commission originally granted HTC authority to provide local exchange service in the Proposed Service area in 2016 under Docket No: P-530/SA-16-84.
- 2. <u>HTC's Facilities and Commitment to Serve</u> HTC will provide broadband and voice telephone over its fiber-optic facilities. HTC is committed to provide service to all customers making a reasonable request for service. HTC certifies that it will: (a) provide service on a timely basis to requesting customers within the Service Area where HTC's network already passes the potential customer's premises; and (b) provide service within a reasonable period of time, if the potential customer is within the Service Area but not passed by HTC's current network facilities, if service can be provided at reasonable cost by constructing network facilities.
- 3. <u>HTC's Basic Universal Service Offering</u> HTC will provide voice telephony in the Service Area. The services HTC offers meet the Basic Local Service requirements under <u>Minn. Rule 7812.0600</u>. HTC has the ability and the intention to provide the voice telephony services required by <u>47 CFR § 54.101(a)<sup>1</sup></u>:
  - Voice grade access to the public switched network or its functional equivalent;
  - Minutes of use for local service provided at no additional charge to end users;
  - Access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911
  - Toll limitation for qualifying low-income consumers<sup>2</sup>

The Lifeline service offering will be made available throughout the Service Area upon its designation as an ETC. HTC's tariffs address customer eligibility provisions and the availability of subsidies under the Lifeline program<sup>3</sup> and the Minnesota Telephone Assistance Plan<sup>4</sup>. The applicable sections of HTC's tariff are attached as Exhibit 2. HTC is committed to providing the supported services throughout the Service Area to customers who make a request for such services. The local usage

<sup>&</sup>lt;sup>1</sup> <u>FCC Connect America Order 11-161 rel. November 18, 2011</u> at  $\P$  76-81 discusses the changes to <u>47 CFR §</u> 51.101 and the required voice service offerings

 $<sup>^{2}</sup>$  HTC Local Exchange Tariff Section 5 page 21

<sup>&</sup>lt;sup>3</sup> HTC Local Exchange Tariff Section 5, pages 21-23

<sup>&</sup>lt;sup>4</sup> HTC Local Exchange Tariff Section 5, pages 21-23

plans offered are comparable to those offered by the incumbent local exchange carriers. HTC's local calling scope will mirror those of the ILECs and any mandatory Extended Area Service calling as part of the basic local service offering.

- 4. <u>HTC's Advertising Plan</u> HTC currently advertises its services through several different channels of general distribution, including newspaper, and direct mail. HTC will advertise the availability of its universal service offering throughout the Service Area through these same advertising channels it currently employs. In addition, the availability of the offering throughout the Service Area will be listed continuously on HTC's web site: http://www.halstadtel.com/. The service offering will also be published at least annually in the local newspaper, and will be posted at the HTC office in Halstad, MN.
- <u>HTC's 5-Year Plan for Use of Universal Service Support</u> Under the FCC's updated portability rules, HTC will receive no federal high cost support for the Service Area. HTC would receive Lifeline support to the extent it serves customers eligible for that program. HTC would also be eligible to participate in FCC reverse auctions going forward.
- 6. <u>HTC's Ability to Remain Functional in Emergency Situations</u>. HTC's network will remain functional in emergency situations:

Commercial power outage: The central office serving HTC's customers is equipped with electrical generators and battery power supply to provide service in the event of a commercial power outage.

Network failure: The interoffice facilities serving the Service Area are on a diverse routed fiber optic ring, which if cut will be automatically rerouted.

HTC complies with the Commission's Rules in Chapter <u>7810</u> establishing minimum standards on various operational matters, such as 7810.3900 (Emergency Operations); 7810.4900 (Adequacy of Service); and 7810.5300 (Dial Service Requirements).

- 7. <u>HTC's Satisfaction of Consumer Protection and Service Quality Standards</u> HTC, is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection. HTC's tariff has specific provisions outlining the following terms addressing consumer protection issues:
  - Deposit and guarantee requirements<sup>5</sup>
  - Customer Billing<sup>6</sup>
  - Appropriate handling of customer complaints and billing disputes<sup>7</sup>
  - Disconnection and notice requirements<sup>8</sup>

<sup>&</sup>lt;sup>5</sup> HTC Local Exchange Tariff, Section 2, page 10

<sup>&</sup>lt;sup>6</sup> HTC Local Exchange Tariff, Section 2, page 11

<sup>&</sup>lt;sup>7</sup> HTC Local Exchange Tariff, Section 2, page 12

<sup>&</sup>lt;sup>8</sup> HTC Local Exchange Tariff, Section 2, page 13

The specific provisions in HTC's tariff, as well as the Commission's service quality rules by which HTC is bound, will apply throughout the Service Area and assure a high level of service quality and consumer protection.

8. <u>HTC's Acknowledgement Regarding Equal Access</u> – HTC will provide equal access to long distance carriers within the Service Area.

# DESIGNATING HTC AS AN ETC IN THE SERVICE AREA WILL SERVE THE PUBLIC INTEREST

- 9. <u>Public Interest</u> Designation of HTC as an additional ETC in the Service Area is in the public interest, as determined under the standards of <u>47 CFR § 54.202(c)</u> and the Commission's Order issued October 31, 2005, in Docket No. P999/M-05-1169. Consumers will benefit from an increased choice in service providers, and there are unique advantages to HTC's service offering.
- 10. <u>Superior Service Offering</u> HTC believes its service offerings are superior to that received by the ILECs' customers in the Service Area. HTC presently has fiber to the home in Service Area and plans to place fiber to the home going forward, offering a technically superior network to that of ILECs.

HTC believes customers will additionally benefit from choosing a locally owned and based provider which has demonstrated its commitment to, and success in, responding to the service needs of its residents.

 Affordability – The local exchange services offered to HTC's customers for universal service offerings are within the range of the ILEC's tariffed rates in the Service Area. HTC's basic service offerings rates are identified in its Local Exchange Services<sup>9</sup> tariff.

	CL QC		GVTC	
Service	MRC	EAS	MRC	EAS
Residence	\$15.96		\$18.00	N/A
Crookston		\$0.15		
East Grand Forks		\$0.36		
Business	\$34.61		\$19.50	N/A
Crookston		\$0.35		
East Grand Forks		\$0.87		

In addition, HTC will provide the benefit of Lifeline discounts to qualifying subscribers.

<sup>&</sup>lt;sup>9</sup> HTC Local Exchange Tariff, Section 4, page 2

- 12. <u>Commitment to Service Quality</u> As noted in Paragraph E.7 above, HTC is a certified CLEC in Minnesota is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection.
- 13. <u>No Negative Impact on Universal Service Fund</u> As noted in Paragraph E.5 above, HTC would not receive federal high cost USF.

# ETC CERTIFICATION

- 14. <u>Request for Certification</u> HTC requests that the Commission certify its use of support effective as of the date of HTC's ETC designation for the Service Area.
- 15. <u>HTC's Certification</u> In support of its certification request, HTC hereby states that it will not receive federal high cost universal service support for the Service Area.

# **CONCLUSION**

16. HTC meets the requirements of both state and federal laws and regulations for designation as an Eligible Telecommunications Carrier in the requested Service Area. Pursuant to <u>47 USC § 214(e)</u>, the Commission should designate HTC as an Eligible Telecommunications Carrier for the Service Area. In so doing, the Commission will ensure that consumers in the Service Area have an opportunity to secure better and more reliable service at a rate equal to or less than that which they are currently paying. The consumers in the Service Area will benefit and the public interest will be served if HTC's Petition is approved and it is designated as an ETC.

Wherefore, HTC respectfully requests that the Commission:

- A. Designate Halstad Telephone Company as an ETC for receipt of Lifeline service support with respect to the Service Areas specified in this Petition;
- B. For such other and further relief as the Commission may deem just and reasonable.

# VERIFICATION

The undersigned, Mark Forseth, General Manager of Halstad Telephone Company, certifies that he has reviewed this Petition and the facts stated therein, of which he has personal knowledge, and that the same are true and correct to the best of his present knowledge and belief.

Respectfully submitted,

Halstad Telephone Company By: Mark Forseth

General Manager

Subscribed and sworn to before me this  $\underline{1}$  day of  $\underline{1200}$ , 2017.

Notary Public

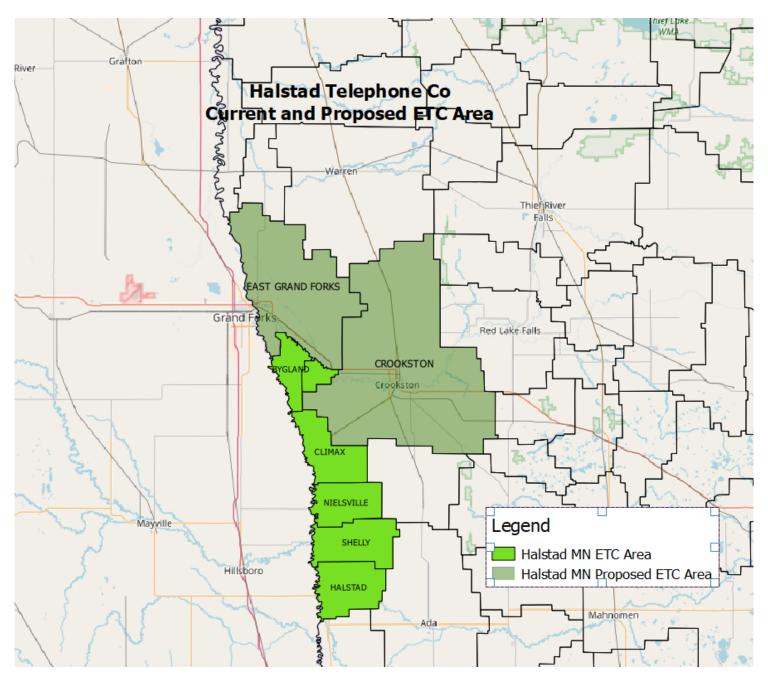


# **AFFIDAVIT OF SERVICE**

In the Matter of the Petition of Halstad Telephone MPUC Docket No.:\_\_\_\_\_ Company for Designation as an Eligible Telecommunications Carrier

I, <u>Thomas Burns</u>, state that on <u>December 1, 2017</u>, I caused copies of the attached Notice regarding the filing of Halstad Telephone Company's application for designation as an Eligible Telecommunications Carrier to be filed using eService or mailed by United States first class mail postage prepaid thereon, to the following persons:

Dr. Dan Wolf (eFile) Executive Secretary Minnesota Public Utilities Commission	Linda Chavez (eFile) Minnesota Department of Commerce
Ian Dobson (eFile) Office of Attorney General	Jason Topp (eFile) CenturyLink
	Mark Forseth (efile) Halstad Telephone Company



The selected tariff pages following address:

- Deposit and guarantee requirements
- Customer Billing
- Customer Complaints and Billing Disputes
- Disconnection and notice requirements
  Lifeline and MN TAP
- Basic Local Service Rates

HALSI	AD, MN Page 10 GENERAL REGULATIONS
9. CR	EDIT POLICY
Α.	Deposit and Guarantee Requirements
	The company may require a deposit or guarantee of payment from any customer of applicant who has not established good credit with the Company. Deposit or guarantee of payment requirements as prescribed by the Company must be based upon standards which bear a reasonable relationship to the assurance of payment. The Company may determine whether a customer has established good credit with the Company, except as herein restricted:
	<ol> <li>A customer, who within the last 12 months has not had customer's service disconnected for nonpayment of a bill and has not been liable for disconnection of service for nonpayment of a bill, and the bill is not in dispute, shall be deemed to have established good credit.</li> </ol>
	2) A Company shall not require a deposit or a guarantee of payment based upon income home ownership, residential location, employment tenure, nature of occupation, race color, creed, sex, marital status, age, national origin, or any other criteria which does not bear a reasonable relationship to the assurance of payment or which is not authorized by Minnesota statue.
	3) The Company shall not use any credit reports other than those reflecting the purchase of utility services to determine the adequacy of a customer's credit history without the permission in writing of the customer. Any credit history so used shall be mailed to the customer in order to provide the customer an opportunity to review the data. Refusal of a customer to permit use of a credit rating or credit service other than that of a utility shall not affect the determination by the Company as to that customer's credit history.
	<ol> <li>Qualifying applicants for Lifeline Service may initiate service without paying a deposit of they voluntarily elect to have Toll Blocking on their line. Toll Blocking will be provided at no charge to Lifeline customers.</li> </ol>
B.	Deposit
	1) When required, a customer may assure payment by submitting a deposit. A deposit shall not exceed an estimated two months' gross bill or existing two months' bill where applicable. All deposits shall be in addition to payment of an outstanding bill or a part of such bill as has been resolved to the satisfaction of the Company, except where such bill has been discharged in bankruptcy. The Company shall not require a deposit or a guarantee of payment without explaining in writing why that deposit or guarantee is being required and under what conditions, if any, the deposit will be diminished upon return. The deposit shall be refunded to the customer after 6 consecutive months of prompt payment of all bills to that Company. The Company may, at its option, refund the deposit by direct payment or as a credit on the bill. With notice any deposit of a customer shall be applied by the Company to a bill when the bill has been determined by the Company to be delinquent. The Company shall issue a written receipt of deposit to each customer from whom a deposit is received and shall provide a means whereby a depositor may establish a claim if the receipt is unavailable.

# HALSTAD TELEPHONE COMPANY - CLEC HALSTAD, MN

Mn PUC Book 2 Section 2 Page 11

#### GENERAL REGULATIONS

- 9. CREDIT POLICY (Continued)
  - B. Deposit (Continued)
    - 2) Interest shall be paid on deposits in excess of \$20 at the rate determined by the regulatory authority. Interest on deposits shall be payable from the date of deposit to the date of refund or disconnection. The Company may, as its option, pay the interest at intervals it chooses but at least annually, by direct payment, or as a credit on bills.
    - 3) Upon termination of service, the deposit with accrued interest shall be credited to the final bill and the balance shall be returned with 45 days to the customer.
  - C. Guarantee of Payment
    - 1) The Company may accept, in lieu of deposit, a contract signed by a guarantor satisfactory to the Company whereby payment of a specified sum, not exceeding the deposit requirement is guaranteed. The term of such a contract shall be for no longer than 12 months, but shall automatically terminate after the customer has closed and paid the account with the Company, or at the guarantor's request upon 60 day's written notice to the Company. Upon termination of a guarantee contract or whenever the Company deems same insufficient as to amount or surety, a cash deposit or a new or additional guarantee may be required for good cause upon reasonable written notice to the customer.
    - 2) The Service of any customer who fails to comply with these requirements may be disconnected upon notice as prescribed in Minnesota Rules. The Company shall mail the guarantor copies of all disconnect notices sent to the customer whose account he has guaranteed unless the guarantor waives such notice in writing.

#### 10. CUSTOMER BILLING

- A. Regular bills will be issued periodically (monthly, quarterly). For billing purposes each month is presumed to have thirty days.
- B. Special bills for long distance telecommunications service may be issued at any time when charges are unusually high and the Company is uncertain as to the customer's ability to pay such charges.
- C. Services which are charged for at monthly rates are billed in advance for one month's service.
- D. Services which are charged for at other than monthly rates are billed in arrears, except when payment for messages is made by cash deposit in the coin telephone.
- E. Detail call information, such as the time the call was made, duration and destination may be provided for long distance telecommunications message services billed by the Company.
- F. Retroactive billing adjustments will not be made for a period exceeding two years.

	AD TELEPHONE COMPANY - CLEC AD, MN		Mn PUC Book 2 Section 2 Page 12
		NERAL REGULA	
11. P/	AYMENT FOR SERVICE		
Α.			tes and charges for all services furnished epted at a customer's service location.
В.	Bills are due when rendered and offices or other authorized paymen		t any of the Company's public business
C.	Charges for a message originated deposit in the coin telephone unles		a coin telephone shall be paid by cash for billing have been made.
D.	Non-sufficient Funds or No Account	Checks	
		be made to that	sufficient fund or no account check, a customer to cover the administrative
E.	Customer Complaints and/or Billing	Disputes	
	by telephone to the Company at: Halstad Telephone Compan PO Box 55 345 2 <sup>nd</sup> Ave West Halstad, MN 56548		or accounting may be made in writing or (218) 456-2125
	to Customers' bills shall be ma circumstances exist which reasonal approved rates or that an adjustme subscriber occurs, due either to C	de to the ext bly indicate that ent may otherwi ompany or subs	I promptly to the Company. Adjustments ent that records are available and/or such charges are not in accordance with se be appropriate. Where overbilling of a criber error, no liability exists which will d or other compensation on the amount
		nay file a comp	pany a disagreement remains as to the laint, in writing or by telephone, to the
	Saint Paul, Minnesota 5510	1–2147	(800) 657-3782
12. F/	ALURE TO PAY FOR SERVICE		
Α.	Regular Monthly Bills		
		n or before the	e payment of a regular monthly bill when tenth calendar day following the day the

#### HALSTAD TELEPHONE COMPANY - CLEC HALSTAD, MN

Mn PUC Book 2 Section 2 Page 13

#### GENERAL REGULATIONS

#### 12. FAILURE TO PAY FOR SERVICE (Continued)

- B. Regular Monthly Bills (Continued)
  - 2) When a customer is delinquent in the payment of a regular monthly bill, the Company may disconnect the service not sooner than 5 days after mailing or delivery of written notice of intention to disconnect.

#### C. Special Bills

 A customer is delinquent in the payment of a special bill when the sum due is not paid upon presentation.

#### 13. RESTORAL OF SERVICE

- A. If a customer's service is restored after having been disconnected in accordance with the Tariff and a Company service order to terminate such service has not been completed when such service is restored, the customer will be required to pay Service Charges specified in Section 6 of this Tariff. Monthly service rates will not apply for the period between the disconnection and reconnection.
- B. When a customer's service has been disconnected in accordance with this Tariff and the service has been terminated through the completion of a Company service order, service will be re-established only upon the basis of an application for new service.

#### 14. TELEPHONE NUMBERS

The customer has no proprietary right in a telephone number; and the Company may change the telephone number of a customer whenever, in the conduct of its business, it deems it necessary to do so.

#### 15. DIRECTORIES

The company will furnish to its customers, without charge, its directory as necessary for the efficient use of the service. Copies of other directories may be provided at a nominal charge.

#### 16. OWNERSHIP OF FACILITIES

Facilities furnished by the company remain the property of the Company until transferred or abandoned.

#### 17. ACCESS TO FACILITIES

The customer shall provide employees and agents of the Company access to Company facilities, at all reasonable times.

		Page
	LOCAL EXCHANGE SERVICE	
	RATES	
Exchanges: Crookston, MN & Eas	Grand Forks, MN	
Class of Service	Monthly Rates	
BUSINESS: One Party Trunk Hunting Rate	\$ 19.50 \$ 9.50	
RESIDENCE: One Party	\$ 18.00	
All rates are billed in advance. Pa	ment for service is due when the on statement du	e date.
	Extended Area Service (EAS)	
Exchange	Extended Area Service (EAS) EAS Calling Area includes	
Exchange Crookston MN		
Crookston MN	EAS Calling Area includes Beltrami	
	EAS Calling Area includes Beltrami Fischer Bygland Emerado, ND Fisher Grand Forks ND Manvel, ND Reynolds, ND Thompson, ND	
Crookston MN East Grand Forks, MN	EAS Calling Area includes Beltrami Fischer Bygland Emerado, ND Fisher Grand Forks ND Manvel, ND Reynolds, ND Thompson, ND	
Crookston MN East Grand Forks, MN	EAS Calling Area includes Beltrami Fischer Bygland Emerado, ND Fisher Grand Forks ND Manvel, ND Reynolds, ND Thompson, ND	

HALSTAD TELEPHONE COMPANY - CLEC HALSTAD, MN MNPUC Book 2 Section 5 Page 21

LOCAL EXCHANGE SERVICES

#### INTERCEPT SERVICE

- Intercept Service is a recorded message that identifies on a disconnected number the new number that has been assigned.
- B. In the event of a directory listing error or if the Company initiates a number change after the directory is published, the Company will intercept all calls to the listed number for a reasonable period of time and will provide the correct listing to directory information.
- C. If a customer requests Intercept Service, it will be placed for 60 days. If the customer desires the service be placed on a number for a longer period, a \$1.00 charge per month will apply.

#### LIFELINE AND MINNESOTA TELEPHONE ASSISTANCE PLAN (TAP)

The Lifeline Assistance (Lifeline) program, established by the Federal Communications Commission under 47CFR54, is a means of maintaining and preserving universal service by providing a reduction in the recurring price of basic local residential exchange access service to qualifying low-income residential subscribers.

TAP is a state sponsored assistance program under Minnesota Statutes Chapter 237 and is designed to make telephone service accessible to qualifying low-income residential households. Through this program, eligible households will receive a monthly discount on their telephone service.

- General
  - a. Lifeline is a federally-funded reduction of the Federal End User Common Line Charge and a reduction of local service charges. The Federal Lifeline Credit shall be applied first to reduce the Federal End User Common Line Charge, with any remaining federal credit to be applied to reduce rates for residential service. The state TAP credit shall be applied to further reduce the rates charged for residential services.
  - b. Federal Universal Service Charge (FUSC) will not be billed to Lifeline customers.
  - c. Local service for Lifeline subscribers may not be disconnected for non-payment of toll charges.
    - 1). Toll Restriction Service will be provided to Lifeline subscribers at no charge.
    - Lifeline subscribers are not required to accept Toll Restriction Service as a condition to avoid disconnection of local service for non-payment of toll.
    - Lifeline subscribers are not required to pay a service deposit in order to initiate service if the subscriber voluntarily elects to receive Toll Restriction Service.
  - d. Partial payments from Lifeline subscribers will be applied first to local service charges and then to toll charges.

	FAD TELEPHONE COMPANY - CLEC     MNPUC Book 2 Section 5       FAD, MN     Page 22
	LOCAL EXCHANGE SERVICES
LIFEL	INE AND MINNESOTA TELEPHONE ASSISTANCE PLAN (TAP) (Continued)
2. E	igibility Requirements
a	Lifeline will be provided for one (1) telephone line per household, at the subscriber's principal place of residence, to those individuals who meet the eligibility requirements.
b	The applicant has income at or below 135 percent of the Federal Poverty Guidelines or participates in one of the following programs:
	<ul> <li>Medicaid/Medical Assistance</li> <li>Food Support/Food Stamps</li> <li>Supplemental Security Income</li> <li>Federal Public Housing Assistance or Section 8</li> <li>Low Income Home Energy Assistance Program (LIHEAP)</li> <li>National School Lunch Program's Free Lunch Program</li> <li>Temporary Assistance for Needy Families (Minnesota Family Investment Program, or MFIP)</li> </ul>
	Individuals who do not qualify under any of the above but live on or near a federally recognized reservation may qualify if the applicant receives benefits from at least one of the following programs:
	<ul> <li>Bureau of Indian Affairs General Assistance</li> <li>Tribally Administered Temporary Assistance for Needy Families</li> <li>Head Start (only for those meeting its income qualifying standard)</li> <li>National School Lunch Program's free lunch program</li> </ul>
c.	The applicant signs a document certifying under penalty of perjury that the applicant receives benefits from one of the programs listed and identifying the program or programs from which that consumer receives benefits.
d	The applicant signs a document agreeing to notify the carrier if that consumer ceases to participate in the program or programs. When the company is notified by the customer that the customer no longer participates in one of the above programs, the federal credits to that customer's monthly charges shall cease beginning with the start of the billing cycle beginning in the month after the month in which notification is received.
3. E	igibility Revocation
A	the telephone company discovers that conditions exist that disqualify the recipient of Lifeline ssistance, the support will be discontinued. The customer will be billed retroactively to hichever is the most recent of the dates Lifeline assistance commenced or the recipient no nger qualified for the service not to exceed 12 months.

	LOCAL EXCHANGE SERVICES	
LIF	IFELINE AND MINNESOTA TELEPHONE ASSISTANCE PLAN (TAP) (Continued)	
4.	Eligibility for the State TAP Credit	
	a. The state TAP credit is only available to residential subscribers who meet requirements for the Federal Lifeline Credit in 2 above.	the eligibility
	b. The customer must reside in Minnesota or have moved to Minnesota and i	intend to remain.
5.	Regulations	
	a. The Federal Lifeline and state TAP credit will begin at the customer's earlied cycle but no later than the second billing cycle after the date the application Lifeline and state TAP credit is received by the telephone company.	
	<li>A service charge shall not be billed to establish qualification for either the state TAP credit.</li>	Federal Lifeline or
	c. When a customer enrolls for the state TAP credit, the Company is reimbur of the service order activity by the plan.	sed for the cost
6.	. Funding	
	The Federal Lifeline Credit is funded through the FCC universal service program credit shall be funded through the state Telephone Assistance Plan Surcharge business access lines which pay the 911 surcharge.	
7.	Rates	
	State TAP Surcharge	
	The surcharge rate is the effective rate ordered by the Minnesota Public Utilitie The Company is responsible for billing, collecting and remitting the surcharge	
	government agency.	Monthly Rate
	State TAP Credit	Note 1
	Federal Lifeline Credit	Note 2
Co	ote 1: The State TAP Credit is the effective rate ordered by the Minnesota Public ommission. Information regarding the Credit rate can be accessed at the Minnes ommerce Web site at: <a href="http://mn.gov/commerce/">http://mn.gov/commerce/</a>	
Co	ote 2: The Federal Lifeline Credit is the effective rate ordered by the Federal Co ommission (FCC). Information regarding the Credit rate can be accessed at the F ttp://www.fcc.gov/	