

**STATE OF MINNESOTA  
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger	Chair
Matt Schuerger	Commissioner
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
John Tuma	Commissioner

In the Matter of Telephone Assistance Plan  
Review

MPUC Docket No. P999/CI-16-302

**REPLY COMMENTS OF MINNESOTA CABLE COMMUNICATIONS ASSOCIATION**

The Minnesota Cable Communications Association (MCCA) has reviewed the initial comments of all parties submitted in response to the Commission’s May 25, 2016 *Notice of Comment Period*. There is consensus among the commenting parties on most of the questions raised in the *Notice*. However, some of the initial comments filed by parties necessitate reply.

**1. Minnesota law does not allow Telephone Assistance Plan (TAP) funds to be used to support broadband services.**

With the exception of comments from Citizens Telecommunications Company of Minnesota, LLC/Frontier Communications of Minnesota, Inc. (herein “Frontier”), all parties addressing the issue agree that Minnesota law does not permit TAP funds to be used to support broadband services.<sup>1</sup> Moreover, Frontier’s call for a “fresh reading” of the Minnesota TAP statute is not in accord with Minnesota rules of statutory construction. In Minnesota, a tribunal interpreting a statute must first determine whether a statute, on its face, is ambiguous.<sup>2</sup> Courts construe words and phrases “according to rules of grammar and according to their most natural

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<sup>1</sup> See, *Comments of the Minnesota Department of Commerce*, pp. 3-5, *Initial Comments of the Minnesota Telecom Alliance*, pp. 2-3; *Comments of AT&T Corp.*, p. 3; *Verizon’s Initial Comments*, p. 1-2.

<sup>2</sup> *Kreuger v. Zeman Construction Co.*, 781 N.W.2d 858, 861 (Minn. 2010) (citations omitted).

and obvious usage unless it would be inconsistent with the manifest intent of the legislature."<sup>3</sup> When possible, "no word, phrase, or sentence should be deemed superfluous, void, or insignificant."<sup>4</sup>

MCCA agrees with the comments of the Minnesota Department of Commerce (DOC) and the Minnesota Telephone Alliance (MTA), which cite to the enabling statutes for the TAP, and point out that these statutes consistently and clearly refer to *telephone* service and say nothing about TAP funds supporting broadband services.<sup>5</sup> The legislative intent of the TAP enabling statutes could not be more clear: it is a program designed to support telephone services – and nothing more. The FCC’s policy decision to reform the Lifeline program does not alter the intent of the Minnesota Legislature in enacting a state *telephone assistance* program. To supply the Minnesota TAP enabling statutes with the interpretation advocated by Frontier would be to render the words “telephone assistance” and “local exchange service” meaningless and to read such terms out of the enabling statutes.<sup>6</sup> There is no ambiguity in the TAP statute. It is a program the Minnesota Legislature clearly intended for supporting telephone service. Even if the statute were ambiguous, which it is not, there is no evidence of any legislative intent to support broadband service in the TAP enabling statute. To conclude otherwise would be to contravene the “natural and obvious” language of the TAP statute.

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<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> DOC Comments at 4-5; MTA Comments at 2-3.

<sup>6</sup> *See, e.g.*, Minn. Stat. §237.70, Subd. 1 (“The Commission shall develop a telephone assistance plan under this section.”) and subd. 2 (“The telephone assistance plan must be statewide and apply to local service providers that provide local exchange service in Minnesota.”)

## **2. The Universal Service Administrative Company Has Not Stated that It Will Not Create a Universal Lifeline Application Form.**

The DOC's comments asserted that at its June 8, 2016 Stakeholder Webinar, the Universal Service Administrative Company (USAC) stated that "neither the USAC nor the FCC will create a universal Lifeline application form."<sup>7</sup> However, at the Stakeholder Webinar the USAC said that it would not be creating such a form *by December 1, 2016*.<sup>8</sup> Thus, as suggested in MCCA's initial comments, while the Commission may want to update its TAP application form to conform to the new federal Lifeline subscriber eligibility criteria, the Commission and/or the DOC may want to continue to engage with USAC and the FCC on the transition to the National Verifier eligibility system.<sup>9</sup> And once the National Verifier is operational, the Commission may want to reevaluate whether a Minnesota TAP application form is still necessary.

## **3. Conclusion.**

In the short term, there may be limited and modest changes the Commission can make to the state TAP program to conform subscriber eligibility procedures with new federal Lifeline procedures as outlined in MCCA's initial comments. However, any changes to the fundamental purpose of the TAP would need to be considered by the Minnesota Legislature.

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<sup>7</sup> *DOC Comments*, at p. 3.

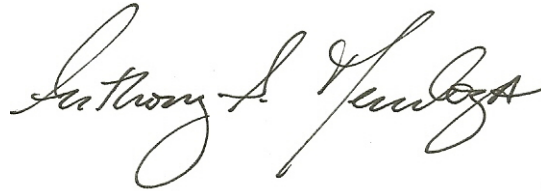
<sup>8</sup> See Appendix A, *Lifeline Program Update*, Slide 28, Universal Service Administrative Company (June 8, 2016).

<sup>9</sup> *MCCA Comments*, pp. 7-9.

Dated: August 8, 2016

Respectfully submitted,

MINNESOTA CABLE COMMUNICATIONS  
ASSOCIATION

A handwritten signature in black ink, reading "Anthony S. Mendoza". The signature is written in a cursive style with a large, looping initial "A".

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## Lifeline Program

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# Lifeline Program Update

Wednesday, June 8, 2016

## Housekeeping

- Audio is available through your computer's speakers
- The audience will remain on mute
- Enter questions at any time using the "Questions" box
  - There is a large audience signed in today. We will accept as many questions as possible!
- If your audio or slides freeze, refresh the webinar

## About the Lifeline Program Webinar

- Discusses general issues with the Lifeline Program, including:
  - Impacts and implementation considerations of the Modernization Order
  - National Lifeline Accountability Database (NLAD)
- Second Wednesday of the month at **3:00 PM EDT**
- Register for each session
- Submit suggested agenda items by noon EDT a week before the webinar to [LifelineProgram@usac.org](mailto:LifelineProgram@usac.org)

## Today's Agenda:

- Snapshot Date
- Port Freeze
- Rolling Recertification
- Changed Eligibility Programs



# Lifeline Program Update

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# Snapshot Date

## Reminder!

- The “Snapshot Date” method of reporting Lifeline subscribers becomes effective with the August 2016 FCC Form 497, claiming September 1st subscribers

# Lifeline Program Update

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# Port Freeze

## Voice

- 60 day port freeze for voice

## Data

- 12 month port freeze for broadband

## Bundle

- Port freeze will be based off of the supported service type (voice or broadband)

Effective the later of December 1, 2016 or 60 days after PRA approval

## Voice Port Freeze: 60 days

**Service Initiation Date:**

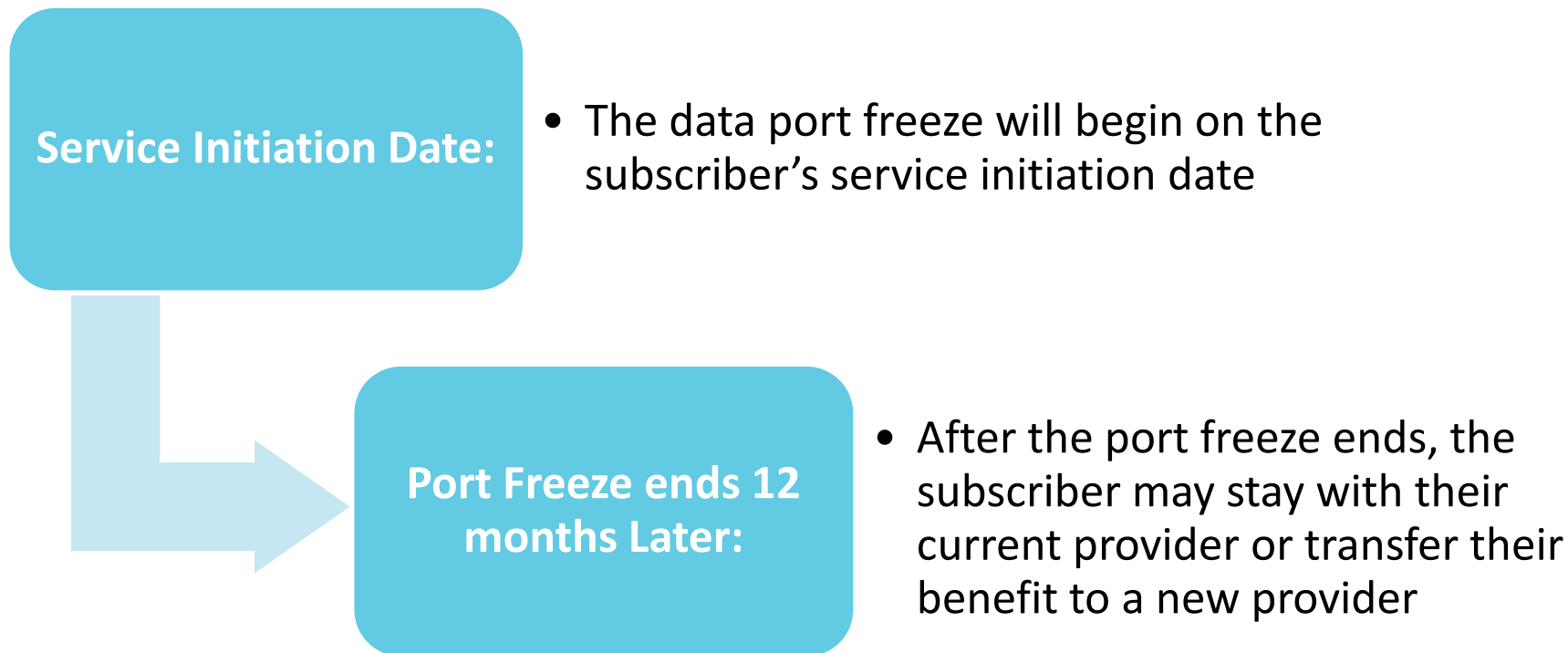
- The voice port freeze will begin on the subscriber's service initiation date



**Port Freeze ends 60 Days Later:**

- After the port freeze ends the subscriber may stay with their current provider or transfer their benefit to a new provider

## Broadband Port Freeze: 12 months



## Transfer of Benefit

Within the port freeze, a subscriber may transfer the Lifeline benefit to a different qualifying Lifeline service plan offered by the same provider

January  
1st

- Service initiated for a **Lifeline-supported broadband plan**
- 12 month data port freeze begins (January 1 – December 31)

June 1st

- Subscriber switches to **Lifeline-supported voice plan** with same provider
- 12 month data port freeze ends and **60 day voice port freeze begins**

August  
1st

- End of the 60 day voice port freeze

## Exceptions to Port Freeze Rules:

1

- Subscriber moves their residential address

2

- The provider ceases operations or otherwise fails to provide service

3

- Provider has imposed late fees for non-payment greater than or equal to the monthly end-user charge for the supported service

4

- Provider is found to be in violation of the Commission's rules during the 12 month period and the subscriber is impacted by such violation



## USAC Process Changes Under Consideration

- Utilize Existing Fields in NLAD
  - Service Initiation Date
  - Re-verification Date
- Port Freeze Exception Process (Benefit Transfers)
  - Similar to dispute resolution process today
- De-enrollment/Re-enrollment Controls

# Questions?

Please enter your questions using the  
“Questions” box

# Lifeline Program Update

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# Rolling Recertification

# Rolling Recertification

## 2016 Recertification

- Conducted in accordance with **current** Lifeline practices
- Based on February 2016 FCC Form 497 snapshot
- Based on existing eligibility programs
- Completed by **December 31, 2016**

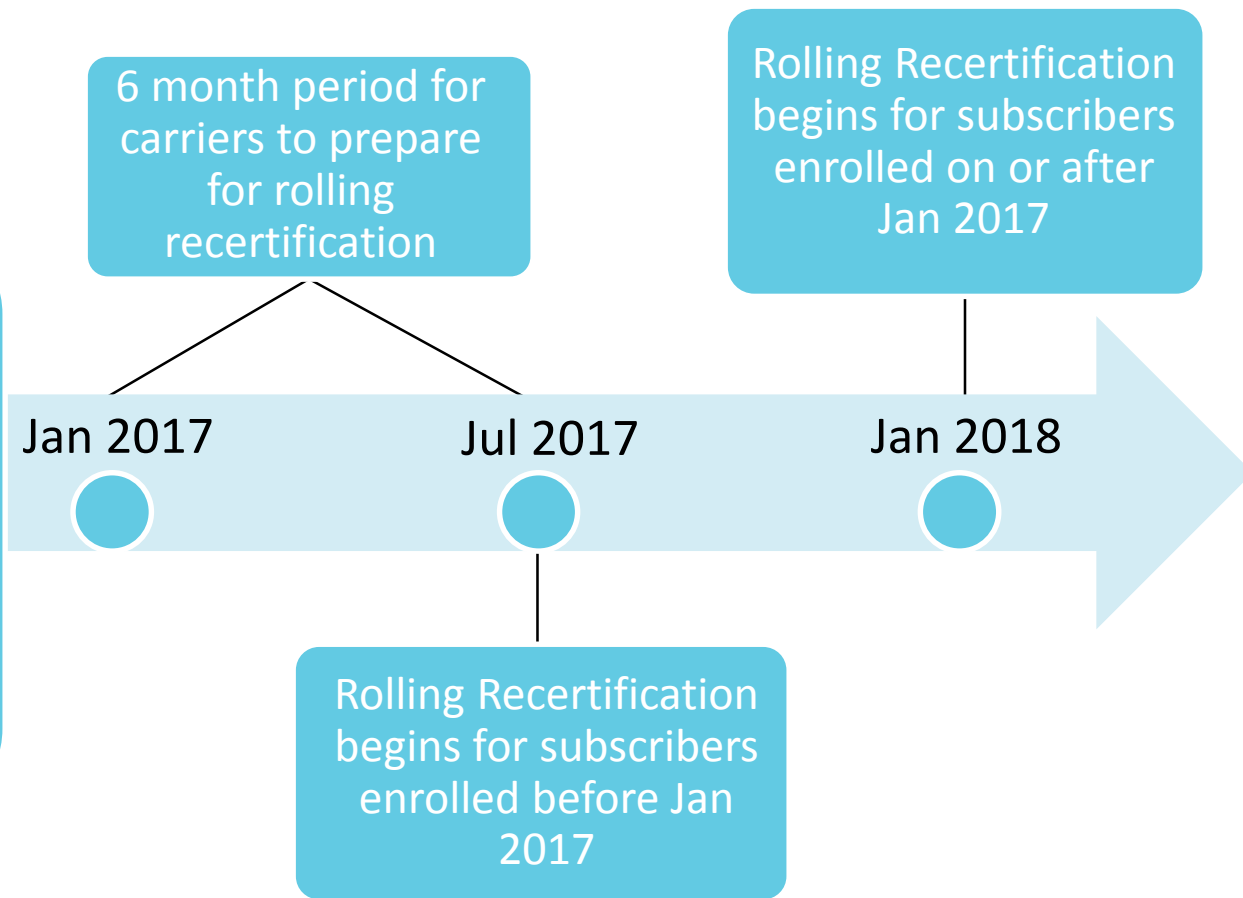
**There are no changes to the USAC-elected recertification process.  
The FCC Form 555 is still due on January 31, 2017**

# Rolling Recertification

## 2017-2018 Recertification

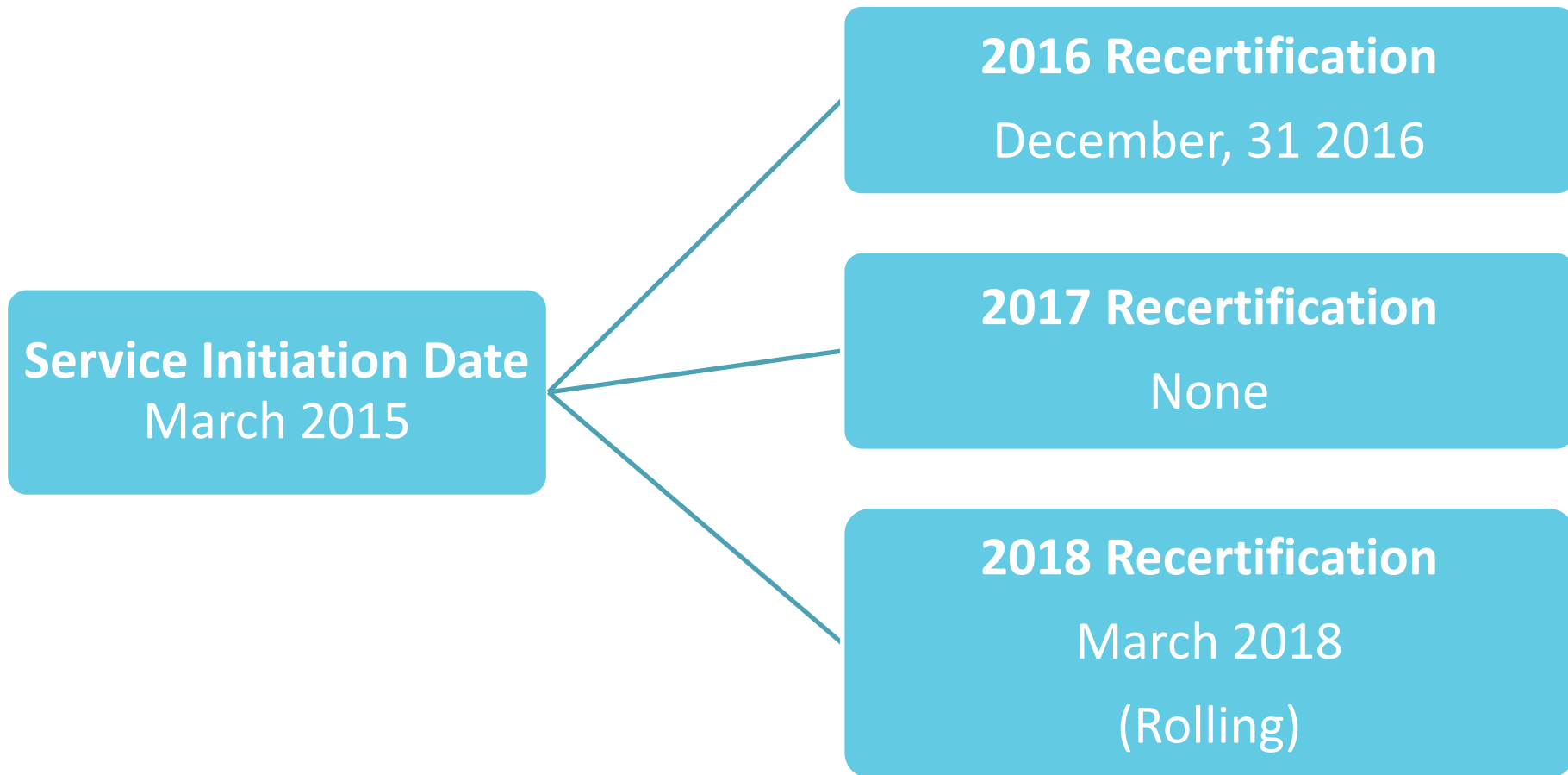
### Rolling Recertification

- Based on service initiation date
- Based on new programs
- 60-day response window
- Database query before self-certification



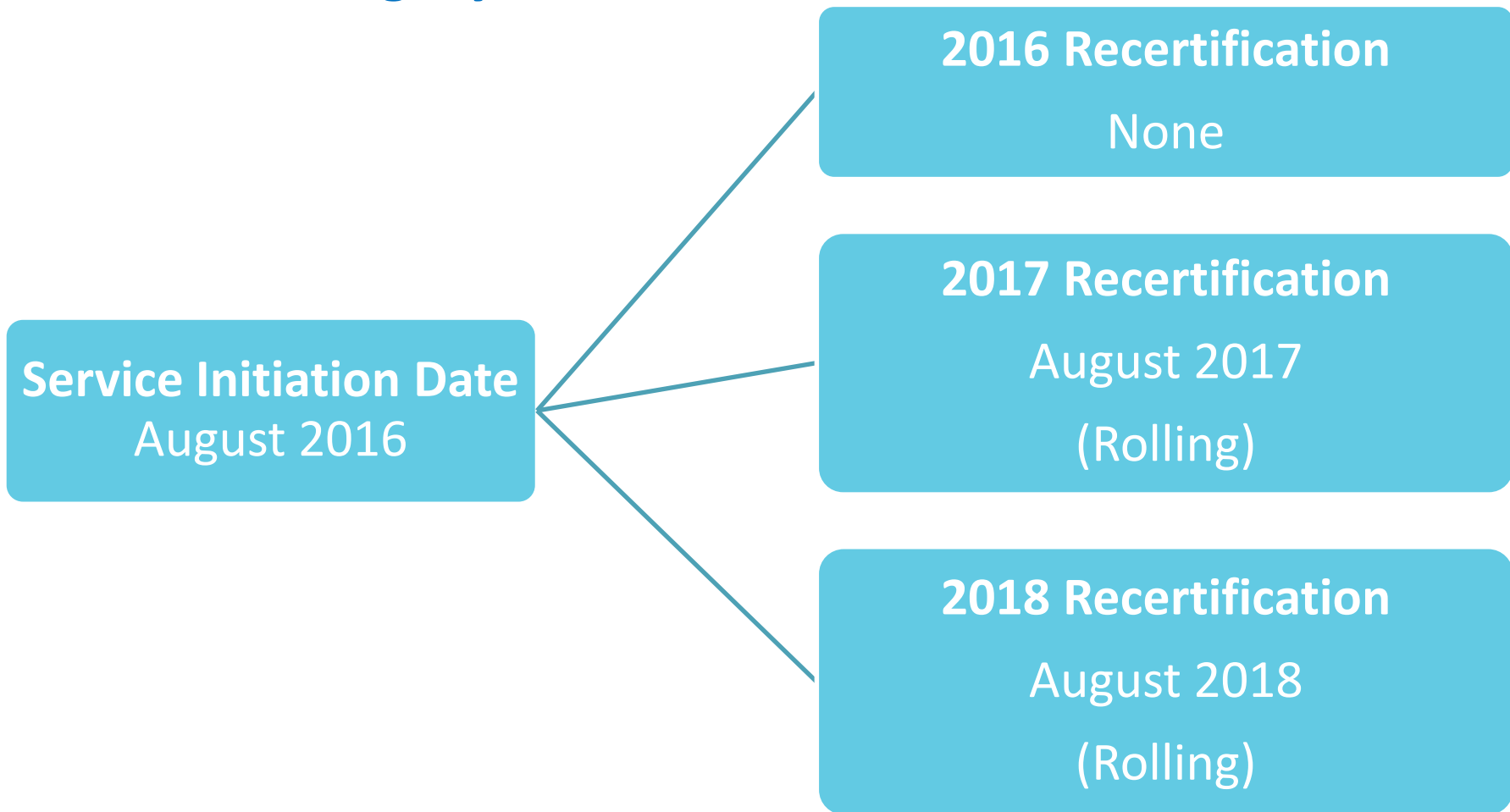
# Rolling Recertification

## Scenario 1: Legacy Subscriber



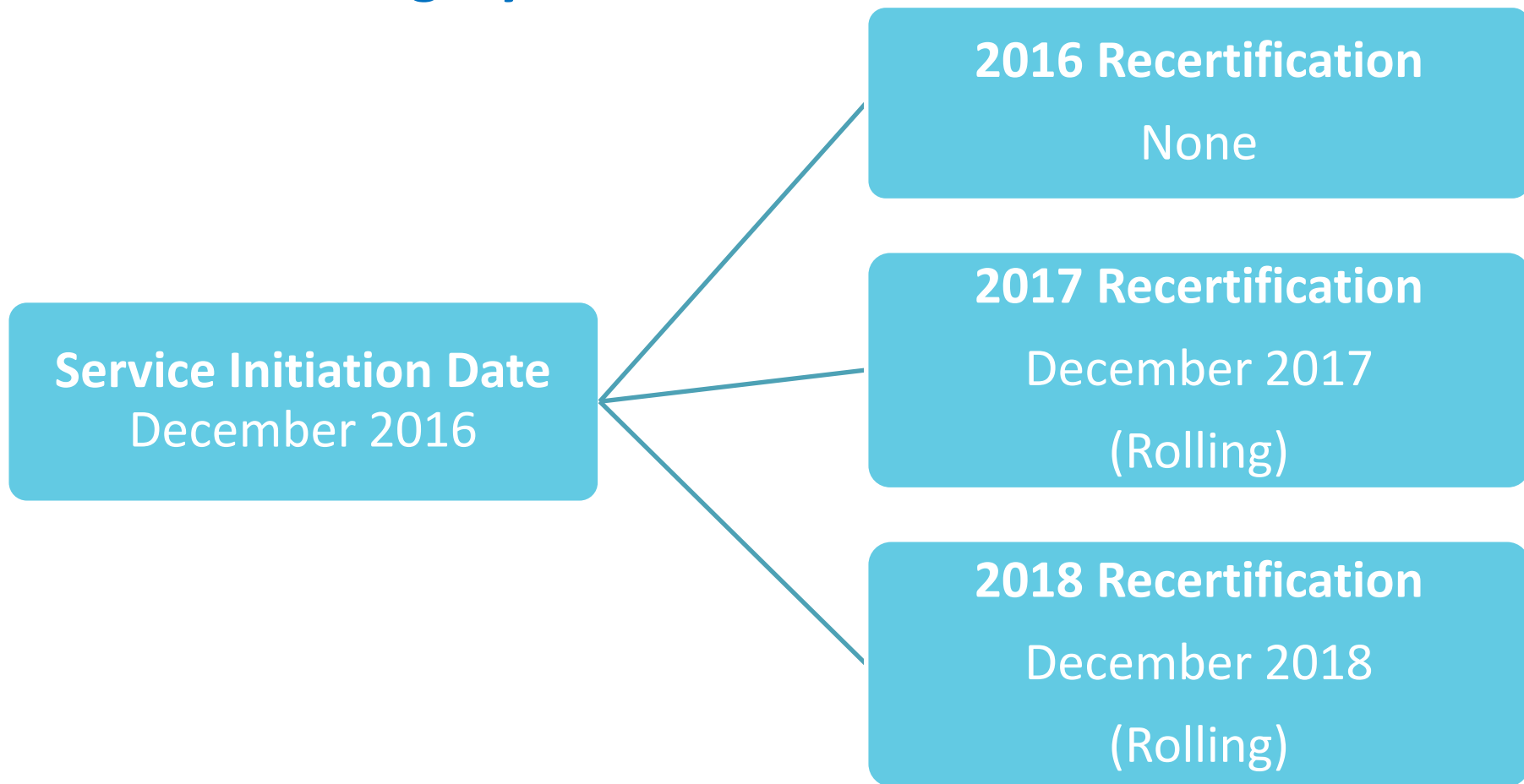
# Rolling Recertification

## Scenario 2: Legacy Subscriber



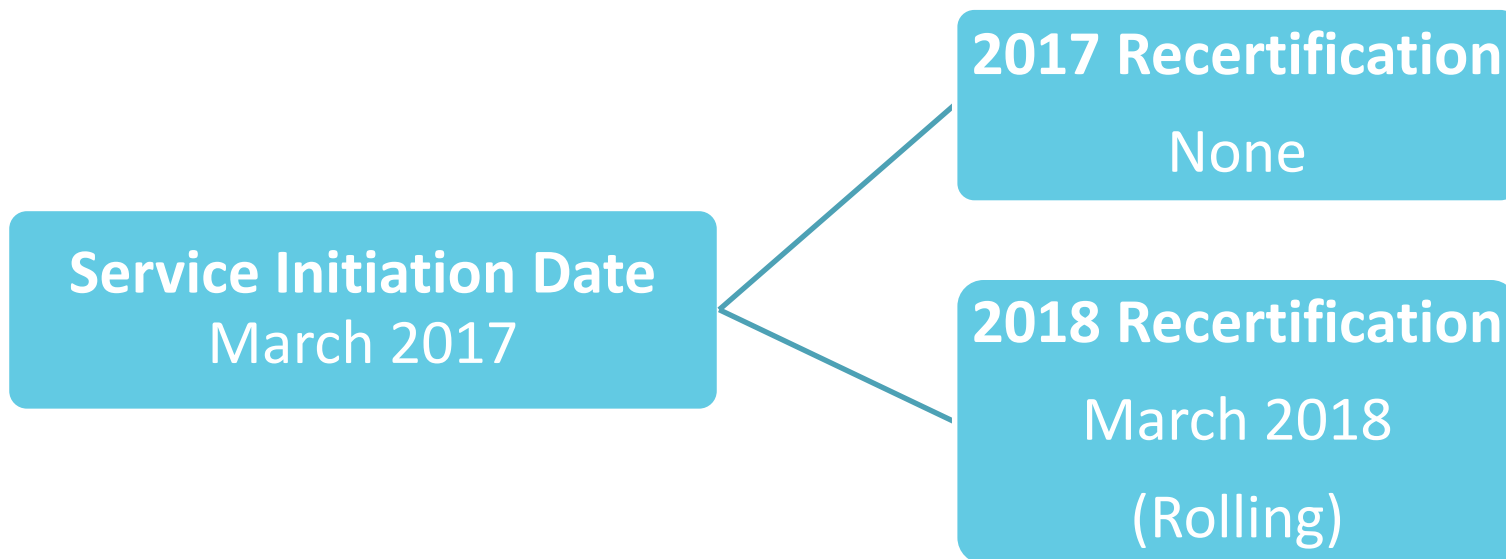
# Rolling Recertification

## Scenario 3: Legacy Subscriber





## Scenario 4: Newly Enrolled Subscriber



## USAC-elected Recertification

- There will be changes to USAC's recertification process
- Changes that are currently under consideration include:
  - Carrier election frequency (annual, rolling)
  - Collection of subscriber data (manual, NLAD)
  - Recertification timeframe – 60 day response window
  - NLAD report based on service initiation date

# Questions?

Please enter your questions using the  
“Questions” box

# Lifeline Program Update

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## **Changed Eligibility Programs**

# Changed Eligibility Programs

Nature of Change	Criteria Affected
Retained	SNAP, SSI, Medicaid, Federal Housing Assistance  Tribal Programs: Tribal TANF, Bureau of Indian Affairs General Assistance, Food Distribution Program on Indian Reservations, Head start
Removed	NSLP, TANF, LIHEAP, state identified programs
Added	Veterans Pension and Survivors Benefit Programs
Changed	States may not increase the income threshold of 135% of federal poverty level, as they could previously  Income is now equal to IRS gross revenue

# Changed Eligibility Programs

## Effective Dates of Change

- New Subscribers: Subject to changed eligibility programs on the later of December 1, 2016 or 60 days after PRA approval
  - Enrollments in the meantime may use current programs
  - It is advisable to inform consumers of the pending change, and where they participate in multiple programs, encourage them to use one that will remain

# Changed Eligibility Programs

## Effective Dates of Change

- Existing Subscribers: Subject to changed eligibility programs on their first rolling recertification date
  - No existing subscriber should be de-enrolled due to changed eligibility programs before their first rolling recertification date
  - Details on the process for transitioning existing subscribers during the rolling recertification process still need to be developed

# Changed Eligibility Programs

## Implementation Considerations

- State databases relied upon for enrollment or recertification will need to be updated accordingly.
  - 2016 re-certifications require current programs; enrollments beginning December 1, 2016 require new programs
  - Some states have concerns meeting this deadline
- Certification and recertification forms will need to be updated accordingly
  - Universal forms will not be created by USAC or the FCC by December 1st



# Questions?

Please enter your questions using the  
“Questions” box

## Thank You!

- Thank you for joining us at today's webinar
  - Submit agenda items for next month's webinar to [LifelineProgram@usac.org](mailto:LifelineProgram@usac.org)
- Sign up for the Lifeline Program emails for updates and upcoming events
  - Go to [www.usac.org](http://www.usac.org) and click “subscribe” in the upper-right corner
- For questions about NLAD, email [NLADsupport@usac.org](mailto:NLADsupport@usac.org) or call (877) 524-1325

## **CERTIFICATE OF SERVICE**

I, Valerie Mendoza, on behalf of the Minnesota Cable Communications Association, hereby certify that I have this day, served copies of Reply Comments for the TAP Review Docket P999/CI-16-302 on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota:

### **REPLY COMMENTS OF MINNESOTA CABLE COMMUNICATIONS ASSOCIATION**

Dated this 8th day of August 2016.

/s/Valerie Mendoza, Paralegal

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