Thomas Burns 651.621.8322 - Direct 651.621.8323 - Facsimile tgburns@otcpas.com



Depend on Our People. Count on Our Advice.<sup>SM</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 Garden Valley 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 Garden Valley Telephone Company ("GVTC").

Sincerely,

/s/ Thomas G. Burns

Thomas G. Burns Consultant on behalf of Garden Valley Telephone Company

## STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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

In the Matter of the Petition of Garden Valley

Telephone Company for Designation as an Eligible

Telecommunications Carrier

MPUC Docket No.:\_\_\_\_\_\_

### **ORIGINAL FILING**

Garden Valley Telephone Company ("GVTC") 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 1 One 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: Garden Valley Telephone Company

201 Ross Ave. PO Box 259

Erskine, MN 56535

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 Garden Valley Telephone Company

# STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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

In the Matter of the Petition of Garden Valley MPUC Docket No.:\_\_\_\_\_

Telephone Company for Designation as an Eligible

**Telecommunications Carrier** 

### **SUMMARY OF FILING**

Garden Valley Telephone Company ("GVTC") 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 Chair
Dan Lipschultz Vice Chair
Matt Schuerger Commissioner
John Tuma Commissioner
Katie Siebin Commissioner

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

# PETITION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

Garden Valley 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, GVTC states as follows:

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

Garden Valley Telephone Company 201 Ross Ave. PO Box 259 Erskine, MN 56535

- B. The name and title of the officer or representative of GVTC authorizing this petition is Tim Brinkman, 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 GVTC requests designation as an ETC is the following Minnesota Exchanges: Thief River Falls and Mahnomen where CenturyLink QC is the ILEC.

A map of the Proposed Service Area is attached as Exhibit 1.

- 2. GVTC believes of CenturyLink QC is not a rural carrier as defined under 47 USC § 153(44).
- E. GVTC'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:

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

- 1. <u>GVTC's Regulatory Authority</u> The Commission originally granted GVTC authority to provide local exchange service in the Proposed Service area in 2017 under Docket No: P409/SA-17-175.
- 2. GVTC's Facilities and Commitment to Serve GVTC will provide broadband and voice telephone over its fiber-optic facilities. GVTC is committed to provide service to all customers making a reasonable request for service. GVTC certifies that it will: (a) provide service on a timely basis to requesting customers within the Service Area where GVTC'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 GVTC's current network facilities, if service can be provided at reasonable cost by constructing network facilities.
- 3. <u>GVTC's Basic Universal Service Offering</u> GVTC will provide voice telephony in the Service Area. The services GVTC offers meet the Basic Local Service requirements under <u>Minn. Rule 7812.0600</u>. GVTC has the ability and the intention to provide the voice telephony services required by 47 CFR § 54.101(a)<sup>1</sup>:
  - 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. GVTC'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 GVTC's tariff are attached as Exhibit 2. GVTC is committed to providing the supported services throughout the Service Area to customers who make a request for such services. The

<sup>&</sup>lt;sup>1</sup> FCC Connect America Order 11-161 rel. November 18, 2011 at ¶ 76-81 discusses the changes to 47 CFR §

<sup>&</sup>lt;u>51.101</u> and the required voice service offerings

<sup>&</sup>lt;sup>2</sup>GVTC Local Exchange Tariff Section 5 page 6

<sup>&</sup>lt;sup>3</sup> GVTC Local Exchange Tariff Section 5, pages 6-8

<sup>&</sup>lt;sup>4</sup> GVTC Local Exchange Tariff Section 5, pages 6-8

local usage plans offered are comparable to those offered by the incumbent local exchange carriers. GVTC'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. GVTC's Advertising Plan GVTC currently advertises its services through several different channels of general distribution, including newspaper, and direct mail. GVTC 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 GVTC's web site: <a href="https://www.gvtel.com/">https://www.gvtel.com/</a>. The service offering will also be published at least annually in the local newspaper, and will be posted at the GVTC office in Erskine, MN.
- 5. GVTC's 5-Year Plan for Use of Universal Service Support Under the FCC's updated portability rules, GVTC will receive no federal high cost support for the Service Area. GVTC would receive Lifeline support to the extent it serves customers eligible for that program. GVTC would also be eligible to participate in FCC reverse auctions going forward.
- 6. <u>GVTC's Ability to Remain Functional in Emergency Situations</u>. GVTC's network will remain functional in emergency situations:

Commercial power outage: The central office serving GVTC'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.

GVTC 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. GVTC's Satisfaction of Consumer Protection and Service Quality Standards GVTC, is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection. GVTC'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> GVTC Local Exchange Tariff, Section 3, pages 6-7

<sup>&</sup>lt;sup>6</sup> GVTC Local Exchange Tariff, Section 3, page 11

<sup>&</sup>lt;sup>7</sup> GVTC Local Exchange Tariff, Section 3, page 11

<sup>&</sup>lt;sup>8</sup> GVTC Local Exchange Tariff, Section 3, page 17

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

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

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

- 9. <u>Public Interest</u> Designation of GVTC 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 GVTC's service offering.
- 10. <u>Superior Service Offering</u> GVTC believes its service offerings are superior to that received by the ILECs' customers in the Service Area. GVTC 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.
  - GVTC 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.
- 11. <u>Affordability</u> The local exchange services offered to GVTC's customers for universal service offerings are within the range of the ILEC's tariffed rates in the Service Area. GVTC's basic service offerings rates are identified in its Local Exchange Services<sup>9</sup> tariff.

	CL	QC	G	VTC
Service	MRC	EAS	MRC	EAS
Residence	\$15.96		\$20.00	N/A
Mahnomen		\$0.28		
Thief River Falls		\$0.62		
Business	\$34.61		\$20.00	N/A
Mahnomen		\$0.69		
Thief River Falls		\$1.42		

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

12. <u>Commitment to Service Quality</u> - As noted in Paragraph E.7 above, GVTC is a certified CLEC in Minnesota is subject to, and complies with, the Commission's Rules pertaining to service quality and consumer protection.

-

<sup>&</sup>lt;sup>9</sup> GVTC Local Exchange Tariff, Section 2, pages 25-26

13. <u>No Negative Impact on Universal Service Fund</u> - As noted in Paragraph E.5 above, GVTC would not receive federal high cost USF.

### **ETC CERTIFICATION**

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

### **CONCLUSION**

16. GVTC 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 47 USC § 214(e), the Commission should designate GVTC 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 GVTC's Petition is approved and it is designated as an ETC.

Wherefore, GVTC respectfully requests that the Commission:

- A. Designate Garden Valley 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, Tim Brinkman, General Manager of Garden Valley 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,

Garden Valley Telephone Company

By:

Tim Brinkman General Manager

Subscribed and sworn to before me this <u>lst</u> day of <u>December</u>, 2017.

Notary Public

LORI F. HOLE

NOTARY PUBLIC — MINNESOTA

My Commission Expires JAN. 31, 2020

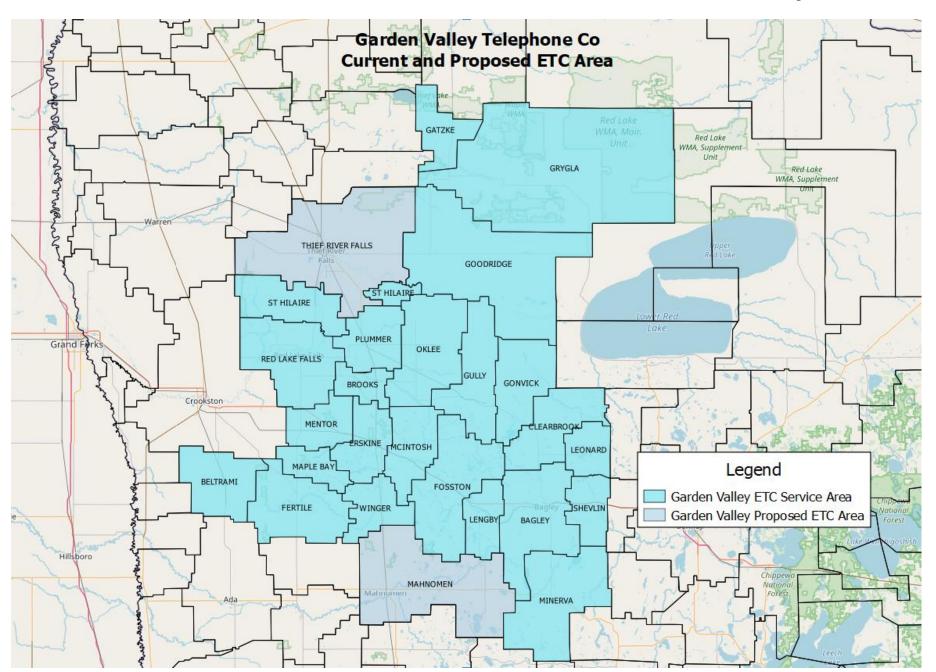
### AFFIDAVIT OF SERVICE

In the Matter of the Petition of Garden Valley	MPUC Docket No.:	
Telephone 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 Garden Valley 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 the Attorney General	Jason Topp (eFile) CenturyLink
	Tim Brinkman (efile) Garden Valley Telephone Company

Exhibit 1 Proposed ETC Service Area



### 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

	TARIFF	Section 2 Page 2	2 5
	LOCAL EXCHANGE		
	MAHNOMEN	Monthly	<u>(N</u>
		Rate	
A.	One-party local access line		
	Residence Business		
B.	Does not include State and Federal taxes.		
C.	Extended Area Service to:		
	1. Beaulieu		
	2. Bejou		
	3. Naytawaush		
	4. Waubun		
			'
	Garden Valley Telephone Company – Erskine	e, Minnesota 56535	
		Effective Da	ate: 10-2-

	TARIFF  LOCAL EXCHANGE		2 26
	THIEF RIVER FALLS	Monthly Rate	(N)
B.	One-party local access line		
	Residence		
B.	Does not include State and Federal taxes.		
C.	Extended Area Service to:		
	1. Goodridge		
	2. Hazel		
	3. Holt		
	4. Middle River		
	5. Newfolden		
	6. Plummer		
	7. Rosewood		
	8. St Hilaire		
	9. Viking		
			ı
	Garden Valley Telephone Company – Erski	ne, Minnesota 56535	
			ate: <u>10-2-17</u>

TARIFF		
	Section	3
	Page	6
GENERAL RULES	Original	

### DEPOSITS

### Deposit and Guarantee Requirements

The Company may require a deposit or guarantee of payment from any customer or 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:

- A customer, who within the last 12 months has not had his 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.
- 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 this chapter.
- 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 Company shall not affect the determination by the Company as to that customer's credit history.
- Qualifying applicants for Lifeline Service may initiate service without paying a
  deposit if they voluntarily elect to have Toll Blocking on their line. Toll
  Blocking will be provided at no charge to Lifeline customers.

#### B. Deposit

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.

- CONTINUED -

Garden Valley Telephone Company - Erskine, Minnesota 56535

TARIFF		
	Section Page	3 7
GENERAL RULES	Original	

### DEPOSITS --Continued--

A 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 12 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. Each 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.

Interest shall be paid on deposits in excess of \$20 at the rate set by the Commissioner of the Department of Commerce as required by Minnesota Statute 325E.02. The interest rate may be found on the Department of Commerce website at <a href="www.commerce.state.mn.us">www.commerce.state.mn.us</a>. Interest on deposits shall be payable from the date of deposit to the date of refund or disconnection. The Company may, at its option, pay the interest at intervals it chooses but at least annually, by direct payment, or as a credit on bills.

Upon termination of service, the deposit with accrued interest shall be credited to the final bill and the balance shall be returned within 45 days to the customer.

### C. Guarantee of Payment

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 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 days' 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.

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.

Garden Valley Telephone Company - Erskine, Minnesota 56535

Original

# TARIFF Section 3 Page 11

### **GENERAL RULES**

### SUBSCRIBER BILLING

- A. The subscriber is responsible for all charges in conjunction with the services furnished him including collect toll messages which have been accepted at the subscriber's telephone.
- B. Monthly recurring charges are billed in advance and toll charges are billed in arrears. Special billing arrangements may be established for services provided to governmental agencies.
- C. Bills are due when rendered unless otherwise specified on the bill and may be paid at the business office of the Company in Erskine or by mail.
- Retroactive billing adjustments (credits) will not be made for a period exceeding three years.
- For billing purposes, each month is presumed to have thirty days.
- F. For termination of service for non-payment, see "Termination of Service by Company."
- G. In the event a billing dispute is not resolved, the Company will follow applicable Public Utilities Commission rules for review and disposition of the matter.

Garden Valley Telephone Company - Erskine, Minnesota 56535

TARIFF			
	Section	3	
	Page	17	
GENERAL RULES	Revision	1	

### TERMINATION OF SERVICE BY COMPANY

- A. The Company may refuse to furnish, or may terminate the service and remove its equipment under the following circumstances:
  - 1. Unauthorized attachment of equipment see "Provision of Equipment."
  - Unlawful purposes see "Use of Service for Unlawful Purposes."
  - 3. Abuse or fraud see "Abuse or Fraudulent Use of Service."
  - 4. Violation of any of the regulations governing the furnishing of service.
- B. The Company may terminate service for non-payment of local exchange service charges including any FCC-approved end user charges, as follows:
  - Payment of telephone bills are due in the Erskine office as stated in "Subscriber Billing" within twenty days after the date of the bill.
  - If full payment is not received in the Erskine office, a subscriber's telephone service shall become subject to disconnect procedures as follows:
    - a. The subscriber is given notice all bills with delinquent amounts are mailed out under a certificate of mailing and have a final notice included informing them of the date by which payment must be made to avoid disconnect.
    - b. Service is terminated without further notice if the full amount of the arrears portion of the bill is not received as stated above, and is not contingent upon reaching the subscriber by telephone.
- C. Receipt of a non-sufficient funds (NSF) check is not considered as payment of an account. The account is considered delinquent and is still subject to disconnect procedures as stated in this section of the Tariff.
  - A \$25.00 handling charge will be added to all subscriber accounts who pay with a NSF check.
- D. If service has been terminated because of the above regulations for non-payment, the entire local exchange service portion of the bill must be paid before service will be reinstated. Upon reinstatement a security deposit may be required, see "Deposits." For the charges for reconnection, see "Reconnection After Disconnection for Non-Payment."

Garden Valley Telephone Company - Erskine, Minnesota 56535

TARIFF			
	Section	5	
	Page	6	
SPECIAL SERVICES	Revision	3	

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

### Definition

Lifeline is the local service offering that is available to low income consumers, for which such consumers pay reduced charges as a result of the federal support described in 47 C.F.R. § 54.403 and Sections 6 and the Funding and Rates sections below, and that includes the services required to be provided for federal universal service support eligibility under 47 C.F.R. § 54.101. The Telephone Assistance Plan (TAP) provides for additional state credits against the recurring monthly rates for the provision of local residential service for eligible residential subscribers.

Garden Valley Telephone Association offers both Lifeline Assistance and Minnesota Telephone Assistance Plan in both its ILEC and CLEC service areas.

(N)

### Eligibility for the Federal Lifeline Credit

- A. To qualify for the Federal Lifeline Credit, the customer must have income below 135% of the Federal Poverty Guidelines or must be currently eligible for:
  - Medicaid/Medical Assistance

(T)

- Supplemental Nutrition Assistance Plan (SNAP)
- · Supplemental Security Income (SSI)
- Federal Housing Assistance (FPHA)
- Veterans Pension Benefit and Survivors Pension
- B. Eligibility will be established by the Company obtaining from a customer a document signed by the customer certifying under penalty of perjury that the customer receives benefits from one of the above programs and identifying the program or programs from which the customer receives benefits. On the same document, a qualifying low-income customer must also agree to notify the Company if the customer ceases to participate in the program or programs.
- C. When the Company is notified by the customer that the customer no longer participates in such a program, 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.
- D. Qualifying applicants for Lifeline may initiate service without their paying a deposit if they voluntarily elect to have toll blocking on their line. Toll blocking will be provided at no charge to Lifeline customers.

-- CONTINUED--

Garden Valley Telephone Company - Erskine, Minnesota 56535

# TARIFF Section 5 Page 7 SPECIAL SERVICES Revision 3

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

### Eligibility for the State TAP Credit

 Customers eligible for the Federal Lifeline Credit are automatically eligible for the state TAP credit.

### Application of the Federal Lifeline and State TAP Credits

A. <u>Customers Eligible for Lifeline and State TAP Credit</u> - These customers are eligible for a Lifeline credit of \$9.25 and a state TAP credit of up to \$3.50. 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 meeting the qualifications of 47 C.F.R. Section 54.101. The state TAP credit shall be applied to further reduce the rates charged for residential General Services. The state TAP credit can not exceed one-half the weighted average basic local service rate excluding the federal End-User Common Line Charge.

### Regulations

- A. The federal Lifeline and state TAP credit will begin at the customer's earliest possible billing cycle but no later than the second billing cycle after the date the application for the federal Lifeline and state TAP credit is received by the telephone company.
- A Service Charge shall not be billed to establish qualification for either the federal Lifeline or state TAP credit.
- When a customer enrolls for the state TAP credit, the Company is reimbursed for the cost of the service order activity.

### Funding

A. The federal Lifeline credit is funded through the FCC universal service program. The state TAP credit shall be funded through the state Telephone Assistance Plan Surcharge on residence and business access lines which pay the 911 surcharge.

--CONTINUED--

Garden Valley Telephone Company - Erskine, Minnesota 56535

TARIFF		
	Section	5
	Page	8
SPECIAL SERVICES	Revision	2

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

### Rates

A. The surcharge rate is the effective rate ordered by the Minnesota Public Utilities Commission. The company is responsible for billing, collecting and remitting the surcharge to appropriate government agency.

### Tribal Lifeline - Tribal Lands Support Reduction

- A. Additional Federal Lifeline support of up to \$25.00 is available for residents of Tribal Lands. Tribal Lands are defined as lands adjacent or contiguous to reservations that generally have been considered tribal lands for purposes of other federal programs targeted to federally recognized Indian tribes.
- B. Residents of Tribal Lands who qualify for Lifeline based on the requirements listed previously are eligible for the additional Tribal Lands Support Reduction. Residents of Tribal Lands who do not meet those requirements are eligible for the Tribal Lands Support Reductions if they participate in one of the following programs:
  - Bureau of Indian Affairs General Assistance
  - Tribally administered Temporary Assistance for Needy Families
  - Head Start (only those meeting its income qualifying standard)
  - Tribal National School Free Lunch Program
- C. The following applies for those eligible residents of Tribal Lands who qualify only for the Tribal Lands Support Reductions. The Company must obtain the customer's signature on a document in which the eligible customer certifies, under penalty of perjury, that such customer receives benefits from at least one of the programs mention in "B" and lives on or near a reservation. In addition to identifying the program or programs from which that customer receives benefits, the customer must also agree to notify the Company if that customer ceases to participate in the qualifying program or programs.
- D. The Tribal Lands Support Reduction applies to the one-party local residential rate, including any mileage, zonal, or other nondiscretionary charges associated with basic residential service.

Garden Valley Telephone Company - Erskine, Minnesota 56535