ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE DESIGNATION OF ELIGIBLE TELECOMMUNICATIONS CARRIERS BY THE INDIANA UTILITY REGULATORY COMMISSION PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996 AND RELATED FCC ORDERS, AND IN PARTICULAR, THE APPLICATION OF SOUTHEASTERN INDIANA RURAL TELEPHONE COOPERATIVE TO BE SO DESIGNATED.	)	CAUSE NO. 41052-ETC-22 APPROVED: DEC 16 1997

BY THE COMMISSION:
G. Richard Klein, Commissioner
Gregory S. Colton, Administrative Law Judge

On November 17, 1997, Southeastern Indiana Rural Telephone Cooperative filed its Verified Application with the Indiana Utility Regulatory Commission ("Commission") requesting designation as an "eligible telecommunications carrier" ("ETC") as set forth and defined in 47 U.S.C. 214(e) and the Federal Communications Commission's First Report and Order, CC Docket No. 96-45 (FCC 97-157) released May 8, 1997, for the areas described in the Verified Application, to enable Applicant to receive universal service support under 47 U.S.C. 254.

Pursuant to notice duly given as provided for by law, this matter was set for public hearing, and was heard, at 9:00 a.m. EST, on Monday, November 24, 1997, in Room E-306 of the Indiana Government Center South, Indianapolis, Indiana 46204. Participating at the hearing were the Applicant, the Office of Utility Consumer Counselor ("OUCC") and Intervenor Intelenet Commission.

The Commission having examined all of the evidence of record and being duly advised in the premises now finds:

1. **Notice and Jurisdiction**. Proper, legal, and timely notice of the hearing in this Cause was given and published by the Commission as provided for by law. The proofs of publication of the notice of the hearing have been incorporated into the official files of the Commission. Pursuant to the Telecommunications Act of 1996[1], and 47 C.F.R. 54.201 and 47 C.F.R. 54.203 of the FCC's Rules, this Commission is authorized to designate ETCs, thereby enabling those so designated to receive universal service support

[1] *See*, 47 U.S.C. 214(e)(2)

under 47 U.S.C. 254. The Commission has jurisdiction over the parties and the subject matter of this Cause.

2. **Applicant's Characteristics**. Applicant is a "public utility" as that term is defined and set forth in the Public Service Commission Act, as amended. It is rendering telecommunication services to its customers and the general public in its service territory as more fully described in its Verified Application.

3. **Relief Requested**. Applicant requests that the Commission designate Applicant an "eligible telecommunications carrier" so that Applicant may receive universal service funds pursuant to 47 U.S.C. 254. Applicant is requesting designation as an ETC for its entire service area.

4. **Requirements for Designation**. Each ETC is required by FCC Rule 54.101(b) to offer the following nine universal services, which are described more fully in Rule 54.101(a):

(1) Voice grade access to the public switched network
(2) Local usage
(3) Dual tone multi-frequency signaling or an equivalent
(4) Single-party service or its functional equivalent
(5) Access to emergency services
(6) Access to operator services
(7) Access to interexchange service
(8) Access to directory assistance
(9) Toll limitation for qualifying low-income customers

Pursuant to FCC Rule 54.101(c), this Commission may grant a waiver of the requirement to offer single-party service, access to 911/E-911, and toll limitation, under certain circumstances. In addition to offering the above nine universal services, ETCs are required by FCC Rules 54.405 and 54.411 to offer qualifying low-income customers both the Lifeline and Link Up programs. Finally, FCC Rule 54.201(d)(2) requires ETCs to publicize the availability of the nine universal services and the Lifeline and Link Up programs.

In addition to meeting the above FCC requirements, applicants must also meet requirements set forth in the Commission's Preliminary Order issued in this Cause on November 6, 1997. That Order requires each applicant to complete the Verified Application Form attached to the Order as Attachment A. Applicants are also required to submit maps to indicate those areas for which ETC designation is sought. With regard to the Lifeline and Link Up programs, applicants are required to file a proposed Lifeline/Link Up tariff. Because it is a requirement of the Lifeline program, applicants must also verify that the net amount actually paid by

qualifying low-income customers for local telephone service will be reduced by $1.75 per month. Finally, if an applicant requests a waiver of any of the three waivable functionalities described above, the applicant is required to provide justification for its request.

5. **Evidence Presented**.

Nine Universal Services. Applicant's Verified Application, which we incorporate by reference, verifies that Applicant is already providing, and will continue to offer, eight of the nine universal services required by FCC Rule 54.101(b). The one service Applicant is unable to offer is toll control, and Applicant has requested that the Commission waive this requirement. We will address Applicant's request for a waiver below.

Lifeline/Link Up. Applicant has verified that it will provide the Lifeline and Link Up programs to qualifying low-income customers, as required by FCC Rules 54.405 and 54.411.

In our Preliminary Order issued in this Cause on November 6, 1997 we stated, "This Commission will not approve an ETC application until the related Lifeline/Link Up tariffs are also approved." Concurrent with its Verified Application, Applicant filed its concurrence with the IURC Tariff No. T-7 Lifeline/Linkup Tariff. The Commission's Telecommunications Division approved Applicant's tariff language on November 24, 1997.

As required by the Lifeline program, Applicant has verified that it will reduce by $1.75 per month the net amount actually paid by qualifying low-income customers for local telephone service.

Notice of Availability of Universal Services, Lifeline and Link Up. Pursuant to FCC Rule 54.201(d)(2), all ETCs are required to advertise, using media of general distribution, the availability of the nine universal services and the Lifeline and Link Up programs. Questions 11 and 12 of the Commission's Verified Application Form ask an applicant to explain how it plans to comply with the Rule.

In its Verified Application, Applicant indicates that it will publicize the availability, components, and terms of the supported basic local exchange services and the Lifeline and Link Up programs through its published directories. Applicant's directories are made available to existing customers and at public locations throughout its service areas. Applicant submits that these standard subscriber notification and public notice procedures satisfy the FCC's requirements under Rule 54.201(d)(2). Applicant notes, however, that it will not be able to use this media of general distribution for 1998 because the publication deadline for

its 1998 directory has passed. Accordingly, prior to January 1, 1998, Applicant plans to publish in a newspaper of general distribution within its service area a notice that complies with this advertising requirement.

At the hearing, Applicant further agreed to submit to the OUCC a one page summary of the availability and terms of its Lifeline and Link Up programs. In addition, to the extent it was aware of them, Applicant agreed to provide the OUCC with the names and addresses of those social service entities providing service within Applicant's service area.

Maps. Applicant has indicated that it seeks ETC designation for its entire service area. As required, maps were attached to the Verified Application indicating the boundaries of Applicant's Study Area, the area for which Applicant seeks ETC designation. While Applicant has satisfied the map requirement, in the future we may require Applicant to resubmit the maps with more detail, if the need arises.

Waiver Requested. Applicant has requested that it be granted a waiver of the toll control requirement found in FCC Rule 54.101(c). Pursuant to that Rule, this Commission may grant a waiver if an applicant can demonstrate the existence of "exceptional circumstances" that justify a waiver.

In its Verified Application, Applicant states that it seeks a waiver of the "toll control" aspect of the FCC's current definition of toll limitation service. At the present time, Applicant is not capable of providing this service as the FCC presently defines it. As noted throughout these ETC proceedings, the matter of toll control is likely to receive reconsideration by the FCC. Applicant requests that, in a manner consistent with the requirements of 47 C.F.R. § 54.101(c), the IURC grant a waiver to Applicant with respect to the offering of the "toll control" requirement until such time as the FCC acts upon reconsideration requests of its decision to require toll control.

Applicant stated, however, in its Verified Application, that it offers toll blocking and would continue to do so after January 1, 1998.

6. **Commission Findings**. Based on the Verified Application and testimony at the November 24, 1997 hearing, we make the following findings:

We find that Applicant has satisfied the requirements of FCC Rule 54.101(b), with the exception that Applicant will not be able to offer toll control. After reviewing Applicant's testimony in support of its requested waiver of the toll control requirement, we

find that exceptional circumstances exist that warrant a waiver of the toll control requirement for a period of one year through and including December 31, 1998. We further find that Applicant has satisfied the requirements of FCC Rules 54.405, 54.411, and 54.201(d)(2) relating to the provision of Lifeline and Link Up programs, and publicizing the availability of those programs and the nine universal services. We further find that Applicant has satisfied all of the requirements set forth in our November 6, 1997 Preliminary Order in this Cause. We therefore find that Applicant should be designated an Eligible Telecommunications Carrier for its entire service area, as specified in its Verified Application and attached maps.

In response to Question No. 14 of the Verified Application Form, Applicant agreed, and we likewise find, that Applicant should promptly file notice with the Commission, with a copy to the Office of Utility Consumer Counselor, if any of the factors affecting its eligibility or status as an ETC becomes subject to change.

In an Order issued in Cause No. 40785 on November 5, 1997, this Commission approved a customer application form to be used by ETCs in determining whether a customer is qualified to participate in the Lifeline/Link Up programs. A copy of that form is attached to this Order. We find that Applicant should require all participants in its Lifeline/Link Up programs to fill out this form.

Applicant has been named a Respondent in the Commission's ongoing investigation in Cause No. 40785 into universal service reform and access reform. Additional issues that may be addressed in that Cause include whether this Commission should take steps to qualify for a third Lifeline program; how ETCs should go about notifying the general public of the availability of the Lifeline and Link Up programs; carrier of last resort/obligation to serve issues; designation of ETCs for unserved areas; and the relinquishment and/or termination of an entity's ETC designation. We find that Applicant should comply with any future orders issued in Cause No. 40785 that affect ETCs.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION, that:

1. Southeastern Indiana Rural Telephone Cooperative, Applicant herein, shall be, and hereby is, designated an Eligible Telecommunications Carrier, as that term is defined in 47 U.S.C. 214(e) and FCC Order 97-157, so that it may qualify to receive universal service funds pursuant to 47 U.S.C. 254. As requested, this designation shall apply to Applicant's entire service area, as indicated by Applicant's Verified Application and attached maps.

2. Waiver of the toll control requirement requested herein shall be, and hereby is, granted for a period of one year through and including December 31, 1998.

3. Applicant shall promptly file notice with the Commission, with a copy to the Office of Utility Consumer Counselor, if any of the factors affecting its eligibility or status as an ETC becomes subject to change.

4. Applicant shall comply with any future orders in Cause No. 40785 affecting Eligible Telecommunications Carriers.

5. The Commission's Secretary shall inform the Federal Communications Commission and the Universal Service Administrative Company, before December 31, 1997, that Applicant has been designated an Eligible Telecommunications Carrier.

6. This Order shall be effective on and after the date of its approval.

MCCARTY, HUFFMAN, KLEIN, SWANSON-HULL AND ZIEGNER CONCUR:
APPROVED:

DEC 16 1997

I hereby certify that the above is a true and correct copy of the Order as approved.

Brian J. Cohee, Secretary to the Commission

APPLICATION FOR LIFELINE AND/OR LINK UP TELEPHONE SERVICE

Eligibility for Lifeline and/or Link Up Telephone Service is dependent on Applicant's participation in one or more of the programs listed below.

1. I hereby certify that I participate in the following programs (check all that apply):

   _____ Low Income Home Energy Assistance Program (LIHEAP)

   _____ Federal Public Housing Assistance or Section 8

   _____ Medicaid

   _____ Food Stamps

   _____ Supplemental Security Income

2. I also hereby certify that:

   - My telephone service is listed in my name;

   - I am not listed as a dependent on another person's tax return;

   - The address listed is my primary residence; not a second home or business; and,

3. If in the future I no longer participate in at least one of the programs listed in item 1 above or conditions in item 2 above change, I will promptly notify my local telephone company that I am no longer eligible for Lifeline and/or Link Up Telephone Service.

4. I authorize my local telephone company or its duly appointed representative to access any records required to verify these statements to confirm my continued participation in the above programs. I authorize representatives of the above programs to discuss with and/or provide copies to my local telephone company, if requested by the company, to verify my participation in the above programs and my eligibility for Lifeline Telephone Service.

5. I (we) affix, under penalty of perjury, that the foregoing representations are true.

APPLICANT'S NAME: _____

SERVICE ADDRESS: _____
(Street)

_____
(City) (State) (Zip Code)

TELEPHONE NUMBER (if already established): _____

APPLICANT'S SIGNATURE: _____

DATE: _____

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE DESIGNATION OF ELIGIBLE TELECOMMUNICATIONS CARRIERS BY THE INDIANA UTILITY REGULATORY COMMISSION PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996 AND RELATED FCC ORDERS, AND IN PARTICULAR, THE APPLICATION OF SUNMAN TELEPHONE COMPANY, INC. TO BE SO DESIGNATED.	)	CAUSE NO. 41052-ETC-23 APPROVED: DEC 16 1997

BY THE COMMISSION:
G. Richard Klein, Commissioner
Gregory S. Colton, Administrative Law Judge

On November 17, 1997, Sunman Telephone Company, Inc. filed its Verified Application with the Indiana Utility Regulatory Commission ("Commission") requesting designation as an "eligible telecommunications carrier" ("ETC") as set forth and defined in 47 U.S.C. 214(e) and the Federal Communications Commission's First Report and Order, CC Docket No. 96-45 (FCC 97-157) released May 8, 1997, for the areas described in the Verified Application, to enable Applicant to receive universal service support under 47 U.S.C. 254.

Pursuant to notice duly given as provided for by law, this matter was set for public hearing, and was heard, at 9:00 a.m. EST, on Monday, November 24, 1997, in Room E-306 of the Indiana Government Center South, Indianapolis, Indiana 46204. Participating at the hearing were the Applicant, the Office of Utility Consumer Counselor ("OUCC") and Intervenor Intelenet Commission.

The Commission having examined all of the evidence of record and being duly advised in the premises now finds:

1. **Notice and Jurisdiction**. Proper, legal, and timely notice of the hearing in this Cause was given and published by the Commission as provided for by law. The proofs of publication of the notice of the hearing have been incorporated into the official files of the Commission. Pursuant to the Telecommunications Act of 1996[1], and 47 C.F.R. 54.201 and 47 C.F.R. 54.203 of the FCC's Rules, this Commission is authorized to designate ETCs, thereby enabling those so designated to receive universal service support under 47 U.S.C. 254. The Commission has jurisdiction over the

[1] *See*, 47 U.S.C. 214(e)(2)

parties and the subject matter of this Cause.

2. **Applicant's Characteristics**. Applicant is a "public utility" as that term is defined and set forth in the Public Service Commission Act, as amended. It is rendering telecommunication services to its customers and the general public in its service territory as more fully described in its Verified Application.

3. **Relief Requested**. Applicant requests that the Commission designate Applicant an "eligible telecommunications carrier" so that Applicant may receive universal service funds pursuant to 47 U.S.C. 254. Applicant is requesting designation as an ETC for its entire service area.

4. **Requirements for Designation**. Each ETC is required by FCC Rule 54.101(b) to offer the following nine universal services, which are described more fully in Rule 54.101(a):

(1) Voice grade access to the public switched network
(2) Local usage
(3) Dual tone multi-frequency signaling or an equivalent
(4) Single-party service or its functional equivalent
(5) Access to emergency services
(6) Access to operator services
(7) Access to interexchange service
(8) Access to directory assistance
(9) Toll limitation for qualifying low-income customers

Pursuant to FCC Rule 54.101(c), this Commission may grant a waiver of the requirement to offer single-party service, access to 911/E-911, and toll limitation, under certain circumstances. In addition to offering the above nine universal services, ETCs are required by FCC Rules 54.405 and 54.411 to offer qualifying low-income customers both the Lifeline and Link Up programs. Finally, FCC Rule 54.201(d)(2) requires ETCs to publicize the availability of the nine universal services and the Lifeline and Link Up programs.

In addition to meeting the above FCC requirements, applicants must also meet requirements set forth in the Commission's Preliminary Order issued in this Cause on November 6, 1997. That Order requires each applicant to complete the Verified Application Form attached to the Order as Attachment A. Applicants are also required to submit maps to indicate those areas for which ETC designation is sought. With regard to the Lifeline and Link Up programs, applicants are required to file a proposed Lifeline/Link Up tariff. Because it is a requirement of the Lifeline program, applicants must also verify that the net amount actually paid by qualifying low-income customers for local telephone service will be

reduced by $1.75 per month. Finally, if an applicant requests a waiver of any of the three waivable functionalities described above, the applicant is required to provide justification for its request.

5. **Evidence Presented**.

Nine Universal Services. Applicant's Verified Application, which we incorporate by reference, verifies that Applicant is already providing, and will continue to offer, eight of the nine universal services required by FCC Rule 54.101(b). The one service Applicant is unable to offer is toll control, and Applicant has requested that the Commission waive this requirement. We will address Applicant's request for a waiver below.

Lifeline/Link Up. Applicant has verified that it will provide the Lifeline and Link Up programs to qualifying low-income customers, as required by FCC Rules 54.405 and 54.411.

In our Preliminary Order issued in this Cause on November 6, 1997 we stated, "This Commission will not approve an ETC application until the related Lifeline/Link Up tariffs are also approved." Concurrent with its Verified Application, Applicant filed its concurrence with the IURC Tariff No. T-7 Lifeline/Linkup Tariff. The Commission's Telecommunications Division approved Applicant's tariff language on November 24, 1997.

As required by the Lifeline program, Applicant has verified that it will reduce by $1.75 per month the net amount actually paid by qualifying low-income customers for local telephone service.

Notice of Availability of Universal Services, Lifeline and Link Up. Pursuant to FCC Rule 54.201(d)(2), all ETCs are required to advertise, using media of general distribution, the availability of the nine universal services and the Lifeline and Link Up programs. Questions 11 and 12 of the Commission's Verified Application Form ask an applicant to explain how it plans to comply with the Rule.

In its Verified Application, Applicant indicates that it will publicize the availability, components, and terms of the supported basic local exchange services and the Lifeline and Link Up programs through its published directories. Applicant's directories are made available to existing customers and at public locations throughout its service areas. Applicant submits that these standard subscriber notification and public notice procedures satisfy the FCC's requirements under Rule 54.201(d)(2). Applicant notes, however, that it will not be able to use this media of general distribution for 1998 because the publication deadline for its 1998 directory has passed. Accordingly, prior to January 1,

1998, Applicant plans to publish in a newspaper of general distribution within its service area a notice that complies with this advertising requirement.

At the hearing, Applicant further agreed to submit to the OUCC a one page summary of the availability and terms of its Lifeline and Link Up programs. In addition, to the extent it was aware of them, Applicant agreed to provide the OUCC with the names and addresses of those social service entities providing service within Applicant's service area.

Maps. Applicant has indicated that it seeks ETC designation for its entire service area. As required, maps were attached to the Verified Application indicating the boundaries of Applicant's Study Area, the area for which Applicant seeks ETC designation. While Applicant has satisfied the map requirement, in the future we may require Applicant to resubmit the maps with more detail, if the need arises.

Waiver Requested. Applicant has requested that it be granted a waiver of the toll control requirement found in FCC Rule 54.101(c). Pursuant to that Rule, this Commission may grant a waiver if an applicant can demonstrate the existence of "exceptional circumstances" that justify a waiver.

In its Verified Application, Applicant states that it seeks a waiver of the "toll control" aspect of the FCC's current definition of toll limitation service. At the present time, Applicant is not capable of providing this service as the FCC presently defines it. As noted throughout these ETC proceedings, the matter of toll control is likely to receive reconsideration by the FCC. Applicant requests that, in a manner consistent with the requirements of 47 C.F.R. § 54.101(c), the IURC grant a waiver to Applicant with respect to the offering of the "toll control" requirement until such time as the FCC acts upon reconsideration requests of its decision to require toll control.

Applicant stated, however, in its Verified Application, that it offers toll blocking and would continue to do so after January 1, 1998.

6. **Commission Findings**. Based on the Verified Application and testimony at the November 24, 1997 hearing, we make the following findings:

We find that Applicant has satisfied the requirements of FCC Rule 54.101(b), with the exception that Applicant will not be able to offer toll control. After reviewing Applicant's testimony in support of its requested waiver of the toll control requirement, we find that exceptional circumstances exist that warrant a waiver of

the toll control requirement for a period of one year through and including December 31, 1998. We further find that Applicant has satisfied the requirements of FCC Rules 54.405, 54.411, and 54.201(d)(2) relating to the provision of Lifeline and Link Up programs, and publicizing the availability of those programs and the nine universal services. We further find that Applicant has satisfied all of the requirements set forth in our November 6, 1997 Preliminary Order in this Cause. We therefore find that Applicant should be designated an Eligible Telecommunications Carrier for its entire service area, as specified in its Verified Application and attached maps.

In response to Question No. 14 of the Verified Application Form, Applicant agreed, and we likewise find, that Applicant should promptly file notice with the Commission, with a copy to the Office of Utility Consumer Counselor, if any of the factors affecting its eligibility or status as an ETC becomes subject to change.

In an Order issued in Cause No. 40785 on November 5, 1997, this Commission approved a customer application form to be used by ETCs in determining whether a customer is qualified to participate in the Lifeline/Link Up programs. A copy of that form is attached to this Order. We find that Applicant should require all participants in its Lifeline/Link Up programs to fill out this form.

Applicant has been named a Respondent in the Commission's ongoing investigation in Cause No. 40785 into universal service reform and access reform. Additional issues that may be addressed in that Cause include whether this Commission should take steps to qualify for a third Lifeline program; how ETCs should go about notifying the general public of the availability of the Lifeline and Link Up programs; carrier of last resort/obligation to serve issues; designation of ETCs for unserved areas; and the relinquishment and/or termination of an entity's ETC designation. We find that Applicant should comply with any future orders issued in Cause No. 40785 that affect ETCs.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION, that:

1. Sunman Telephone Company, Inc., Applicant herein, shall be, and hereby is, designated an Eligible Telecommunications Carrier, as that term is defined in 47 U.S.C. 214(e) and FCC Order 97-157, so that it may qualify to receive universal service funds pursuant to 47 U.S.C. 254. As requested, this designation shall apply to Applicant's entire service area, as indicated by Applicant's Verified Application and attached maps.

2. Waiver of the toll control requirement requested herein

shall be, and hereby is, granted for a period of one year through and including December 31, 1998.

3. Applicant shall promptly file notice with the Commission, with a copy to the Office of Utility Consumer Counselor, if any of the factors affecting its eligibility or status as an ETC becomes subject to change.

4. Applicant shall comply with any future orders in Cause No. 40785 affecting Eligible Telecommunications Carriers.

5. The Commission's Secretary shall inform the Federal Communications Commission and the Universal Service Administrative Company, before December 31, 1997, that Applicant has been designated an Eligible Telecommunications Carrier.

6. This Order shall be effective on and after the date of its approval.

MCCARTY, HUFFMAN, KLEIN, SWANSON-HULL AND ZIEGNER CONCUR:

APPROVED: DEC 16 1997

I hereby certify that the above is a true and correct copy of the Order as approved.

Brian J. Cohee, Secretary to the Commission

APPLICATION FOR LIFELINE AND/OR LINK UP TELEPHONE SERVICE

Eligibility for Lifeline and/or Link Up Telephone Service is dependent on Applicant's participation in one or more of the programs listed below.

1. I hereby certify that I participate in the following programs (check all that apply):

   _____ Low Income Home Energy Assistance Program (LIHEAP)

   _____ Federal Public Housing Assistance or Section 8

   _____ Medicaid

   _____ Food Stamps

   _____ Supplemental Security Income

2. I also hereby certify that:

   - My telephone service is listed in my name;

   - I am not listed as a dependent on another person's tax return;

   - The address listed is my primary residence; not a second home or business; and,

3. If in the future I no longer participate in at least one of the programs listed in item 1 above or conditions in item 2 above change, I will promptly notify my local telephone company that I am no longer eligible for Lifeline and/or Link Up Telephone Service.

4. I authorize my local telephone company or its duly appointed representative to access any records required to verify these statements to confirm my continued participation in the above programs. I authorize representatives of the above programs to discuss with and/or provide copies to my local telephone company, if requested by the company, to verify my participation in the above programs and my eligibility for Lifeline Telephone Service.

5. I (we) affix, under penalty of perjury, that the foregoing representations are true.

APPLICANT'S NAME: _____

SERVICE ADDRESS: _____
(Street)

_____
(City) (State) (Zip Code)

TELEPHONE NUMBER (if already established): _____

APPLICANT'S SIGNATURE: _____

DATE: _____

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE DESIGNATION OF ELIGIBLE TELECOMMUNICATIONS CARRIERS BY THE INDIANA UTILITY REGULATORY COMMISSION PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996 AND RELATED FCC ORDERS, AND IN PARTICULAR, THE APPLICATION OF SWAYZEE TELEPHONE COMPANY, INC. TO BE SO DESIGNATED.	)	CAUSE NO. 41052-ETC-24 APPROVED: DEC 16 1997

BY THE COMMISSION:
G. Richard Klein, Commissioner
Gregory S. Colton, Administrative Law Judge

On November 17, 1997, Swayzee Telephone Company, Inc. filed its Verified Application with the Indiana Utility Regulatory Commission ("Commission") requesting designation as an "eligible telecommunications carrier" ("ETC") as set forth and defined in 47 U.S.C. 214(e) and the Federal Communications Commission's First Report and Order, CC Docket No. 96-45 (FCC 97-157) released May 8, 1997, for the areas described in the Verified Application, to enable Applicant to receive universal service support under 47 U.S.C. 254.

Pursuant to notice duly given as provided for by law, this matter was set for public hearing, and was heard, at 9:00 a.m. EST, on Monday, November 24, 1997, in Room E-306 of the Indiana Government Center South, Indianapolis, Indiana 46204. Participating at the hearing were the Applicant, the Office of Utility Consumer Counselor ("OUCC") and Intervenor Intelenet Commission.

The Commission having examined all of the evidence of record and being duly advised in the premises now finds:

1. **Notice and Jurisdiction**. Proper, legal, and timely notice of the hearing in this Cause was given and published by the Commission as provided for by law. The proofs of publication of the notice of the hearing have been incorporated into the official files of the Commission. Pursuant to the Telecommunications Act of 1996[1], and 47 C.F.R. 54.201 and 47 C.F.R. 54.203 of the FCC's Rules, this Commission is authorized to designate ETCs, thereby enabling those so designated to receive universal service support under 47 U.S.C. 254. The Commission has jurisdiction over the

[1] *See*, 47 U.S.C. 214(e)(2)

parties and the subject matter of this Cause.

2. **Applicant's Characteristics**. Applicant is a "public utility" as that term is defined and set forth in the Public Service Commission Act, as amended. It is rendering telecommunication services to its customers and the general public in its service territory as more fully described in its Verified Application.

3. **Relief Requested**. Applicant requests that the Commission designate Applicant an "eligible telecommunications carrier" so that Applicant may receive universal service funds pursuant to 47 U.S.C. 254. Applicant is requesting designation as an ETC for its entire service area.

4. **Requirements for Designation**. Each ETC is required by FCC Rule 54.101(b) to offer the following nine universal services, which are described more fully in Rule 54.101(a):

(1) Voice grade access to the public switched network
(2) Local usage
(3) Dual tone multi-frequency signaling or an equivalent
(4) Single-party service or its functional equivalent
(5) Access to emergency services
(6) Access to operator services
(7) Access to interexchange service
(8) Access to directory assistance
(9) Toll limitation for qualifying low-income customers

Pursuant to FCC Rule 54.101(c), this Commission may grant a waiver of the requirement to offer single-party service, access to 911/E-911, and toll limitation, under certain circumstances. In addition to offering the above nine universal services, ETCs are required by FCC Rules 54.405 and 54.411 to offer qualifying low-income customers both the Lifeline and Link Up programs. Finally, FCC Rule 54.201(d)(2) requires ETCs to publicize the availability of the nine universal services and the Lifeline and Link Up programs.

In addition to meeting the above FCC requirements, applicants must also meet requirements set forth in the Commission's Preliminary Order issued in this Cause on November 6, 1997. That Order requires each applicant to complete the Verified Application Form attached to the Order as Attachment A. Applicants are also required to submit maps to indicate those areas for which ETC designation is sought. With regard to the Lifeline and Link Up programs, applicants are required to file a proposed Lifeline/Link Up tariff. Because it is a requirement of the Lifeline program, applicants must also verify that the net amount actually paid by qualifying low-income customers for local telephone service will be

reduced by $1.75 per month. Finally, if an applicant requests a waiver of any of the three waivable functionalities described above, the applicant is required to provide justification for its request.

5. **Evidence Presented**.

Nine Universal Services. Applicant's Verified Application, which we incorporate by reference, verifies that Applicant is already providing, and will continue to offer, eight of the nine universal services required by FCC Rule 54.101(b). The one service Applicant is unable to offer is toll control, and Applicant has requested that the Commission waive this requirement. We will address Applicant's request for a waiver below.

Lifeline/Link Up. Applicant has verified that it will provide the Lifeline and Link Up programs to qualifying low-income customers, as required by FCC Rules 54.405 and 54.411.

In our Preliminary Order issued in this Cause on November 6, 1997 we stated, "This Commission will not approve an ETC application until the related Lifeline/Link Up tariffs are also approved." Concurrent with its Verified Application, Applicant filed its concurrence with the IURC Tariff No. T-7 Lifeline/Linkup Tariff. The Commission's Telecommunications Division approved Applicant's tariff language on November 24, 1997.

As required by the Lifeline program, Applicant has verified that it will reduce by $1.75 per month the net amount actually paid by qualifying low-income customers for local telephone service.

Notice of Availability of Universal Services, Lifeline and Link Up. Pursuant to FCC Rule 54.201(d)(2), all ETCs are required to advertise, using media of general distribution, the availability of the nine universal services and the Lifeline and Link Up programs. Questions 11 and 12 of the Commission's Verified Application Form ask an applicant to explain how it plans to comply with the Rule.

In its Verified Application, Applicant indicates that it will publicize the availability, components, and terms of the supported basic local exchange services and the Lifeline and Link Up programs through its published directories. Applicant's directories are made available to existing customers and at public locations throughout its service areas. Applicant submits that these standard subscriber notification and public notice procedures satisfy the FCC's requirements under Rule 54.201(d)(2). Applicant notes, however, that it will not be able to use this media of general distribution for 1998 because the publication deadline for its 1998 directory has passed. Accordingly, prior to January 1,

1998, Applicant plans to publish in a newspaper of general distribution within its service area a notice that complies with this advertising requirement.

At the hearing, Applicant further agreed to submit to the OUCC a one page summary of the availability and terms of its Lifeline and Link Up programs. In addition, to the extent it was aware of them, Applicant agreed to provide the OUCC with the names and addresses of those social service entities providing service within Applicant's service area.

Maps. Applicant has indicated that it seeks ETC designation for its entire service area. As required, maps were attached to the Verified Application indicating the boundaries of Applicant's Study Area, the area for which Applicant seeks ETC designation. While Applicant has satisfied the map requirement, in the future we may require Applicant to resubmit the maps with more detail, if the need arises.

Waiver Requested. Applicant has requested that it be granted a waiver of the toll control requirement found in FCC Rule 54.101(c). Pursuant to that Rule, this Commission may grant a waiver if an applicant can demonstrate the existence of "exceptional circumstances" that justify a waiver.

In its Verified Application, Applicant states that it seeks a waiver of the "toll control" aspect of the FCC's current definition of toll limitation service. At the present time, Applicant is not capable of providing this service as the FCC presently defines it. As noted throughout these ETC proceedings, the matter of toll control is likely to receive reconsideration by the FCC. Applicant requests that, in a manner consistent with the requirements of 47 C.F.R. § 54.101(c), the IURC grant a waiver to Applicant with respect to the offering of the "toll control" requirement until such time as the FCC acts upon reconsideration requests of its decision to require toll control.

Applicant stated, however, in its Verified Application, that it offers toll blocking and would continue to do so after January 1, 1998.

6. **Commission Findings**. Based on the Verified Application and testimony at the November 24, 1997 hearing, we make the following findings:

We find that Applicant has satisfied the requirements of FCC Rule 54.101(b), with the exception that Applicant will not be able to offer toll control. After reviewing Applicant's testimony in support of its requested waiver of the toll control requirement, we find that exceptional circumstances exist that warrant a waiver of

the toll control requirement for a period of one year through and including December 31, 1998. We further find that Applicant has satisfied the requirements of FCC Rules 54.405, 54.411, and 54.201(d)(2) relating to the provision of Lifeline and Link Up programs, and publicizing the availability of those programs and the nine universal services. We further find that Applicant has satisfied all of the requirements set forth in our November 6, 1997 Preliminary Order in this Cause. We therefore find that Applicant should be designated an Eligible Telecommunications Carrier for its entire service area, as specified in its Verified Application and attached maps.

In response to Question No. 14 of the Verified Application Form, Applicant agreed, and we likewise find, that Applicant should promptly file notice with the Commission, with a copy to the Office of Utility Consumer Counselor, if any of the factors affecting its eligibility or status as an ETC becomes subject to change.

In an Order issued in Cause No. 40785 on November 5, 1997, this Commission approved a customer application form to be used by ETCs in determining whether a customer is qualified to participate in the Lifeline/Link Up programs. A copy of that form is attached to this Order. We find that Applicant should require all participants in its Lifeline/Link Up programs to fill out this form.

Applicant has been named a Respondent in the Commission's ongoing investigation in Cause No. 40785 into universal service reform and access reform. Additional issues that may be addressed in that Cause include whether this Commission should take steps to qualify for a third Lifeline program; how ETCs should go about notifying the general public of the availability of the Lifeline and Link Up programs; carrier of last resort/obligation to serve issues; designation of ETCs for unserved areas; and the relinquishment and/or termination of an entity's ETC designation. We find that Applicant should comply with any future orders issued in Cause No. 40785 that affect ETCs.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION, that:

1. Swayzee Telephone Company, Inc., Applicant herein, shall be, and hereby is, designated an Eligible Telecommunications Carrier, as that term is defined in 47 U.S.C. 214(e) and FCC Order 97-157, so that it may qualify to receive universal service funds pursuant to 47 U.S.C. 254. As requested, this designation shall apply to Applicant's entire service area, as indicated by Applicant's Verified Application and attached maps.

2. Waiver of the toll control requirement requested herein

shall be, and hereby is, granted for a period of one year through and including December 31, 1998.

3. Applicant shall promptly file notice with the Commission, with a copy to the Office of Utility Consumer Counselor, if any of the factors affecting its eligibility or status as an ETC becomes subject to change.

4. Applicant shall comply with any future orders in Cause No. 40785 affecting Eligible Telecommunications Carriers.

5. The Commission's Secretary shall inform the Federal Communications Commission and the Universal Service Administrative Company, before December 31, 1997, that Applicant has been designated an Eligible Telecommunications Carrier.

6. This Order shall be effective on and after the date of its approval.

MCCARTY, HUFFMAN, KLEIN, SWANSON-HULL AND ZIEGNER CONCUR:
APPROVED:

DEC 16 1997

I hereby certify that the above is a true and correct copy of the Order as approved.

Brian J. Cohee, Secretary to the Commission

APPLICATION FOR LIFELINE AND/OR LINK UP TELEPHONE SERVICE

Eligibility for Lifeline and/or Link Up Telephone Service is dependent on Applicant's participation in one or more of the programs listed below.

1. I hereby certify that I participate in the following programs (check all that apply):

   _____ Low Income Home Energy Assistance Program (LIHEAP)

   _____ Federal Public Housing Assistance or Section 8

   _____ Medicaid

   _____ Food Stamps

   _____ Supplemental Security Income

2. I also hereby certify that:

   - My telephone service is listed in my name;

   - I am not listed as a dependent on another person's tax return;

   - The address listed is my primary residence; not a second home or business; and,

3. If in the future I no longer participate in at least one of the programs listed in item 1 above or conditions in item 2 above change, I will promptly notify my local telephone company that I am no longer eligible for Lifeline and/or Link Up Telephone Service.

4. I authorize my local telephone company or its duly appointed representative to access any records required to verify these statements to confirm my continued participation in the above programs. I authorize representatives of the above programs to discuss with and/or provide copies to my local telephone company, if requested by the company, to verify my participation in the above programs and my eligibility for Lifeline Telephone Service.

5. I (we) affix, under penalty of perjury, that the foregoing representations are true.

APPLICANT'S NAME: _____

SERVICE ADDRESS: _____
(Street)

_____
(City) (State) (Zip Code)

TELEPHONE NUMBER (if already established): _____

APPLICANT'S SIGNATURE: _____

DATE: _____

ORIGINAL

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE DESIGNATION OF ELIGIBLE TELECOMMUNICATIONS CARRIERS BY THE INDIANA UTILITY REGULATORY COMMISSION PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996 AND RELATED FCC ORDERS, AND IN PARTICULAR, THE APPLICATION OF SWEETSER TELEPHONE COMPANY, INC. TO BE SO DESIGNATED.	)	CAUSE NO. 41052-ETC-25 APPROVED: DEC 16 1997

BY THE COMMISSION:
G. Richard Klein, Commissioner
Gregory S. Colton, Administrative Law Judge

On November 17, 1997, Sweetser Telephone Company, Inc. filed its Verified Application with the Indiana Utility Regulatory Commission ("Commission") requesting designation as an "eligible telecommunications carrier" ("ETC") as set forth and defined in 47 U.S.C. 214(e) and the Federal Communications Commission's First Report and Order, CC Docket No. 96-45 (FCC 97-157) released May 8, 1997, for the areas described in the Verified Application, to enable Applicant to receive universal service support under 47 U.S.C. 254.

Pursuant to notice duly given as provided for by law, this matter was set for public hearing, and was heard, at 9:00 a.m. EST, on Monday, November 24, 1997, in Room E-306 of the Indiana Government Center South, Indianapolis, Indiana 46204. Participating at the hearing were the Applicant, the Office of Utility Consumer Counselor ("OUCC") and Intervenor Intelenet Commission.

The Commission having examined all of the evidence of record and being duly advised in the premises now finds:

1. **Notice and Jurisdiction**. Proper, legal, and timely notice of the hearing in this Cause was given and published by the Commission as provided for by law. The proofs of publication of the notice of the hearing have been incorporated into the official files of the Commission. Pursuant to the Telecommunications Act of 1996[1], and 47 C.F.R. 54.201 and 47 C.F.R. 54.203 of the FCC's Rules, this Commission is authorized to designate ETCs, thereby enabling those so designated to receive universal service support under 47 U.S.C. 254. The Commission has jurisdiction over the

[1] *See*, 47 U.S.C. 214(e)(2)

parties and the subject matter of this Cause.

2. **Applicant's Characteristics**. Applicant is a "public utility" as that term is defined and set forth in the Public Service Commission Act, as amended. It is rendering telecommunication services to its customers and the general public in its service territory as more fully described in its Verified Application.

3. **Relief Requested**. Applicant requests that the Commission designate Applicant an "eligible telecommunications carrier" so that Applicant may receive universal service funds pursuant to 47 U.S.C. 254. Applicant is requesting designation as an ETC for its entire service area.

4. **Requirements for Designation**. Each ETC is required by FCC Rule 54.101(b) to offer the following nine universal services, which are described more fully in Rule 54.101(a):

(1) Voice grade access to the public switched network
(2) Local usage
(3) Dual tone multi-frequency signaling or an equivalent
(4) Single-party service or its functional equivalent
(5) Access to emergency services
(6) Access to operator services
(7) Access to interexchange service
(8) Access to directory assistance
(9) Toll limitation for qualifying low-income customers

Pursuant to FCC Rule 54.101(c), this Commission may grant a waiver of the requirement to offer single-party service, access to 911/E-911, and toll limitation, under certain circumstances. In addition to offering the above nine universal services, ETCs are required by FCC Rules 54.405 and 54.411 to offer qualifying low-income customers both the Lifeline and Link Up programs. Finally, FCC Rule 54.201(d)(2) requires ETCs to publicize the availability of the nine universal services and the Lifeline and Link Up programs.

In addition to meeting the above FCC requirements, applicants must also meet requirements set forth in the Commission's Preliminary Order issued in this Cause on November 6, 1997. That Order requires each applicant to complete the Verified Application Form attached to the Order as Attachment A. Applicants are also required to submit maps to indicate those areas for which ETC designation is sought. With regard to the Lifeline and Link Up programs, applicants are required to file a proposed Lifeline/Link Up tariff. Because it is a requirement of the Lifeline program, applicants must also verify that the net amount actually paid by qualifying low-income customers for local telephone service will be

reduced by $1.75 per month. Finally, if an applicant requests a waiver of any of the three waivable functionalities described above, the applicant is required to provide justification for its request.

5. **Evidence Presented**.

Nine Universal Services. Applicant's Verified Application, which we incorporate by reference, verifies that Applicant is already providing, and will continue to offer, eight of the nine universal services required by FCC Rule 54.101(b). The one service Applicant is unable to offer is toll control, and Applicant has requested that the Commission waive this requirement. We will address Applicant's request for a waiver below.

Lifeline/Link Up. Applicant has verified that it will provide the Lifeline and Link Up programs to qualifying low-income customers, as required by FCC Rules 54.405 and 54.411.

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