

**PROJECT NO. 28056**

<b>RULEMAKING TO AMEND SUBST.</b>	<b>§</b>	<b>PUBLIC UTILITY COMMISSION</b>
<b>R. §26.412, LIFELINE AND LINK UP</b>	<b>§</b>	
<b>SERVICES, FOR LOW-INCOME</b>	<b>§</b>	
<b>DISCOUNT ADMINISTRATOR</b>	<b>§</b>	<b>OF TEXAS</b>
<b>(LIDA)</b>	<b>§</b>	

**PROPOSAL FOR PUBLICATION OF AMENDMENTS TO §26.412  
AS APPROVED AT THE AUGUST 21, 2003 OPEN MEETING**

The Public Utility Commission of Texas (commission) proposes amendments to §26.412, relating to Lifeline Service and Link Up Service Programs. The commission seeks to integrate the administration of low-income telephone discounts into the functions of the Low-Income Discount Administrator (LIDA) responsible for low-income electric discounts. Based on the experience gained during the last year from administering the low-income electric discounts, the commission has determined that amending §26.412 would benefit retail telephone customers and the Low-Income Discount Programs overall. Project Number 28056 is assigned to this project.

The primary goal of these amendments is to ensure that the existing automatic enrollment process for low-income telephone discounts will be incorporated by the LIDA into its administration of low-income electric discounts and that qualified customers will be enrolled more expeditiously into both electric and telephone discounts. The proposed modifications clarify the processes necessary to accomplish enrollment and provide for a Low-Income Discount Procedural Guide (the Guide). The commission proposes that the Guide is the most practical place to specify the detailed processes of the Low-Income

Discount Program that will encompass both electric and telephone low-income discounts. The commission believes that the Guide will allow the rule to provide broad direction while permitting process changes and refinements by the LIDA and the participating telecommunications carriers as required to meet statutory obligations and the needs of customers.

The commission proposes that the eligibility period for self-certified customers should be seven months, including a grace period during which customers may renew their self-certification, and that the eligibility period for automatic enrollment customers should be the length of their Texas Department of Human Services (TDHS) program eligibility plus a grace period. The commission proposes the change because the current eligibility period of 13 months for both self-certified and automatically enrolled customers is not consistent with the eligibility periods of programs administered by TDHS, which currently serve as the basis for automatic enrollment. Such an inconsistency may result in ineligible customers receiving a discount. The commission proposes that both the self-certification and automatic enrollment eligibility periods conform to TDHS program eligibility plus a grace period. The commission finds that reducing the eligibility periods of both self-certification and automatic enrollment customers, while allowing renewal for customers who continue to be eligible, will produce assurance that all customers who are enrolled in the program are in fact eligible.

Janis Ervin, Senior Policy Specialist, Telecommunications Division, has determined that for each year of the first five-year period the proposed section is in effect there will be no

fiscal implications for local government as a result of enforcing or administering the section; there is no foreseeable direct or indirect implication for costs or revenues for local governments. Ms. Ervin has determined that the state government will save money as a result of ineligible customers being removed from the enrollment lists. The specific savings amount cannot be determined until testing of the new process is complete. However, even if less than 2.0% of customers that are no longer eligible for Lifeline Service are removed from the discount program approximately 8,000 ineligible customers will be eliminated. Assuming these customers each received about \$147 a year in discounts (approximate savings with a \$7.00 per month state and federal matching fund reimbursement and a waiver of a subscriber line charge of \$5.28 per month making up a \$12.28 per month per customer discount) a minimum savings of approximately \$1,178,880 per year might be recognized between the federal and state universal service funds. Though only a portion of this assessment, approximately \$336,000 per year, is accounted for by the state's universal service fund, the elimination of ineligible customers will produce a substantial savings. In addition, uniformity with the electric low-income discount program procedures for qualification reviews will make elimination of ineligible customers, as well as renewal of qualified customers, administratively consistent.

Ms. Ervin has determined that for each year of the first five years the proposed section is in effect, the public benefit anticipated as a result of enforcing the section will be certainty that only eligible low-income electric customers will receive discounts, the economic savings associated with preventing ineligible customers from receiving the discounts, and LIDA's administrative consistency and savings with regard to enforcement

of the statutory qualifications for receipt of the discounts in both the electric and telephone programs.

Ms. Ervin concurs in the conclusions reached in Project Number 27711, *Rulemaking to Modify the Electric Low-Income Discount Rules*, that while the short term effect of the change in matching processes may produce a potential decline in enrollment, the long term ability to use customer data with the integration of the telephone and electric discounts will allow for a increased likelihood that eligible customers can be efficiently enrolled to receive both discounts. Additionally, the problem-solving efforts being undertaken by electric and telephone carriers, the LIDA, and the commission will likely decrease in the long term as the matching process is improved, producing a direct benefit to qualifying customers.

There will be no adverse economic effect on small businesses or micro-businesses as a result of enforcing this section. There is no anticipated economic cost to persons who are required to comply with the section as proposed.

Ms. Ervin has also determined that for each year of the first five years the proposed section is in effect there should be no effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act §2001.022.

The commission staff will conduct a public hearing on this rulemaking, if requested pursuant to the Administrative Procedure Act, Texas Government Code §2001.029, at the commission's offices located in the William B. Travis Building, 1701 North Congress Avenue, Austin, Texas 78701 on Tuesday, October 28, 2003 at 9:30 a.m. The request for a public hearing must be received no later than October 13, 2003.

Comments on the proposed amendments (16 copies) may be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, PO Box 13326, Austin, Texas 78711-3326. The deadline for submission of comments is October 13, 2003. Comments should be organized in a manner consistent with the organization of the proposed rule. All comments should refer to Project Number 28056.

The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the proposed section. The commission will consider the costs and benefits in deciding whether to adopt the section. In addition, the commission requests comments on the following question:

Does the commission have the legal authority to develop a low-income discount program implementation guide as opposed to placing operating procedures in this rule? Please provide citations as to the commission's legal authority and whether there would be any enforceability issues with an implementation guide.

These amendments are proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (Vernon 1998 & Vernon Supplement 2003) (PURA), which provides the Public Utility Commission with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction; PURA §17.004(f) which requires the commission to adopt rules to provide automatic enrollment of eligible utility customers for lifeline telephone service; PURA §55.015 which requires the commission to adopt rules regarding the receipt of lifeline service; PURA §56.021 which requires the commission to adopt rules to establish a state universal service fund and to reimburse a telecommunications carrier providing lifeline service out of the fund.

Cross Reference to Statutes: Public Utility Regulatory Act §§17.004(f), 55.015, 56.021, and 58.051.

**§26.412. Lifeline Service and Link Up Service Programs.**

(a) **Scope and purpose.** Through this ~~section~~<sup>rule</sup> the commission seeks to extend Lifeline Service and Link Up Service to all qualifying customers, ~~end users and~~ establish a procedure for ~~the~~ Lifeline Automatic Enrollment and Lifeline Self-Certification, and define the responsibilities of participating telecommunications carriers, qualified customers, the Texas Department of Human Services (TDHS), and the Low-Income Discount Administrator (LIDA) Program. This section applies to designated eligible telecommunications carriers as defined by §26.418 of this title (relating to Designation of Common Carriers as Eligible Telecommunications Carriers to Receive Federal Universal Service Funds) and designated eligible telecommunications providers as defined by §26.417 of this title (relating to Designation as Eligible Telecommunications Providers to Receive Texas Universal Service Funds (TUSF)), collectively referred to in this section as participating telecommunications carriers.

(b) **Lifeline Service and Link Up Service.** Each participating eligible telecommunications carrier shall provide Lifeline Service and Link Up Service as provided by this section. A customer with an income at or below 125% of the federal poverty guidelines, or receiving benefits from any of the following programs qualifies for Lifeline and Link Up Services: Medicaid, food stamps, Supplemental Security Income (SSI), federal public housing assistance, or Low Income Energy Assistance Program (LIHEAP). A customer eligible for Lifeline

Service is automatically eligible for Link Up Service. However, a customer may qualify for and receive Link Up Service independently of Lifeline Service. Nothing in this section shall prohibit a customer otherwise eligible to receive Lifeline Service and/or Link Up Service from obtaining and using telecommunications equipment or services designed to aid such customer in utilizing qualifying telecommunications services.

(c) **Lifeline Service Program.** Lifeline Service is a retail local service offering available to qualifying low-income customers. Participating Eligible telecommunications carriers provide qualifying customers and users with a waiver of the federal subscriber line charge (SLC) and an additional discount up to \$7.00 per monthly bill, for which participating telecommunications carriers ~~and~~ are reimbursed from federal and state universal service funds.

(1) **Provision of Lifeline Service.** Lifeline Service shall be provided according to the following requirements and the terms of the Low-Income Discount Procedural Guide (the Guide). The Guide shall entail working details applicable to the participating telecommunications carriers, TDHS, and the LIDA. These instructions shall be deemed directives of the commission and shall be approved by the Executive Director of the commission.

(A) Designated Lifeline services. The participating eligible telecommunications carrier ~~carrier~~ shall offer the services or functionalities enumerated in Title 47, Code of Federal

Regulations, §54.101(a) (1)-(9) (relating to Supported Services for Rural, Insular and High Cost Areas).

(B) Toll blocking. The participating telecommunications carriers shall offer toll blocking to all qualifying low-income customers at the time such customers subscribe to Lifeline Service. If the customer elects to receive toll blocking, that service shall become part of the customer's Lifeline Service and the customer's monthly bill will not be increased by otherwise applicable toll blocking charges.

~~(i) Toll blocking requirements. The eligible telecommunications carrier shall offer toll blocking to all qualifying low-income customers at the time such customers subscribe to Lifeline Service. If the customer elects to receive toll blocking, that service shall become part of the customer's Lifeline Service and the customer's monthly bill will not be increased by the toll blocking charge.~~

~~(ii) Waiver. The commission may grant a waiver of the requirement of clause (i) of this subparagraph upon a finding that exceptional circumstances prevent an eligible telecommunications carrier from providing toll blocking. The period for the waiver shall not extend beyond the time that the commission deems necessary for that eligible~~

~~telecommunications carrier to complete network upgrades to provide toll blocking services.~~

(C) Disconnection of service.

(i) Disconnection prohibition. Participating ~~An eligible telecommunications carrier~~ carrier may not disconnect Lifeline Service for non-payment of toll charges.

(ii) Discontinuance of Lifeline Discounts for customers automatically enrolled. The eligibility period for automatically enrolled customers is the length of their enrollment in TDHS benefits plus a grace period for renewal that shall be specified in the Guide. Automatically enrolled customers will have an opportunity to renew their TDHS benefits or self certify with LIDA upon the expiration of their automatic enrollment. ~~when eligibility ends. Upon notice by the Texas Department of Human Services (TDHS), pursuant to subsection (f)(2)(D) of this section, that an end user no longer qualifies for Lifeline Service, the eligible telecommunications carrier shall provide a direct mail notice to the end user advising that the Lifeline Service discount will be discontinued 30 days from the date of the notice unless the end user notifies the eligible carrier that an error has been made. If the end user notifies the carrier of an error, the Lifeline Service discount~~

~~will be continued for an additional 30 days to allow the end user adequate time to correct records and obtain an affirmation of eligibility from TDHS. If the end user has not obtained an affirmation of eligibility from TDHS by the end of the 60 day period, Lifeline Service may be discontinued and the end user's service and billing will continue at applicable tariffed rates.~~

- (iii) Discontinuance of Lifeline Discounts for customers who have self-certified. Individuals not receiving benefits through TDHS programs, but who have met Lifeline income qualifications in subsection (b) of this section, are eligible to receive the Lifeline Discount for seven months, which includes a grace period during which the customer may renew their eligibility with LIDA for an additional seven months ~~may be required to verify their status with an affidavit. Eligible telecommunications carriers may require such verification annually and notify customers receiving Lifeline Service by direct mail that the accompanying affidavit must be submitted within 60 days to continue the Lifeline service. If the customer does not respond within 60 days, the Lifeline discount will cease and service will continue at applicable tariffed rates.~~

(D) Service deposit prohibition. If the qualifying low-income customer voluntarily elects toll blocking from the participating eligible telecommunications carrier, the carrier may not collect a service deposit pursuant to §26.24 of this title (relating to Credit Requirements and Deposits); in order to initiate Lifeline Service.

(2) **Lifeline support.**

(A) Lifeline support amounts. Lifeline support amounts per qualifying low-income customer shall be provided to participating telecommunications carriers pursuant to Title 47, Code of Federal Regulations, §54.403 (relating to Lifeline Support Amount) and according to any applicable provisions of the Guide. Tribal Land discounts will be provided pursuant to Title 47, Code of Federal Regulations, §54.403(a)(4)~~according to the provisions of this paragraph.~~

(i) Federal Subscriber Line Charge Waiver. A ~~participating~~baseline Lifeline support amount. An eligible telecommunications carrier shall grant a waiver of the monthly federal subscriber line charge (SLC) at the rate tariffed by the incumbent local exchange carrier serving the area of the~~to~~ qualifying low-income customers. If the participating eligible telecommunications carrier does not charge the federal SLC, it shall ~~apply the federal baseline support amount~~ to reduce its lowest tariffed residential rate

for supported services by the amount of the SLC tariffed by the ILEC serving the area of the qualifying low-income customer.

- (ii) Federal approved~~State approved~~ \$1.75 reduction. A participating Pursuant to 47 Code of Federal Regulations §54.403 (relating to Lifeline Support Amount), an eligible telecommunications carrier shall give a qualifying low-income customer a federal approved~~state approved~~ reduction of \$1.75 in the monthly amount of intrastate charges paid pursuant to Title 47, Code of Federal Regulations, §54.403 (relating to Lifeline Support Amount).
- (iii) Additional state reduction with federal matching. A participating Pursuant to 47 Code of Federal Regulations §54.403, an eligible telecommunications carrier shall give a qualifying low-income customer the following:
- (I) an additional state-approved reduction of up to a maximum of \$3.50 in the monthly amount of intrastate charges; and
- (II) a further federally approved reduction equal to one-half the amount of the reduction in subclause (I) of this clause up to a maximum of \$1.75.

(B) Recovery of support amounts. Participating telecommunications carriers shall be entitled to recover the support amount required by subparagraph (A) of this paragraph pursuant to Title 47, Code of Federal Regulations, §54.407 (relating to Reimbursement for offering Lifeline). Participating telecommunications carriers are entitled to recover the support amount described in subparagraph (A)(i), (ii) and (iii)(II) of this paragraph through the Federal Universal Service Fund (USF). The support amount described in subparagraph (A)(iii)(I) of this paragraph can be recovered through the Texas Universal Service Fund (TUSF).

~~(i) Federal baseline Lifeline support. An eligible telecommunications carrier shall be entitled to recover the support amount required by subparagraph (A)(i) of this paragraph pursuant to 47 Code of Federal Regulations §54.407 (relating to Reimbursement for offering Lifeline), through the federal USF.~~

~~(ii) State approved \$1.75 reduction. An eligible telecommunications carrier shall be entitled to recover federal Lifeline support pursuant to 47 Code of Federal Regulations §54.407 to recover the reduction amount required by subparagraph (A)(ii) of this paragraph.~~

~~(iii) Additional state reduction with federal matching.~~

~~(I) An eligible telecommunications carrier shall be entitled to recover support from the Texas Universal Service Fund to recover the reduction amount required by subparagraph (A)(iii)(I) of this paragraph.~~

~~(II) An eligible telecommunications carrier shall be entitled to recover federal Lifeline support pursuant to 47 Code of Federal Regulations §54.407 to recover the reduction amount required by subparagraph (A)(iii)(II) of this paragraph.~~

~~(C) Application of support amounts.~~

~~(i) An eligible telecommunications carrier that is also an incumbent local exchange company (ILEC) as defined by §26.5 of this title (relating to Definitions) that offered, as of June 1, 1997, a tariffed \$3.50 Lifeline Service rate discount in addition to the \$3.50 waiver of the federal SLC, must reduce rates for services determined appropriate by the commission by an amount equivalent to the amount of support it is eligible to receive. If such ILEC does not reduce its rates pursuant to a commission order, it shall not be eligible to receive support.~~

~~(ii) Eligible telecommunications carriers that charge the federal SLC or equivalent federal charges shall apply the federal~~

~~baseline Lifeline support to waive a qualified low-income customer's federal SLC. The state approved reductions of \$1.75 and \$3.50 and the additional federally approved reduction of \$1.75 shall be applied to reduce the monthly intrastate end-user charges paid by the qualifying low-income customers.~~

~~(iii) Eligible telecommunications carriers that do not charge the federal SLC or equivalent federal charges shall apply the federal baseline Lifeline support amount, plus the state-approved reduction of \$1.75 and \$3.50 and the additional federally approved reduction of \$1.75 to reduce their lowest tariffed residential rate for the supported services and charge qualified low-income customers the resulting amount.~~

~~(iv) The monthly discounted residential rate for qualified low-income customers may not be reduced below \$2.50.~~

(d) **Link Up Service Program.** This is a program certified by the Federal Communications Commission (FCC), pursuant to Title 47, Code of Federal Regulations, 47 CFR §54.411, that provides a qualifying low-income customer with the following assistance:

(1) **Services.**

- (A) A qualifying low-income customer may receive a reduction in the ~~participating eligible~~ telecommunications carrier's customary charge for commencing telecommunications service for a primary single line connection at the customer's principal place of residence. The reduction shall be half of the customary charge or \$30, whichever is less.
- (B) A qualifying low-income customer may receive a deferred schedule for payment of the charges assessed for commencing service, for which the customer does not pay interest. Interest shall be waived for connection charges of up to \$200 that are deferred for a period not to exceed one year. Charges assessed for commencing service include any charges that the carrier customarily assesses to connect subscribers to the network. These charges do not include any permissible security deposit requirements. Deferred payment of these charges will not be subject to late fees or additional service fees.
- (2) **Qualifying low-income customer choice.** A qualifying low-income customer is eligible for both of the services set forth in paragraphs (1)(A) and (B) of this subsection.
- (3) **Limitation on receipt.** ~~A participating An eligible~~ telecommunications carrier's Link Up Service shall allow a qualifying low-income customer to receive the benefit of Link Up Service on subsequent occasions only for a

principal place of residence with an address different from the residence address at which the Link Up Service was provided previously.

(e) **Obligations of the customer and the participating eligible telecommunications carrier.**

(1) **Obligations of the customer.** Customers who meet the low-income requirement for qualification but do not receive benefits under the programs listed in subsection (b) of this section may provide the LIDA ~~with their local eligible telecommunications carrier with an affidavit of~~ self-certification for Lifeline and/or Link Up Service benefits. Customers receiving benefits under the programs listed in subsection (b) of this section and who have telephone service will be subject to the Lifeline automatic enrollment procedures as provided by the LIDA pursuant to the terms of the Guide of TDHS ~~unless they provide the LIDA their local carrier~~ with a request to be excluded from Lifeline Service. Customers receiving benefits under the programs listed in subsection (b) of this section and who do not have telephone service must initiate a request for service from a participating eligible ~~telecommunications carrier~~ carriers providing local service in their area.

(2) **Obligations of participating eligible telecommunications carriers.**

(A) Lifeline Service.

(i) A participating ~~The eligible~~ telecommunications carrier shall provide Lifeline Service to all eligible customers

identified by the LIDA ~~TDHS~~ within its service area in accordance with this section and the Guide.

(I) A participating~~The eligible~~ telecommunications carrier shall identify those customers on the initial database~~list(s)~~ provided by the LIDA~~TDHS~~ to whom it is providing telephone service and shall begin reduced billing for those qualifying low-income customers in accordance with the terms of the Guide~~timeline filed with the commission pursuant to subsection (i) of this section~~.

(II) The eligible customer shall not be charged for changes in telephone service arrangements that are made in order to qualify for Lifeline Service, or for service order charges associated with transferring the account into Lifeline Service. If the eligible customer changes the telephone service or initiates new service, the participating ~~eligible~~ telecommunications carrier shall begin reduced billing at the time the change of service becomes effective or at the time new service is established.

(ii) Upon receipt of the monthly update provided by the LIDA pursuant to the terms of the Guide a participating~~TDHS~~ under subsection (e)(2) of this section, the eligible

telecommunications carrier shall begin reduced billing for those qualifying low-income customers subscribing to services within the timeframe established by the Guide~~30 days of receipt of the monthly update.~~

- (iii) The LIDA shall provide a self-certification form by direct mail at the customer's request. The LIDA shall maintain customers' self-certification forms and provide a database of self-certifying customers to all participating telecommunications carriers.~~————— The ——— eligible telecommunications carrier shall provide a blank affidavit of self-certification to all customers who may meet the low-income criteria of subsection (b) of this section but do not receive benefits from TDHS and shall provide such affidavit by direct mail at the customer's request. Upon receipt of the customer's signed affidavit the eligible telecommunications carrier shall initiate Lifeline Service within 30 days. The eligible telecommunications carrier may require annual verification pursuant to the procedure in subsection (e)(i)(C)(iii) of this section.~~

- (B) Link Up Service. Participating~~The eligible~~ telecommunications carrier~~carrier~~ shall provide Link Up Service to all qualifying low-income customers in accordance with the terms of the Guide~~as described in this section. Upon receipt of the self-certification~~

~~affidavit, the eligible telecommunications carrier will initiate contact, by direct mail or telephone, with the qualifying customer to determine any necessary information required to accomplish a request for new service. The customer will remain eligible for the Link Up discounts for the 12-month period covered by the self-certification affidavit but the customer will be required to contact the eligible telecommunications carrier to initiate an order for service.~~

(f) **Memorandum of Understanding.** Pursuant to a Memorandum of Understanding (MOU) between the commission and the TDHS to facilitate automatic enrollment of eligible customers in Lifeline, and pursuant to the terms of the Guide, the commission and the TDHS will undertake ~~the following obligations to insure an efficient automatic enrollment process in cooperation with the LIDA and all participating telecommunications carriers.~~

~~(1) — **Commitments of the commission.**~~

~~(A) — The commission will provide TDHS with a listing of eligible telecommunications carriers in the state. The listing will include the carriers' mailing addresses, a list of the counties served by each carrier, and a carrier contact for Lifeline and Link Up Services.~~

~~(B) — On a monthly basis, the commission will provide electronic updates to the listing set out in subparagraph (A) of this paragraph, including changes, additions or deletions to the listing.~~

~~(C) The commission will work with TDHS and the eligible telecommunications carriers to develop informational material on Lifeline and Link Up Services for distribution to eligible customers through TDHS' field offices.~~

~~(D) The commission will provide TDHS with other information available to the commission that will assist TDHS in implementing an automatic enrollment system for eligible customers.~~

~~(2) **Commitments of TDHS**~~

~~(A) TDHS will identify all active recipients of the benefits in subsection (b) of this section who are therefore eligible for Lifeline and Link Up Service.~~

~~(B) By March 2, 2001, provided that TDHS has received a signed confidentiality agreement pursuant to subsection (1) of this section, TDHS will provide each eligible telecommunications carrier with an initial list of eligible customers for automatic enrollment in Lifeline Service in an electronic format.~~

~~(C) The initial list set out in subparagraph (B) of this paragraph shall include the name, address, county, telephone number, if available, and social security number (SSN) of the qualifying customer. TDHS and an eligible telecommunications carrier may agree on another format to the initial list.~~

~~(D) TDHS will provide electronic updates to the initial list, in the same format, to each eligible telecommunications carrier. The monthly~~

~~updates provided by TDHS will include new eligible customers only. An annual update provided by TDHS will include "deletes", defined as a person or persons who have ceased being eligible or ceased receiving benefits from TDHS. The annual delete file will be provided by TDHS on February 1 of each year, beginning February 1, 2002.~~

~~(E) TDHS will work with the commission and the eligible telecommunications carriers to develop informational material on Lifeline and Link Up Services for distribution to eligible customers through TDHS' field offices.~~

(g) **Tariff requirement.** Each participating telecommunications carrier seeking designation as an eligible telecommunications carrier shall file a tariff to implement Lifeline Service and Link Up Service, or revise its existing tariff for compliance with this section and with applicable law, ~~prior to filing its application for designation as an eligible telecommunications carrier. Within 60 days of the effective date of this section all carriers currently offering Lifeline and Link Up Service shall file a revised tariff in compliance with this section. No other revision, addition, or deletion unrelated to Lifeline Service and Link Up Service shall be contained in the tariff application.~~

~~(h) **Review of Affidavits of Self-Certification, letters and notices provided by eligible telecommunications carriers.** Within 30 days of the effective date of~~

~~this section, eligible telecommunications carriers must provide drafts of its standard affidavit of self-certification for low-income customers and any proposed letters, notices, or informational material, including text of its directory notice, to be used pursuant to this section for commission review and approval.~~

~~(i) **Implementation timeline.** Telecommunications carriers must implement the Lifeline Service Automatic Enrollment Program within 180 days after the effective date of this section.~~

~~(h)(j)~~ **Reporting requirements.**

(1) On September 1st of each year all participating~~After receipt of the initial TDHS eligibility list and then annually on the anniversary of the date of the telecommunications carrier's full implementation of the automatic Lifeline enrollment process,~~ all eligible telecommunications carriers shall file with the commission a report detailing how many customers were enrolled through the Lifeline Automatic Enrollment Program, through the self-certification process, and how many customers received Link Up in the preceding year.

(2) **Texas Universal Service Fund (TUSF).** Participating~~An~~ eligible telecommunications ~~carrier~~carrier providing Lifeline Service pursuant to this section shall report information as required by the commission or the TUSF administrator, including but not limited to the following information.

- (A) Initial reporting requirements. Participating~~An~~ eligible telecommunications carrier~~carrier~~ shall provide the commission and the TUSF administrator with information demonstrating that its Lifeline Service plan meets the requirements of this section.
- (B) Monthly reporting requirements. Participating~~An~~ eligible telecommunications carrier~~carrier~~ shall report monthly to the TUSF administrator the total number of qualified low-income customers to whom Lifeline Service was provided for the month by the participating~~eligible~~ telecommunications carrier.
- (C) Other reporting requirements. Participating~~An~~ eligible telecommunications carrier~~carrier~~ shall report any other information required by the commission or the TUSF administrator, including any information necessary to assess contributions to and disbursements from the TUSF.
- (3) **Federal Lifeline Service Program.** Participating~~An~~ eligible telecommunications carrier~~carrier~~ shall file the following information with the administrator of the Federal Lifeline Program:
- (A) information demonstrating that the participating~~eligible~~ telecommunications carrier's Lifeline Service plan meets the criteria set forth in Title 47, Code of Federal Regulations, Subpart E (relating to Universal Service Support for Low-Income Consumers);

- (B) the number of qualifying low-income customers served by the participating ~~eligible~~ telecommunications carrier;
- (C) the amount of state assistance; and
- (D) other information required by the administrator of the Federal Lifeline Program.

~~(i)(k)~~ **Notice of Lifeline and Link Up Services.** A participating ~~An eligible~~ telecommunications carrier ~~provider~~ shall provide notice of Lifeline and Link Up Services in any directory it distributes to its customers and shall provide an annual bill message advising customers of the availability of Lifeline and Link Up Services. In any instance where the carrier provides bilingual (English and Spanish) information in its directory and annual bill messages, the carrier must also provide its notice regarding Lifeline and Link Up Service in a bilingual format.

~~(j)(4)~~ **Confidentiality agreements.** Participating ~~Eligible~~ telecommunications carriers must execute a confidentiality agreement with TDHS pursuant to the terms of the Guide prior to receiving the LIDA's eligibility database ~~the eligible customer list~~ pursuant to subsection (f)(2)(B) of this section. The agreement will specify that client information is released by TDHS to carriers ~~the carrier~~ for the sole purpose of providing Lifeline and/or Link Up Service to eligible customers and that the information cannot be released by the carrier or used by the carrier for any other purpose.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 28th DAY OF AUGUST 2003 BY THE**

**PUBLIC UTILITY COMMISSION OF TEXAS**

**RHONDA G. DEMPSEY**