

I-17-001, Alaska Universal Service Fund Review
Decisional Matrix Following Comments in Response to Order I-17-001(1)
Prepared for the June 14, 2017 Public Meeting

Staff Matrix After Order I-17-001(1) Comments

Article 5. Universal Service Fund.

3 AAC 53.300. Applicability, finding, purpose, and waiver.

3 AAC 53.300(a): This sub-section states that all public utilities that provide intrastate telecommunications service are subject to Article 5 (3 AAC 53.300 – 3 AAC 53.399).

3 AAC 53.300(b): This sub-section defines the purpose of Article 5 is promote efficiency, availability, and affordability of universal telephone service through the establishment of the Alaska Universal Service Fund (AUSF); makes any subsidies that have been implicit, explicit; and implements state participation in the federal universal service programs.

3 AAC 53.300(c): This sub-section provides the Commission discretion to waive all or any portion of Article 5 for good cause shown.

Option 1 Current Regulations	Option 2 ATA Proposal ¹	Option 3 Staff Proposal	Option 4 Alternate Staff Proposal
(a) The provisions of 3 AAC 53.300 - 3 AAC 53.399 apply to all public utilities that provide intrastate telecommunications service in this state. (b) The purpose of 3 AAC 53.300 - 3 AAC 53.399 is (1) to (A) promote the efficiency, availability, and affordability of universal telephone service in this state through the establishment of the Alaska Universal Service Fund (AUSF); (B) recalculate the rates and charges of intrastate telecommunications utilities so as to make explicit any subsidies that have previously been implicit; and	No change.	Repeal.	No change.

¹ Alaska Telephone Association Comments, filed April 24, 2017.

<p>(C) implement state participation in federal programs for the support of universal service under 47 U.S.C. 254 of the Federal Communications Act, as amended by the Telecommunications Act of 1996 (P.L. 104-104); and</p> <p>(2) not to raise revenue for the maintenance of government service offered to the general public.</p> <p>(c) For good cause shown, the commission will, in its discretion, waive the application of all or any portion of 3 AAC 53.300 - 3 AAC 53.399 to a public utility providing intrastate telecommunications service. If a waiver is granted under this subsection, the commission will establish, by order, appropriate criteria on a case-by-case basis for the public utility that received the waiver.</p>			
--	--	--	--

3 AAC 53.310. Approval of administrator; withdrawal of approval; bonding.

3 AAC 53.310(a), (b), (c) and (e): These sub-sections describes the approval process for choosing an administrator of the AUSF.

3 AAC 53.310(d): This sub-section provides that the Commission may withdraw the approval of the AUSF administrator at its discretion if good cause is shown, or is no longer in the best interests of the AUSF.

Option 1 Current Regulations	Option 2 ATA Proposal	Option 3 Staff Proposal	Option 4 Alternate Staff Proposal
<p>(a) To serve as an administrator of the AUSF, the applicant must be approved by the commission. The commission will approve the selection of an administrator of the AUSF, if the applicant meets the requirements of this section.</p> <p>(b) To be approved under this section, an applicant for the administrator must</p> <p>(1) be able to operate the AUSF in a neutral and impartial manner;</p> <p>(2) have the skills to bill, collect, and distribute large financial sums on a monthly basis; and</p> <p>(3) provide documentation of the ability to obtain and maintain a bond in the amount ordered by the commission in an amount equal to three months of estimated payments into the AUSF.</p> <p>(c) If more than one applicant applies under (a) of this section, the commission will, in its discretion, approve the applicant who meets the qualifications of (b) of this section and is best able to administer the AUSF.</p>	No change.	Repeal.	No change.

<p>(d) The commission will, in its discretion, withdraw its approval of the administrator if good cause is shown or the commission determines that the approval is no longer in the best interests of the AUSF.</p> <p>(e) If approved, the administrator must immediately provide to the commission documentation of obtaining the bond described in (b) of this section. The administrator must immediately notify the commission if the bond is no longer</p> <p>(1) sufficient to meet the requirements of this section; or</p> <p>(2) effective.</p>			
---	--	--	--

3 AAC 53.320. Budget approval; administrative costs.

3 AAC 53.320(a): This sub-section provides that the budget for administering the AUSF must be approved by the Commission.

3 AAC 53.320(b): This sub-section establishes October 1 as the deadline to submit the annual budget.

3 AAC 53.320(c): This sub-section provides that the Commission will only approve the budget if it is reasonable and in the public interest.

3 AAC 53.320(d): This sub-section provides that for the budget to remain approved, the payment of the administrator’s compensation cannot exceed the amount specified in the approved budget.

3 AAC 53.320(e): This sub-section provides that the approved administrative budget shall be included in the AUSF surcharge factor.

Option 1 Current Regulations	Option 2 ATA Proposal	Option 3 Staff Proposal	Option 4 Alternate Staff Proposal
<p>(a) In order to meet the requirements of AS 42.05.800 - AS 42.05.890 , the budget for administrative costs, including compensation of the administrator, must be approved by the commission.</p> <p>(b) No later than October 1 of each year, in accordance with 3 AAC 48.095, the administrator shall submit the proposed budget described in (a) of this section to the commission for approval for the following year.</p> <p>(c) The commission will only approve the proposed budget described in (a) of this section, if the commission finds that the proposed budget is reasonable and in the public interest.</p>	No change.	Repeal.	No change.

(d) To maintain approval of the budget by the commission, payment for the administrator's compensation may not exceed the amount specified in the budget approved by the commission.			
(e) The administrative costs approved by the commission shall be included, along with the estimated amount of universal service support disbursement from the AUSF, in the calculation of the universal service surcharge factor described in 3 AAC 53.340.			

3 AAC 53.330. Reports, audits, and separation of money.

3 AAC 53.330(a): This sub-section provides that for the AUSF administrator to maintain its approval:

- the administrator shall keep the amount allocated to AUSF in a separate account (no co-mingling of funds);
- the AUSF and administrator’s accounting practices are subject to a yearly audit;
- the administrator shall annually report an itemization of monthly administrative costs;
- the administrator shall quarterly file a report on the disbursements, along with any recommended changes to the AUSF surcharge factor;
- the administrator may audit payers into and receivers of AUSF at the request of the Commission;
- the administrator shall establish procedures to verify payments made into and disbursed from the AUSF; and
- the administrator is authorized to withhold disbursements to a public utility that fails to verify a claim for support.

3 AAC 53.330(b): This sub-section establishes that the Commission will provide a monitoring report to the public at least annually.

Option 1 Current Regulations	Option 2 ATA Proposal	Option 3 Staff Proposal	Option 4 Alternate Staff Proposal
<p>(a) To maintain approval under 3 AAC 53.310,</p> <p>(1) the administrator shall keep the amount allocated for universal service support in the AUSF in an account separate from other money under the control of the administrator;</p> <p>(2) the AUSF and the accounting practices of the administrator are subject to a yearly audit by an independent accounting firm and may be subject to an additional audit during the year by the commission, if ordered by the commission; the AUSF and the accounting practices of the administrator are subject to a close-out audit at the end of the administrator's term;</p> <p>(3) the administrator shall report annually to the commission, in accordance with 3 AAC 48.095, an itemization of monthly administrative costs, including expenses, receipts, and payments associated with the administration of the AUSF; the</p>	No change.	Repeal.	No change.

<p>administrator shall provide the commission full access to the data collected under or prepared through the administration of the AUSF;</p> <p>(4) the administrator shall report quarterly to the commission, in accordance with 3 AAC 48.095, on the disbursement of money from the AUSF along with any recommended changes to the universal service surcharge factor; the administrator shall keep separate accounts for the universal service surcharge collected and universal service support disbursed; and</p> <p>(5) at the request of the commission, the administrator may audit one or more public utilities required to pay the universal service surcharge and one or more public utilities that have received disbursements from the AUSF; the administrator shall establish procedures to verify universal service surcharge payments in to the AUSF and universal service support disbursed from the AUSF; the administrator may suspend or delay disbursements for universal service support to a public utility if that utility fails to adequately verify the amount of universal service support claimed, or if the commission issues an order to suspend or delay disbursement.</p> <p>(b) The commission will provide to the public a monitoring report at least once a year on the administrator's reports under this section.</p>			
--	--	--	--

3 AAC 53.340. Universal service surcharge.

3 AAC 53.340(a): This sub-section establishes that a public utility providing intrastate telecommunications service to the public shall pay into the AUSF based on its annual gross revenues generated from end users on the intrastate telecommunications services listed in this sub-section.

3 AAC 53.340(b): This sub-section exempts public utilities providing intrastate telecommunications services in the form of open video services (OVS), cable leased access, or direct broadcast satellite (DBS) from paying the AUSF surcharge.

3 AAC 53.340(c): This sub-section provides that a public utility subject to the AUSF surcharge shall provide a verified accounting of its “annual” gross revenues from intrastate end users semi-annually (March 31 and September 1). If a public utility’s AUSF liability for the year is <\$100, it is not required to submit payment, unless it had received AUSF support in that calendar year.

3 AAC 53.340(d): This sub-section provides that by October 1, the AUSF administrator shall calculate a proposed budget for the estimated amount of AUSF support payments and administrative costs for the following year, and make a recommendation what the AUSF surcharge factor should be for the following year. The AUSF administrator shall make recommendations to adjust the AUSF surcharge factor on a quarterly basis as necessary. The recommended AUSF surcharge factor and any adjustments must be approved before implementation.

3 AAC 53.340(e): This sub-section provides that public utilities must remit its monthly AUSF contributions by the 15th of the following month.

3 AAC 53.340(f): This sub-section requires the AUSF administrator to hold any surplus funds into a low-risk interest bearing account and use the excess for AUSF disbursements.

Option 1 Current Regulations	Option 2 ATA Proposal	Option 3 Staff Proposal	Option 4 Alternate Staff Proposal
(a) A public utility that provides intrastate telecommunications service to the public, or to those classes of users as to be effectively available to the public for a fee, shall pay a universal service surcharge to the AUSF. The public utility must pay the surcharge on its annual gross revenues that are generated from end users on the following intrastate telecommunications services and charges: (1) cellular telephone and paging services; (2) mobile radio services;	(a) A public utility that provides intrastate telecommunications service to the public, or to those classes of users as to be effectively available to the public for a fee, shall pay a universal service surcharge to the AUSF. The public utility must pay the surcharge on its annual gross revenues that are generated from end users on the following intrastate telecommunications services and charges: (1) cellular telephone and paging services; (2) mobile radio services;	Repeal.	(a) A public utility that provides intrastate telecommunications service to the public, or to those classes of users as to be effectively available to the public for a fee, shall pay a universal service surcharge to the AUSF. The public utility must pay the surcharge <u>based on its number of access lines, functional equivalents of a circuit-switched connection from an end-user to the public switched network, and each wireless telephone number. Consumers receiving a federal lifeline discount are exempt from assessment of the AUSF [ON ITS ANNUAL GROSS REVENUES THAT ARE GENERATED FROM END USERS ON THE FOLLOWING INTRASTATE TELECOMMUNICATIONS SERVICES AND CHARGES:]</u>

(3) operator services;	(3) operator services;		(1) repealed ;
(4) personal communications services (PCS);	(4) personal communications services (PCS);		(2) repealed ;
(5) special access service;	(5) special access service;		(3) repealed ;
(6) wide area telecommunications service (WATS);	(6) wide area telecommunications service (WATS);		(4) repealed ;
(7) toll-free service;	(7) toll-free service;		(5) repealed ;
(8) 900 service;	(8) 900 service;		(6) repealed ;
(9) message telephone service (MTS);	(9) message telephone service (MTS);		(7) repealed ;
(10) private line service;	(10) private line service;		(8) repealed ;
(11) telex;	(11) telex;		(9) repealed ;
(12) telegraph;	(12) telegraph;		(10) repealed ;
(13) video services;	(13) video services;		(11) repealed ;
(14) satellite service;	(14) satellite service;		(12) repealed ;
(15) resale of intrastate services;	(15) resale of intrastate services;		(13) repealed ;
(16) pay phone services;	(16) pay phone services;		(14) repealed ;
(17) local exchange services;	(17) local exchange services;		(15) repealed ;
(18) the network access fee assessed on end users in accordance with section 109 of the <i>Alaska Intrastate</i>	(18) the network access fee assessed on end users in accordance with section 109 of the <i>Alaska Intrastate</i>		(16) repealed ;

<p><i>Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440;</p> <p>(19) interconnected Voice over Internet Protocol (VoIP).</p> <p>(b) Notwithstanding (a) of this section, a public utility providing intrastate telecommunications services in the form of open video systems (OVS), cable leased access, or direct broadcast satellite (DBS) services is not required to pay the universal service surcharge.</p> <p>(c) A public utility providing a service for which a universal service surcharge payment is due shall provide to the administrator a verified accounting of its annual gross revenues from intrastate end users. The accounting shall be submitted on a form designated by order of the commission as the AUSF Worksheet. The public utility shall submit the completed AUSF Worksheet to the administrator twice a year. The first AUSF Worksheet is due March 31 of each year, containing data for the prior calendar year. The second AUSF Worksheet is due September 1, of each year, containing data for the six-month period from January 1 through June 30 for the current calendar year. If a public utility's payments to the AUSF in a calendar year would be less than \$100, that public utility is not required to submit a payment or the AUSF Worksheets for that calendar year, unless the public utility has received universal service support from the AUSF in that calendar year.</p> <p>(d) By October 1 of each year, the administrator shall calculate a proposed budget for the estimated total</p>	<p><i>Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440;</p> <p>(19) interconnected Voice over Internet Protocol (VoIP).</p> <p>(b) Notwithstanding (a) of this section, a public utility providing intrastate telecommunications services in the form of open video systems (OVS), cable leased access, or direct broadcast satellite (DBS) services is not required to pay the universal service surcharge.</p> <p>(c) A public utility providing a service for which a universal service surcharge payment is due shall provide to the administrator a verified accounting of its annual gross revenues from intrastate end users. The accounting shall be submitted on a form designated by order of the commission as the AUSF Worksheet. The public utility shall submit the completed AUSF Worksheet to the administrator twice a year. The first AUSF Worksheet is due March 31 of each year, containing data for the prior calendar year. The second AUSF Worksheet is due September 1, of each year, containing data for the six-month period from January 1 through June 30 for the current calendar year. If a public utility's payments to the AUSF in a calendar year would be less than \$100, that public utility is not required to submit a payment or the AUSF Worksheets for that calendar year, unless the public utility has received universal service support from the AUSF in that calendar year.</p> <p>(d) By October 1 of each year, the administrator shall calculate a proposed budget for the estimated total amount of the universal service support payment that will</p>	<p>(17) repealed;</p> <p>(18) repealed;</p> <p>(19) repealed.</p> <p>(b) repealed.</p> <p>(c) A public utility providing a service for which a universal service surcharge payment is due shall provide to the administrator a verified accounting of its number of access lines and functionally equivalent connections, and wireless telephone numbers [ANNUAL GROSS REVENUES FROM INTRASTATE END USERS]. The accounting shall be submitted on a form designated by order of the commission as the AUSF Worksheet. The public utility shall submit the completed AUSF Worksheet to the administrator twice a year. The first AUSF Worksheet is due March 31 of each year, containing data for the prior calendar year. The second AUSF Worksheet is due September 1, of each year, containing data for the six-month period from January 1 through June 30 for the current calendar year. If a public utility's payments to the AUSF in a calendar year would be less than \$100, that public utility is not required to submit a payment or the AUSF Worksheets for that calendar year, unless the public utility has received universal service support from the AUSF in that calendar year.</p> <p>(d) By October 1 of each year, the administrator shall calculate a proposed budget for the estimated total amount of the universal service support payment that</p>
---	---	--

<p>amount of the universal service support payment that will be needed from the AUSF for the following calendar year and for the administrative costs anticipated to be approved by the commission. The administrator shall recommend the annual universal service surcharge factor for the following year to cover the proposed budget. The universal service surcharge factor is calculated based on the ratio of the total estimated amount of disbursements for the AUSF to the total annual gross revenues from intrastate end users subject to the universal service surcharge. The administrator shall recommend to the commission adjustments to the universal service surcharge factor on a quarterly basis, as necessary, as described in 3 AAC 53.330. The recommended universal service surcharge factor and adjustments must be approved by the commission, before implementation by the administrator.</p> <p>(e) A public utility subject to the universal service surcharge under this section shall remit its monthly universal service surcharge payment to the administrator of the AUSF within 15 days after the end of each calendar month.</p> <p>(f) The administrator must hold universal service surcharge payments required from the AUSF in excess of disbursements for a current month in a low-risk interest bearing account and use the excess for disbursements under 3 AAC 53.300 - 3 AAC 53.399 in a following month.</p>	<p>be needed from the AUSF for the following calendar year and for the administrative costs anticipated to be approved by the commission. The administrator shall recommend the annual universal service surcharge factor for the following year to cover the proposed budget. The universal service surcharge factor is calculated based on the ratio of the total estimated amount of disbursements for the AUSF to the total annual gross revenues from intrastate end users subject to the universal service surcharge. <u>Effective January 1, 2018, the universal service surcharge factor shall not exceed ten percent.</u> The administrator shall recommend to the commission adjustments to the universal service surcharge factor on a quarterly basis, as necessary, as described in 3 AAC 53.330. The recommended universal service surcharge factor and adjustments must be approved by the commission, before implementation by the administrator.</p> <p>(e) A public utility subject to the universal service surcharge under this section shall remit its monthly universal service surcharge payment to the administrator of the AUSF within 15 days after the end of each calendar month.</p> <p>(f) The administrator must hold universal service surcharge payments required from the AUSF in excess of disbursements for a current month in a low-risk interest bearing account and use the excess for disbursements under 3 AAC 53.300 - 3 AAC 53.399 in a following month.</p>	<p>will be needed from the AUSF for the following calendar year and for the administrative costs anticipated to be approved by the commission. The administrator shall recommend the annual universal service surcharge factor for the following year to cover the proposed budget. The universal service surcharge factor is calculated based on the ratio of the total estimated amount of disbursements for the AUSF to the total annual gross revenues from intrastate end users subject to the universal service surcharge. The administrator shall recommend to the commission adjustments to the universal service surcharge factor on a quarterly basis, as necessary, as described in 3 AAC 53.330. The recommended universal service surcharge factor and adjustments must be approved by the commission, before implementation by the administrator.</p> <p>(e) A public utility subject to the universal service surcharge under this section shall remit its monthly universal service surcharge payment to the administrator of the AUSF within 15 days after the end of each calendar month.</p> <p>(f) The administrator must hold universal service surcharge payments required from the AUSF in excess of disbursements for a current month in a low-risk interest bearing account and use the excess for disbursements under 3 AAC 53.300 - 3 AAC 53.399 in a following month.</p>
--	---	---

3 AAC 53.345. Local exchange carrier of last resort support and rate cap increase.

3 AAC 53.345(a): This sub-section provides that a LEC designated a COLR, and is a nonpooling company, it is eligible for LEC COLR support to offset the shortfall of CCL revenue below its CCL revenue requirement. If the LEC COLR was previously a pooling company, the CCL revenue requirement is the CCL revenue requirement in effect when the LEC's CCL rate cap was determined. If the qualifying LEC COLR was never a pooling company, the LEC COLR must develop a CCL revenue requirement in accordance with the *Alaska Intrastate Interexchange Access Charge Manual* (AIIACM).

3 AAC 53.345(b): This sub-section provides that a nonpooling LEC COLR that faces local exchange competition and has a CCL rate cap less than the NAF charge is eligible for an increase in its CCL rate cap up to the current NAF rate.

3 AAC 53.345(c): This sub-section provides that a LEC COLR seeking to initiate, renew, or modify its COLR support, or to increase its CCL rate cap must submit a tariff advice letter.

3 AAC 53.345(d): This sub-section establishes that the approved COLR support is in effect for one year, and is not automatically renewed.

3 AAC 53.345(e): This sub-section provides what the LEC COLR support tariff filing must specify, including a calculation of the CCL revenue shortfall below the COLR's CCL revenue requirement. The sub-section also details the process on how to determine the CCL revenue shortfall.

3 AAC 53.345(f): This sub-section provides that if the LEC COLR's CCL rate cap is \geq to the NAF rate, the LEC COLR will receive COLR support equal to the shortfall.

3 AAC 53.345(g): This sub-section specifies that if a LEC COLR has a CCL rate cap $<$ the NAF rate, the CCL cap and NAF shall be increased to the current NAF limit to the extent necessary to recover the CCL revenue shortfall. Any remaining shortfall is to be covered by LEC COLR support.

3 AAC 53.345(h): This sub-section provides that the Commission upon petition or on its own motion may withdraw LEC COLR designation or may terminate COLR support to a LEC serving a portion or all of a study area, if the Commission determines that a LEC COLR is no longer needed in the area due to competitive market conditions or "other relevant factors."

3 AAC 53.345(i): This sub-section provides that the Commission may reduce a carrier's COLR support: if all or a part of the support is being used for an unreasonable purpose; if federal support becomes available that fills the same or similar purpose as COLR support; or for good cause.

3 AAC 53.345(j): This sub-section spells out the acronyms "CCL" and "NAF" as used in this section.

Option 1 Current Regulations	Option 2 ATA Proposal	Option 3 Staff Proposal	Option 4 Alternate Staff Proposal
(a) Except as provided in (h) of this section, if a local exchange carrier is designated, under 3 AAC 53.200 - 3 AAC 53.299, a carrier of last resort, and if that carrier is a nonpooling company, the carrier is eligible for carrier of last resort support from the AUSF to offset the shortfall in carrier common line (CCL) revenue below the carrier of last resort's supported	(a) Except as provided in (h) <u>.(k), and (l)</u> of this section, if a local exchange carrier is designated, under 3 AAC 53.200 - 3 AAC 53.299, a carrier of last resort, and if that carrier is a nonpooling company, the carrier is eligible for carrier of last resort support from the AUSF to offset the shortfall in carrier common line (CCL) revenue below the carrier of last resort's supported CCL revenue requirement. If the carrier	Repeal.	(a) Except as provided in (h) of this section, if a local exchange carrier is designated, under 3 AAC 53.200 – 3 AAC 53.299, a carrier of last resort, and if that carrier is a <u>pooling company, or is a</u> nonpooling company[,], <u>with exchanges that do not face local exchange competition,</u> the carrier is eligible for carrier of last resort support from the AUSF to offset the shortfall in carrier common line

<p>CCL revenue requirement. If the carrier of last resort is a nonpooling company, but was previously a pooling company, the supported CCL revenue requirement for the carrier is the CCL revenue requirement from which the carrier's CCL rate cap was determined. If the carrier is a nonpooling company, and was not previously a pooling company,</p> <p>(1) the carrier must support the proposed supported CCL revenue requirement with a filing</p> <p>(A) in accordance with the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440; and</p> <p>(B) submitted with the carrier's first tariff filing for carrier of last resort support under (c) of this section; and</p> <p>(2) the supported CCL revenue requirement for the carrier may not exceed, on a per-line basis, the CCL revenue requirement of a carrier of last resort that is a nonpooling company, but that was previously a pooling company.</p> <p>(b) A local exchange carrier of last resort that is a nonpooling company, that faces local exchange competition, and that has a CCL rate cap less than the network access fee (NAF) established under section 109 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440, is eligible for an increase in the carrier's</p>	<p>of last resort is a nonpooling company, but was previously a pooling company, the supported CCL revenue requirement for the carrier is the CCL revenue requirement from which the carrier's CCL rate cap was determined. If the carrier is a nonpooling company, and was not previously a pooling company,</p> <p>(1) the carrier must support the proposed supported CCL revenue requirement with a filing</p> <p>(A) in accordance with the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440; and</p> <p>(B) submitted with the carrier's first tariff filing for carrier of last resort support under (c) of this section; and</p> <p>(2) the supported CCL revenue requirement for the carrier may not exceed, on a per-line basis, the CCL revenue requirement of a carrier of last resort that is a nonpooling company, but that was previously a pooling company.</p> <p>(b) A local exchange carrier of last resort that is a nonpooling company, that faces local exchange competition, and that has a CCL rate cap less than the network access fee (NAF) established under section 109 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440, is eligible for an increase in the carrier's CCL rate up to the currently effective NAF limit so as to allow additional NAF revenues to offset, in whole or in part, the shortfall in CCL revenue below the supported CCL revenue requirement.</p>		<p>(CCL) revenue below the carrier of last resort's supported CCL revenue requirement. <u>In a local exchange study area that contains both exchanges that are and are not subject to local exchange competition, only the exchanges not subject to local exchange competition are eligible for carrier of last resort support.</u> If the carrier of last resort is a nonpooling company, but was previously a pooling company, the supported CCL revenue requirement for the carrier is the CCL revenue requirement from which the carrier's CCL rate cap was determined. <u>The carrier's CCL revenue requirement shall be allocated between its competitive and non-competitive exchanges through a method approved by the commission.</u> If the carrier is a nonpooling company, and was not previously a pooling company,</p> <p>(1) the carrier must support the proposed supported CCL revenue requirement with a filing</p> <p>(A) in accordance with the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440; and</p> <p>(B) submitted with the carrier's first tariff filing for carrier of last resort support under (c) of this section; and</p> <p>(2) the supported CCL revenue requirement for the carrier may not exceed, on a per-line basis, the CCL revenue requirement of a carrier of last resort that is a nonpooling company, but that was previously a pooling company.</p>
--	--	--	---

<p>CCL rate cap for the sole purpose of increasing the carrier's NAF rate up to the currently effective NAF limit so as to allow additional NAF revenues to offset, in whole or in part, the shortfall in CCL revenue below the supported CCL revenue requirement. The supported CCL revenue requirement is not changed even though a carrier is eligible for a CCL rate cap increase under this subsection.</p> <p>(c) A local exchange carrier of last resort seeking to initiate, renew, or modify its total carrier of last resort support amount, or to increase a CCL rate cap as provided under (b) of this section, must submit a tariff advice letter in accordance with 3 AAC 48.220, 3 AAC 48.240, and 3 AAC 48.270.</p> <p>(d) The carrier of last resort support amount approved by the commission under this section remains in effect for one year and will not be automatically renewed.</p> <p>(e) A tariff filing under (c) of this section must specify the CCL rate cap increase, the NAF rate change, and the carrier of last resort support amount being sought, and must provide a calculation of the shortfall in CCL revenue below the carrier of last resort's supported CCL revenue requirement. The shortfall in CCL revenue is determined by subtracting the carrier of last resort's combined CCL revenue from the carrier of last resort's supported CCL revenue requirement. The combined CCL revenue is the carrier of last resort's annualized revenue from the NAF and the CCL rate element, determined by</p>	<p>The supported CCL revenue requirement is not changed even though a carrier is eligible for a CCL rate cap increase under this subsection.</p> <p>(c) A local exchange carrier of last resort seeking to initiate, renew, or modify its total carrier of last resort support amount, or to increase a CCL rate cap as provided under (b) of this section, must submit a tariff advice letter in accordance with 3 AAC 48.220, 3 AAC 48.240, and 3 AAC 48.270.</p> <p>(d) The carrier of last resort support amount approved by the commission under this section remains in effect for one year and will not be automatically renewed.</p> <p>(e) A tariff filing under (c) of this section must specify the CCL rate cap increase, the NAF rate change, and the carrier of last resort support amount being sought, and must provide a calculation of the shortfall in CCL revenue below the carrier of last resort's supported CCL revenue requirement. The shortfall in CCL revenue is determined by subtracting the carrier of last resort's combined CCL revenue from the carrier of last resort's supported CCL revenue requirement. The combined CCL revenue is the carrier of last resort's annualized revenue from the NAF and the CCL rate element, determined by multiplying the revenue generated for a recent three-month period by four. The calculation must impute any increase in NAF revenue associated with a proposed increase in the NAF rate for purposes of determining the proposed carrier of last resort support.</p>		<p>(b) <u>In the exchanges a [A]</u> local exchange carrier of last resort that is a nonpooling company[, <u>THAT</u>] <u>does not</u> face[s] local exchange competition, and <u>[THAT]</u> has a CCL rate cap less than the network access fee (NAF) established under section 109 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440, is eligible for an increase in the carrier's CCL rate cap for the sole purpose of increasing the carrier's NAF rate up to the currently effective NAF limit so as to allow additional NAF revenues to offset, in whole or in part, the shortfall in CCL revenue below the supported CCL revenue requirement. The supported CCL revenue requirement is not changed even though a carrier is eligible for a CCL rate cap increase under this subsection.</p> <p>(c) A local exchange carrier of last resort seeking to initiate, renew, or modify its total carrier of last resort support amount, or to increase a CCL rate cap as provided under (b) of this section, must submit a tariff advice letter in accordance with 3 AAC 48.220, 3 AAC 48.240, and 3 AAC 48.270.</p> <p>(d) The carrier of last resort support amount approved by the commission under this section remains in effect for one year and will not be automatically renewed.</p> <p>(e) A tariff filing under (c) of this section must specify the CCL rate cap increase, the NAF rate change, and the carrier of last resort support amount being sought, and must provide a calculation of the shortfall in CCL revenue below the carrier of last resort's supported CCL revenue requirement. The shortfall in CCL revenue is determined</p>
---	---	--	---

<p>multiplying the revenue generated for a recent three-month period by four. The calculation must impute any increase in NAF revenue associated with a proposed increase in the NAF rate for purposes of determining the proposed carrier of last resort support.</p> <p>(f) If a local exchange carrier of last resort has a CCL rate cap greater than or equal to the NAF established under section 109 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440, the carrier of last resort shall receive carrier of last resort support equal to the shortfall calculated under (e) of this section.</p> <p>(g) If a local exchange carrier of last resort has a CCL rate cap less than the NAF established under section 109 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440, the CCL rate cap and NAF for the carrier of last resort shall be increased up to the currently effective NAF limit, to the extent necessary to recover the shortfall. If any shortfall remains after the increase to the CCL rate cap, the carrier of last resort shall receive carrier of last resort support equal to the remaining shortfall.</p> <p>(h) Notwithstanding (a), (b), (f), and (g) of this section or the provisions of 3 AAC 53.265, the commission upon a petition or on its own motion may withdraw carrier of last resort status or may terminate carrier of last resort support provided to a local exchange carrier serving a portion or all of the study area if the</p>	<p>(f) If a local exchange carrier of last resort has a CCL rate cap greater than or equal to the NAF established under section 109 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440, the carrier of last resort shall receive carrier of last resort support equal to the shortfall calculated under (e) of this section.</p> <p>(g) If a local exchange carrier of last resort has a CCL rate cap less than the NAF established under section 109 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440, the CCL rate cap and NAF for the carrier of last resort shall be increased up to the currently effective NAF limit, to the extent necessary to recover the shortfall. If any shortfall remains after the increase to the CCL rate cap, the carrier of last resort shall receive carrier of last resort support equal to the remaining shortfall.</p> <p>(h) Notwithstanding (a), (b), (f), and (g) of this section or the provisions of 3 AAC 53.265, the commission upon a petition or on its own motion may withdraw carrier of last resort status or may terminate carrier of last resort support provided to a local exchange carrier serving a portion or all of the study area if the commission determines after notice and hearing that a local exchange carrier of last resort is no longer needed in that area due to competitive market conditions or other relevant factors.</p> <p>(i) After investigation and opportunity for hearing, the commission may reduce a carrier's carrier of last resort support</p>		<p>by subtracting the carrier of last resort's combined CCL revenue from the carrier of last resort's supported CCL revenue requirement. The combined CCL revenue is the carrier of last resort's annualized revenue from the NAF and the CCL rate element, determined by multiplying the revenue generated for a recent three-month period by four. The calculation must impute any increase in NAF revenue associated with a proposed increase in the NAF rate for purposes of determining the proposed carrier of last resort support.</p> <p>(f) If a local exchange carrier of last resort has a CCL rate cap greater than or equal to the NAF established under section 109 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440, the carrier of last resort shall receive carrier of last resort support equal to the shortfall calculated under (e) of this section.</p> <p>(g) If a local exchange carrier of last resort has a CCL rate cap less than the NAF established under section 109 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440, the CCL rate cap and NAF for the carrier of last resort shall be increased up to the currently effective NAF limit, to the extent necessary to recover the shortfall. If any shortfall remains after the increase to the CCL rate cap, the carrier of last resort shall receive carrier of last resort support equal to the remaining shortfall.</p> <p>(h) Notwithstanding (a), (b), (f), and (g) of this section or the provisions of 3 AAC 53.265, the commission upon a petition or on its own motion may withdraw carrier of last</p>
--	---	--	--

<p>commission determines after notice and hearing that a local exchange carrier of last resort is no longer needed in that area due to competitive market conditions or other relevant factors.</p> <p>(i) After investigation and opportunity for hearing, the commission may reduce a carrier's carrier of last resort support</p> <p>(1) if all or a part of the support is being used for an unreasonable purpose;</p> <p>(2) if federal support becomes available that fills the same or a similar purpose as carrier of last resort support; or</p> <p>(3) for good cause.</p> <p>(j) In this section,</p> <p>(1) "CCL" means carrier common line;</p> <p>(2) "NAF" means network access fee.</p>	<p>(1) if all or a part of the support is being used for an unreasonable purpose;</p> <p>(2) if federal support becomes available that fills the same or a similar purpose as carrier of last resort support; or</p> <p>(3) for good cause.</p> <p>(j) In this section,</p> <p>(1) "CCL" means carrier common line;</p> <p>(2) "NAF" means network access fee.</p> <p><u>(k) Beginning January 1, 2018, carrier of last resort support is eliminated for the non-remote areas as defined by 47 C.F.R. 54.307(e)(3)(i).</u></p> <p><u>(l) Beginning January 1, 2018, carrier of last resort support is frozen at December 31, 2016 levels for the remote areas as defined by 47 C.F.R. 54.307(e)(3)(i). In a local exchange study area that contains both remote and non-remote zones, the remote portion is frozen based on allocation between remote and non-remote zones as of December 31, 2016 in a method approved by the commission.</u></p>		<p>resort status or may terminate carrier of last resort support provided to a local exchange carrier serving a portion or all of the study area if the commission determines after notice and hearing that a local exchange carrier of last resort is no longer needed in that area due to competitive market conditions or other relevant factors.</p> <p>(i) After investigation and opportunity for hearing, the commission may reduce a carrier's carrier of last resort support</p> <p>(1) if all or a part of the support is being used for an unreasonable purpose;</p> <p>(2) if federal support becomes available that fills the same or a similar purpose as carrier of last resort support; or</p> <p>(3) for good cause.</p> <p>(j) In this section,</p> <p>(1) "CCL" means carrier common line;</p> <p>(2) "NAF" means network access fee.</p>
---	--	--	--

3 AAC 53.350. Disbursements of the AUSF.

3 AAC 53.350(a): This sub-section establishes that the AUSF administrator to disburse monthly AUSF support for the listed programs:

- dial equipment minute (DEM) weighting;
- lifeline;
- public interest pay telephones (PIPTs) (3 AAC 53.740 – 3 AAC 53.799);
- LEC COLR support; and
- CCL support provided under the AllACM Sections 104 & 105.

3 AAC 53.350(b): This sub-section describes the process to determine the DEM Weighting support for the pooling companies (as a part of the annual access charge proceedings), and the nonpooling companies (based on the access revenue requirement at the time the company exited the pool).

3 AAC 53.350(c): This sub-section establishes the Commission provide CCL support to reduce the CCL access charge rate element down to zero.

3 AAC 53.350(d): This sub-section establishes that the Commission provide Lifeline support in an amount sufficient to maximize federal Lifeline support. Lifeline support shall be disbursed to each ETC in an amount equal to the necessary state contribution per line, times the number of qualifying local customers in the Lifeline program that month.

3 AAC 53.350(e): This sub-section establishes the priority of AUSF disbursements in case of a fund shortage in a particular month.

3 AAC 53.350(f): This sub-section establishes that the PIPT support be disbursed based on actual net costs of providing PIPT service as set forth in 3 AAC 53.760.

Option 1 Current Regulations	Option 2 ATA Proposal/Staff Revision	Option 3 Staff Proposal	Option 4 Alternate Staff Proposal
(a) The administrator shall disburse on a monthly basis money approved by the commission from the AUSF for universal service support eligible in the current month for (1) dial equipment minute (DEM) weighting; (2) lifeline program; (3) public interest pay telephones designated under 3 AAC 53.740 - 3 AAC 53.799; (4) local exchange carrier of last resort support; and	(a) The administrator shall disburse on a monthly basis money approved by the commission from the AUSF for universal service support eligible in the current month for (1) dial equipment minute (DEM) weighting; (2) lifeline program; (3) public interest pay telephones designated under 3 AAC 53.740 - 3 AAC 53.799; (4) local exchange carrier of last resort support; and	Repeal.	(a) The administrator shall disburse on a monthly basis money approved by the commission from the AUSF for universal service support eligible in the current month for (1) repealed ; (2) repealed ; (3) repealed ;

<p>(5) carrier common line support provided under (c) of this section and under sections 104 and 105 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440.</p> <p>(b) The commission will determine the universal service support required for the DEM weighting for a pooling company as part of the annual access charge process for a pooling company. The universal service support required for DEM weighting for an eligible nonpooling company is determined at the time that the eligible nonpooling company exits the pool and is based upon that company's most recent access revenue requirement. The administrator shall make a disbursement of universal service support for DEM weighting monthly to each eligible nonpooling company. The administrator shall disburse to a pooling company one-twelfth of its universal service support for DEM weighting each month. The administrator shall calculate and disburse the amount of universal service support for DEM weighting for a nonpooling company by distributing to each eligible telecommunications carrier within a study area the proportionate share of the universal service support for DEM weighting for that study area based upon the telecommunications carrier's percentage of reported number of access lines for that study area for that month.</p> <p>(c) The administrator shall provide support to reduce the intrastate carrier common line access charge rate element. The administrator shall provide support in an amount sufficient to reduce the carrier common line</p>	<p>(5) carrier common line support provided under (c) of this section and under sections 104 and 105 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440.</p> <p>(b) [THE COMMISSION WILL DETERMINE THE UNIVERSAL SERVICE SUPPORT REQUIRED FOR THE DEM WEIGHTING FOR A POOLING COMPANY AS PART OF THE ANNUAL ACCESS CHARGE PROCESS FOR A POOLING COMPANY. THE UNIVERSAL SERVICE SUPPORT REQUIRED FOR DEM WEIGHTING FOR AN ELIGIBLE NONPOOLING COMPANY IS DETERMINED AT THE TIME THAT THE ELIGIBLE NONPOOLING COMPANY EXITS THE POOL AND IS BASED UPON THAT COMPANY'S MOST RECENT ACCESS REVENUE REQUIREMENT.] The administrator shall make a disbursement of universal service support for DEM weighting monthly to each eligible [NONPOOLING COMPANY. THE ADMINISTRATOR SHALL DISBURSE TO A POOLING] company <u>at</u> one-twelfth of its <u>approved annual</u> [UNIVERSAL SERVICE] support [FOR DEM WEIGHTING EACH MONTH]. <u>The universal service support for DEM weighting is frozen at December 31, 2016 levels. Beginning January 1, 2018, the disbursement for DEM weighting support will be reduced to 80 percent of the company's frozen support amount. Beginning January 1, 2019, the disbursement for DEM weighting support will be reduced to 60 percent of the company's frozen support amount. Beginning January 1, 2020, the disbursement for DEM weighting support will be reduced to 40 percent of the company's frozen support amount. Beginning January 1, 2021, the disbursement for DEM weighting support will be reduced to 20 percent of the company's frozen support amount. Universal service support for DEM weighting will terminate on December 31, 2021</u> [THE ADMINISTRATOR SHALL CALCULATE AND DISBURSE THE AMOUNT OF UNIVERSAL SERVICE SUPPORT FOR DEM WEIGHTING FOR A NONPOOLING COMPANY BY DISTRIBUTING TO EACH ELIGIBLE TELECOMMUNICATIONS CARRIER WITHIN A STUDY AREA THE PROPORTIONATE SHARE OF THE UNIVERSAL SERVICE SUPPORT FOR DEM WEIGHTING FOR THAT STUDY AREA BASED UPON THE TELECOMMUNICATIONS CARRIER'S PERCENTAGE OF REPORTED NUMBER OF ACCESS LINES FOR THAT STUDY AREA FOR THAT MONTH].</p> <p>(c) The administrator shall provide support to reduce the intrastate carrier common line access charge rate element. The administrator shall provide support in an</p>	<p>(4) local exchange carrier of last resort support; and</p> <p>(5) carrier common line support provided under (c) of this section and under sections 104 and 105 of the <i>Alaska Intrastate Interexchange Access Charge Manual</i>, adopted by reference in 3 AAC 48.440.</p> <p>(b) <u>repealed.</u></p> <p>(c) The administrator shall provide support to reduce the intrastate carrier common line access charge rate element. The administrator shall provide support in an amount sufficient to reduce the carrier common line charge to zero. The support shall be provided directly on a monthly basis to the local exchange carrier. <u>A local exchange carrier whose rates for residential local service plus state regulated fees offered for voice service are below the specified local urban rate floor under 47 C.F.R. 54.318 shall have carrier common line support reduced</u></p>
--	---	--

<p>charge to zero. The support shall be provided directly on a monthly basis to the local exchange carrier.</p> <p>(d) The administrator shall provide support for the lifeline program in an amount sufficient to maximize the federal contribution for the lifeline program. The administrator shall disburse each month to each eligible telecommunications carrier an amount equal to the necessary state contribution per line times the monthly number of qualifying local customers in the lifeline program.</p> <p>(e) In the case of a shortage in the AUSF in a particular month, the administrator shall disburse the AUSF in the following order of priority:</p> <p>(1) administrative costs;</p> <p>(2) universal service support eligible in a prior month but not paid in that month;</p> <p>(3) universal service support eligible in a current month for the lifeline program;</p> <p>(4) universal service support eligible in a current month for local exchange carrier of last resort support;</p> <p>(5) universal service support eligible in a current month to reduce the carrier common line rate element paid by interexchange carriers;</p>	<p>amount sufficient to reduce the carrier common line charge to zero. The support shall be provided directly on a monthly basis to the local exchange carrier.</p> <p>(d) <u>Effective January 1, 2018</u>, the administrator shall provide support for the lifeline program in <u>the [AN] amount of not more than one dollar [SUFFICIENT TO MAXIMIZE THE FEDERAL CONTRIBUTION FOR THE LIFELINE PROGRAM]</u>. <u>The amount of lifeline support provided shall be the amount of lifeline service discount remaining, if any, after federal lifeline support and tribal lands support under 47 C.F.R. 54.403 is applied to the lifeline discount given to the lifeline customer. The eligible telecommunications carrier shall report monthly to the administrator the dollar amount of lifeline support requested, in addition to the total number of customers eligible for lifeline support, even if no support is provided to the customer.</u> The administrator shall disburse each month to each eligible telecommunications carrier an amount equal to the <u>[NECESSARY STATE CONTRIBUTION] support requested in the monthly report</u> [PER LINE TIMES THE MONTHLY NUMBER OF QUALIFYING LOCAL CUSTOMERS IN THE LIFELINE PROGRAM]. <u>In no instance shall the administrator disburse more support for the lifeline program than the discount provided to the lifeline customer.</u></p> <p>(e) <u>The administrator may not disburse funds from the AUSF greater than the amount of AUSF surcharges it collected for the month.</u> In the case of a shortage in the AUSF in a particular month, the administrator shall disburse the AUSF in the following order of priority:</p> <p>(1) administrative costs;</p> <p>(2) <u>repealed</u>;</p> <p>(3) universal service support eligible in a current month for the lifeline program;</p> <p>(4) <u>repealed</u>;</p>	<p><u>by an amount equal to the extent to which its rates for residential local service plus state regulated fees are below the urban rate floor, multiplied by the number of lines for which it is receiving support.</u></p> <p>(d) <u>repealed</u>.</p> <p>(e) In the case of a shortage in the AUSF in a particular month, the administrator shall disburse the AUSF in the following order of priority:</p> <p>(1) administrative costs;</p> <p>(2) universal service support eligible in a prior month but not paid in that month;</p> <p>(3) <u>repealed</u>;</p> <p>(4) universal service support eligible in a current month for local exchange carrier of last resort support;</p> <p>(5) universal service support eligible in a current month to reduce the carrier common</p>
--	---	--

<p>(6) universal service support eligible in a current month for public interest pay telephones designated under 3 AAC 53.740 - 3 AAC 53.799;</p> <p>(7) universal service support eligible in a current month for dial equipment minute (DEM) weighting.</p> <p>(f) Money for public interest pay telephones designated under 3 AAC 53.740 - 3 AAC 53.799 must be disbursed as provided in 3 AAC 53.760.</p>	<p>(5) <u>repealed</u>;</p> <p>(6) <u>repealed</u>;</p> <p>(7) <u>repealed</u>;[.]</p> <p><u>(8) the remaining funds available for disbursement for the month shall be allocated based on the recipients aggregated claim for support on a pro rata basis.</u></p> <p>(f) Money for public interest pay telephones designated under 3 AAC 53.740 - 3 AAC 53.799 must be disbursed as provided in 3 AAC 53.760.</p>		<p>line rate element paid by interexchange carriers;</p> <p>(6) <u>repealed</u>;</p> <p>(7) <u>repealed</u>.</p> <p>(f) <u>repealed</u>.</p>
---	--	--	--

3 AAC 53.390. Lifeline and link up eligibility.

3 AAC 53.390(a): This sub-section directs the eligible telecommunications carrier (ETC) to use sub-section (b) to identify low-income customers eligible to participate in the Lifeline/Link Up program.

3 AAC 53.390(b): This sub-section establishes the criteria for a customer to become eligible for Lifeline: (1) lives in a household with income at or below 135% of the federal poverty guidelines for Alaska; (2) receives benefits under a list of federal and state social services assistance programs; or (3) a non-listed federal or state social service assistance program which uses an income-based means test that an ETC has identified and had been approved by the Commission.

3 AAC 53.390(c): This sub-section establishes that the ETC shall require an eligible customer qualifying under the federal poverty guidelines to sign a document certifying the number of individuals in the household, and that the customer agrees to notify the ETC when the household’s income exceeds the 135% threshold.

3 AAC 53.390(d): This sub-section establishes that the ETC shall require an eligible customer qualifying because he/she receives benefits from the listed or approved social service assistance program(s) to sign a document: identifying the program(s) the customer receives benefits under, certifying that the customer is receiving benefits, and agreeing to notify the ETC when the customer no longer receives benefits from the qualifying program.

3 AAC 53.390(e): This sub-section provides a list of acceptable documentation an ETC can use to certify a customer’s initial Lifeline eligibility.

3 AAC 53.390(f): This sub-section provides that if the documentation in sub-section (e) does not cover a full year, it must cover at least 3 consecutive months in the current year.

3 AAC 53.390(g): This sub-section defines the procedure the ETCs are to use to verify a customer’s continued eligibility for Lifeline.

3 AAC 53.390(h): This sub-section establishes that the ETC must retain the self-certifications submitted by customers in their initial and continued qualifications for Lifeline, for as long as the customer receives the Lifeline discount.

3 AAC 53.390(i): This sub-section establishes that the ETC cannot disconnect or refuse to provide Lifeline service for non-payment of services that are not attached to the Lifeline discount.

3 AAC 53.390(j): This sub-section provides that if a Lifeline customer makes a partial payment on a bill that contains both local and non-local services, the ETC shall apply the payment to the local service first, unless directed otherwise by the customer.

3 AAC 53.390(k): This sub-section defines the terms “household” and “income” as used in this section.

Option 1 Current Regulations	Option 2 Staff Proposal/I-15-002	Options 3 & 4 Staff Proposal
(a) An eligible telecommunications carrier shall use (b) of this section to identify customers eligible to participate in the lifeline and link up programs. (b) A customer is eligible to participate in the lifeline and link up programs if the customer (1) lives in a household with income at or below 135 percent of the applicable federal poverty guidelines for this state, as established by the United States Department of Health and Human Services, except that for purposes	(a) An eligible telecommunications carrier shall use (b) of this section to identify customers eligible to participate in the lifeline and link up programs. (b) A customer is eligible to participate in the lifeline and link up programs if the customer	Repeal.

<p>of this section, where the term "family unit" appears in the federal poverty guidelines, "family unit" has the meaning given "household" in (k) of this section;</p> <p>(2) receives benefits under</p> <p>(A) 42 U.S.C. 1396 - 1396v or AS 47.07 (Medicaid);</p> <p>(B) 7 U.S.C. 2011 - 2036 or AS 47.25.975 - 47.25.990 (Food Stamp Program);</p> <p>(C) 42 U.S.C. 1382 - 1382j (Supplemental Security Income Program);</p> <p>(D) 42 U.S.C. 1437f (Federal Public Housing Assistance Program);</p> <p>(E) 42 U.S.C. 8621 - 8629 or 7 AAC 44 (Low-Income Home Energy Assistance Program (LIHEAP));</p> <p>(F) 25 U.S.C. 1 - 17 (Bureau of Indian Affairs General Assistance Program);</p> <p>(G) 42 U.S.C. 601 - 619 (Temporary Assistance for Needy Families (TANF));</p> <p>(H) 42 U.S.C. 9831 - 9852 (Head Start Program), and meets the low-income criteria prescribed under 42 U.S.C. 9840;</p> <p>(I) 42 U.S.C. 1758(b) (National School Lunch Program) for free lunches;</p> <p>(J) AS 47.27 (Alaska Temporary Assistance Program (ATAP)); or</p> <p>(K) AS 47.25 (Alaska Adult Public Assistance Program); or</p> <p>(3) receives benefits under another social services assistance program that</p> <p>(A) uses an income-based means test to determine eligibility for benefits;</p>	<p>(1) lives in a household with income at or below 135 percent of the applicable federal poverty guidelines for this state, as established by the United States Department of Health and Human Services, except that for purposes of this section, where the term "family unit" appears in the federal poverty guidelines, "family unit" has the meaning given "household" in (k) of this section;</p> <p>(2) receives benefits under</p> <p>(A) 42 U.S.C. 1396 - 1396v or AS 47.07 (Medicaid);</p> <p>(B) 7 U.S.C. 2011 - 2036 or AS 47.25.975 - 47.25.990 (Food Stamp Program);</p> <p>(C) 42 U.S.C. 1382 - 1382j (Supplemental Security Income Program);</p> <p>(D) 42 U.S.C. 1437f (Federal Public Housing Assistance Program);</p> <p>(E) repealed;</p> <p>(F) 25 U.S.C. 1 - 17 (Bureau of Indian Affairs General Assistance Program);</p> <p>(G) repealed;</p> <p>(H) 42 U.S.C. 9831 - 9852 (Head Start Program), and meets the low-income criteria prescribed under 42 U.S.C. 9840;</p>	
---	---	--

<p>(B) is administered by the state or federal government;</p> <p>(C) an eligible telecommunications carrier has identified as a program in which a customer's participation makes that customer eligible for lifeline and linkup services offered by that carrier; a program is identified under this subparagraph if the eligible telecommunications carrier has submitted the identification through an amendment to the carrier's current tariff or by letter if the carrier does not have a current tariff; and</p> <p>(D) the commission has approved through review of a filing under (C) of this paragraph.</p> <p>(c) An eligible telecommunications carrier shall require a customer eligible under (b)(1) of this section to sign a document</p> <p>(1) certifying under penalty of perjury the number of individuals in the customer's household and the customer's household income; and</p> <p>(2) agreeing to notify the eligible telecommunications carrier when the customer's household income exceeds the 135-percent threshold under (b)(1) of this section.</p> <p>(d) An eligible telecommunications carrier shall require a customer eligible under (b)(2) or (3) of this section to sign a document</p> <p>(1) certifying under penalty of perjury that the customer is receiving benefits from at least one of the programs listed in (b)(2) or (3) of this section;</p> <p>(2) identifying one or more of the programs under (b)(2) or (3) of this section from which the customer is receiving benefits; and</p> <p>(3) agreeing to notify the eligible telecommunications carrier when the customer no longer receives benefits from any program that the customer identified in (2) of this subsection.</p>	<p>(I) <u>repealed</u>;</p> <p>(J) <u>repealed</u>;</p> <p>(K) <u>repealed</u>;</p> <p><u>(L) Veterans and Survivors Pension Benefit;</u></p> <p><u>(M) Tribally administered Temporary Assistance for Needy Families (Tribal TANF); or</u></p> <p><u>(N) Food Distribution Program on Indian Reservations.</u></p> <p>(3) <u>repealed</u>.</p> <p><u>(4) in addition to meeting the qualifications provided in (b)(1) or (b)(2) of this section, a consumer must not already be receiving a lifeline service and there must not be anyone else in the subscriber's household subscribed to a lifeline service.</u></p> <p>(c) An eligible telecommunications carrier shall <u>make an initial determination of the subscriber's eligibility</u> [REQUIRE A CUSTOMER] under (b)(1) of this section <u>in accordance with 47 C.F.R. 54.410(b)</u> [TO SIGN A DOCUMENT].</p> <p>(1) <u>repealed</u>;</p> <p>(2) <u>repealed</u>.</p> <p>(d) An eligible telecommunications carrier shall <u>make an initial determination of the subscriber's eligibility</u> [REQUIRE</p>
--	--

<p>(e) When certifying a customer's initial eligibility under (b)(1) of this section, an eligible telecommunications carrier shall require the customer to provide documentation of income in the form of</p> <p>(1) a previous year's state or federal tax return;</p> <p>(2) a current income statement from an employer or paycheck stub;</p> <p>(3) a statement of benefits from the United States Social Security Administration;</p> <p>(4) a statement of benefits from the United States Department of Veterans Affairs;</p> <p>(5) a retirement or pension statement of benefits;</p> <p>(6) an unemployment or workers' compensation statement of benefits;</p> <p>(7) a federal or tribal notice letter of participation in general assistance;</p> <p>(8) a divorce decree or child support document; or</p> <p>(9) any other official document issued by a provider of income to document that income.</p> <p>(f) If the documentation provided under (e) of this section does not cover a full year, the documentation must cover at least three consecutive months in the current calendar year.</p> <p>(g) An eligible telecommunications carrier shall select annually a random sample of lifeline customers and verify that those customers remain eligible for lifeline service. However, if a specific customer is selected in a sample more than once within a three-year period, the eligible telecommunications provider is not required to re-verify that customer's continued eligibility within that period. To verify a customer's continued eligibility for lifeline service, the eligible telecommunications carrier may</p> <p>(1) accept from the customer a self-certification under (c) or (d) of this section, as applicable; or</p>	<p>A CUSTOMER ELIGIBLE] under (b)(2) [OR (b)(3)] of this section <u>in accordance with 47 C.F.R. 54.410(c)</u> [TO SIGN A DOCUMENT],</p> <p>(1) <u>repealed</u>;</p> <p>(2) <u>repealed</u>;</p> <p>(3) <u>repealed</u>.</p> <p>(e) <u>repealed</u>.</p> <p>(f) <u>repealed</u>.</p> <p>(g) <u>All subscribers lifeline eligibility must be re-certified 12 months after the subscriber's initiation date and every 12 months thereafter in accordance with 47 C.F.R. 54.410(f).</u> [AN ELIGIBLE TELECOMMUNICATIONS CARRIER SHALL SELECT ANNUALLY A RANDOM SAMPLE OF LIFELINE CUSTOMERS AND VERIFY THAT THOSE CUSTOMERS REMAIN ELIGIBLE FOR LIFELINE SERVICE. HOWEVER, IF A SPECIFIC CUSTOMER IS SELECTED IN A SAMPLE MORE THAN ONCE WITHIN A THREE-YEAR PERIOD, THE ELIGIBLE TELECOMMUNICATIONS PROVIDER IS NOT REQUIRED TO RE-VERIFY THAT CUSTOMER'S CONTINUED ELIGIBILITY WITHIN THAT PERIOD. TO VERIFY A CUSTOMER'S CONTINUED ELIGIBILITY FOR LIFELINE SERVICE, THE ELIGIBLE TELECOMMUNICATIONS CARRIER MAY]</p> <p>(1) <u>repealed</u>;</p> <p>(2) <u>repealed</u>.</p>
--	---

<p>(2) require the customer to provide written documentation of continued eligibility; the eligible telecommunications carrier may require documentation under this paragraph regardless of whether the customer</p> <p>(A) previously provided documentation under (e) of this section; or</p> <p>(B) initially applied under (b)(2) or (3) of this section.</p> <p>(h) An eligible telecommunications carrier shall retain a customer's self-certification under (c), (d), or (g)(1) of this section for as long as the customer receives lifeline service from the carrier. However, an eligible telecommunications carrier is not required to retain any other documentation of eligibility that the customer provides.</p> <p>(i) An eligible telecommunications carrier may not disconnect lifeline service or refuse to provide lifeline and link up service to an eligible customer for non-payment of any of the following:</p> <p>(1) interexchange carrier charges;</p> <p>(2) cable television charges;</p> <p>(3) satellite television charges;</p> <p>(4) charges for cellular telephone service, if those charges are for service other than lifeline service;</p> <p>(5) charges for services not subject to commission regulation;</p> <p>(6) charges for a bundle of services if local service is part of the bundle.</p> <p>(j) If a lifeline customer makes a partial payment on a bill that includes both local service and non-local services, the eligible telecommunications carrier shall apply the partial payment to local service first, unless the customer directs otherwise.</p>	<p>(h) An eligible telecommunications carrier shall retain a customer's self-certification under (c), (d), or (g)[(1)] of this section for as long as the customer receives lifeline service from that [THE] carrier but not less than the three full preceding calendar years. [HOWEVER, AN ELIGIBLE TELECOMMUNICATIONS CARRIER IS NOT REQUIRED TO RETAIN ANY OTHER DOCUMENTATION OF ELIGIBILITY THAT THE CUSTOMER PROVIDES.]</p> <p>(i) An eligible telecommunications carrier may not disconnect lifeline service or refuse to provide lifeline and link up service to an eligible customer for non-payment of any of the following:</p> <p>(1) interexchange carrier charges;</p> <p>(2) cable television charges;</p> <p>(3) satellite television charges;</p> <p>(4) charges for cellular telephone service, if those charges are for service other than lifeline service;</p> <p>(5) charges for services not subject to commission regulation;</p> <p>(6) charges for a bundle of services if local service is part of the bundle.</p> <p>(j) If a lifeline customer makes a partial payment on a bill that includes both local service and non-local services, the eligible telecommunications carrier shall apply the partial</p>	
---	--	--

<p>(k) In this section,</p> <p>(1) "household" means all persons who occupy a housing unit, regardless of whether they are related to each other;</p> <p>(2) "income" has the meaning given in 47 C.F.R. 54.400(f).</p>	<p>payment to local service first, unless the customer directs otherwise.</p> <p>(k) In this section,</p> <p>(1) "household" <u>has the meaning given in 47 C.F.R. 54.400(h)</u> [MEANS ALL PERSONS WHO OCCUPY A HOUSING UNIT, REGARDLESS OF WHETHER THEY ARE RELATED TO EACH OTHER];</p> <p>(2) "income" has the meaning given in 47 C.F.R. 54.400(f).</p>	
---	---	--

3 AAC 53.399. Definitions

3 AAC 53.399: This section defines terms used in Article 5, the Alaska Universal Service Fund regulations (3 AAC 53.300 – 3 AAC 53.399).

Option 1 Current Regulations	Option 2 ATA Proposal	Option 3 Staff Proposal	Option 4 Alternate Staff Proposal
<p>Unless the context indicates otherwise, in 3 AAC 53.300 - 3 AAC 53.399</p> <p>(1) "administrator" means the applicant approved by the commission under 3 AAC 53.310 to serve as administrator of AUSF;</p> <p>(2) "AUSF" means the Alaska Universal Service Fund;</p> <p>(3) "eligible telecommunications carrier" means a telecommunications utility eligible under 47 U.S.C. 214(e) of the Federal Communications Act, as amended by the Telecommunications Act of 1996 (P.L. 104-104);</p> <p>(4) "lifeline" has the same meaning as set out in 47 C.F.R. 54.401;</p> <p>(5) "nonpooling company" means a company that is not a participant in the access charge pool established by the Alaska Intrastate Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;</p> <p>(6) "pooling company" means a company that is a participant in the access charge pool established by</p>	<p>Unless the context indicates otherwise, in 3 AAC 53.300 - 3 AAC 53.399</p> <p>(1) "administrator" means the applicant approved by the commission under 3 AAC 53.310 to serve as administrator of AUSF;</p> <p>(2) "AUSF" means the Alaska Universal Service Fund;</p> <p>(3) "eligible telecommunications carrier" means a telecommunications utility eligible under 47 U.S.C. 214(e) of the Federal Communications Act, as amended by the Telecommunications Act of 1996 (P.L. 104-104);</p> <p>(4) "lifeline" has the same meaning as set out in 47 C.F.R. 54.401;</p> <p>(5) "nonpooling company" means a company that is not a participant in the access charge pool established by the Alaska Intrastate Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;</p> <p>(6) "pooling company" means a company that is a participant in the access charge pool established by</p>	<p>Repeal.</p>	<p>Unless the context indicates otherwise, in 3 AAC 53.300 - 3 AAC 53.399</p> <p>(1) "administrator" means the applicant approved by the commission under 3 AAC 53.310 to serve as administrator of AUSF;</p> <p>(2) "AUSF" means the Alaska Universal Service Fund;</p> <p>(3) "eligible telecommunications carrier" means a telecommunications utility eligible under 47 U.S.C. 214(e) of the Federal Communications Act, as amended by the Telecommunications Act of 1996 (P.L. 104-104);</p> <p>(4) "lifeline" has the same meaning as set out in 47 C.F.R. 54.401;</p> <p>(5) "nonpooling company" means a company that is not a participant in the access charge pool established by the Alaska Intrastate Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;</p> <p>(6) "pooling company" means a company that is a participant in the access charge pool established by the Alaska Intrastate Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;</p>

<p>the Alaska Intrastate Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;</p> <p>(7) "universal service surcharge" or "surcharge" means a rate paid by a public utility for the use of the public telecommunications network;</p> <p>(8) "link up" has the same meaning as set out in 47 C.F.R. 54.411;</p> <p>(9) "exchange" or "local exchange" has the same meaning given in 3 AAC 48.820;</p> <p>(10) "local exchange carrier" has the meaning given in 3 AAC 53.299;</p> <p>(11) "study area" has the meaning given in 3 AAC 53.499;</p> <p>(12) "interconnected Voice over Internet Protocol" has the same meaning as set out in 47 C.F.R. 9.3.</p>	<p>the Alaska Intrastate Interexchange Access Charge Manual adopted by reference in 3 AAC 48.440;</p> <p>(7) "universal service surcharge" or "surcharge" means a rate paid by a public utility for the use of the public telecommunications network;</p> <p>(8) "link up" has the same meaning as set out in <u>47 C.F.R. 54.413</u> [47 C.F.R. 54.411];</p> <p>(9) "exchange" or "local exchange" has the same meaning given in 3 AAC 48.820;</p> <p>(10) "local exchange carrier" has the meaning given in 3 AAC 53.299;</p> <p>(11) "study area" has the meaning given in 3 AAC 53.499;</p> <p>(12) "interconnected Voice over Internet Protocol" has the same meaning as set out in 47 C.F.R. 9.3.</p>	<p>(7) "universal service surcharge" or "surcharge" means a rate paid by a public utility for the use of the public telecommunications network;</p> <p>(8) "link up" has the same meaning as set out in <u>47 C.F.R. 54.413</u> [47 C.F.R. 54.411];</p> <p>(9) "exchange" or "local exchange" has the same meaning given in 3 AAC 48.820;</p> <p>(10) "local exchange carrier" has the meaning given in 3 AAC 53.299;</p> <p>(11) "study area" has the meaning given in 3 AAC 53.499;</p> <p>(12) "interconnected Voice over Internet Protocol" has the same meaning as set out in 47 C.F.R. 9.3.</p> <p><u>(13) "functional equivalent of a circuit-switched connection from an end-user to the public switched network" means equipment or technology that allows an end-user to place or receive a real-time voice communication.</u></p> <p><u>(14) "wireless telephone number" means a wireless telephone number that is billed to an address with the state of Alaska.</u></p> <p><u>(15) "state regulated fees" for the purposes of calculating limitations on carrier common line support means the network access fee (NAF), AUSF fees, and mandatory extended area service charges.</u></p>
---	--	---

Article 10. Public Interest Pay Telephone Service.

3 AAC 53.740. Applicability, purpose, and waiver.

3 AAC 53.740(a): This sub-section establishes that Article 10 (3 AAC 53.740 – 3 AAC 53.799) applies to public interest pay telephone (PIPT) service.

3 AAC 53.740(b): This sub-section defines the purpose of Article 10 to establish and provide for the designation, apportionment and funding of PIPTs.

3 AAC 53.740(c): This sub-section provides that any or all of Article 10 can be modified or waived by the Commission upon showing of good cause.

Option 1 Current Regulations	Option 2 ATA Proposal	Options 3 & 4 Staff Proposal
(a) The provisions of 3 AAC 53.740 - 3 AAC 53.799 apply to public interest pay telephone service.	No change.	Repeal.
(b) The purpose of 3 AAC 53.740 - 3 AAC 53.799 is to establish and provide for the designation, apportionment, and funding of public interest pay telephones.		
(c) Unless otherwise required under AS 42.05, a requirement in 3 AAC 53.740 - 3 AAC 53.799 may be modified or waived, in whole or in part, by order of the commission upon application and a showing of good cause or on the commission's own motion. An applicant shall file and the commission will consider an application in accordance with 3 AAC 48.805.		

3 AAC 53.745. Criteria for designation of a public interest pay telephone.

3 AAC 53.745(a): This sub-section defines a PIPT as one that fulfills a public policy objective of health, safety, or public welfare; and would not otherwise exist in a competitive marketplace.

3 AAC 53.745(b): This sub-section establishes that one of more PIPTs may be designated in each local exchange in which a pay telephone would not otherwise be available to the public.

Option 1 Current Regulations	Option 2 ATA Proposal	Options 3 & 4 Staff Proposal
(a) A public interest pay telephone is one that (1) fulfills a public policy objective in health, safety, or public welfare; (2) is not provided for a location provider with an existing contract for the provision of a pay telephone; and (3) would not otherwise exist as a result of the operation of the competitive marketplace. (b) The commission may designate one or more public interest pay telephones in each exchange in which a pay telephone would not otherwise be available to the public.	(a) A public interest pay telephone is one that (1) fulfills a public policy objective in health, safety, or public welfare; (2) is not provided for a location provider with an existing contract for the provision of a pay telephone; [AND] (3) would not otherwise exist as a result of the operation of the competitive marketplace[.]; and <u>(4) is in a location where no reliable wireless telephone service exists.</u> (b) The commission may designate one or more public interest pay telephones in each exchange in which a pay telephone would not otherwise be available to the public.	Repeal.

3 AAC 53.750. Designation of public interest pay telephones.

- 3 AAC 53.750(a):** This sub-section establishes that the Commission will designate an initial list of PIPTs under the procedures in this section.
- 3 AAC 53.750(b):** This sub-section sets out what information is needed in a request to establish a PIPT, including physical location and detailed cost and revenue information.
- 3 AAC 53.750(c):** This sub-section provides that the Commission will review the requests for PIPT designations and recommend additions and deletions to the initial list.
- 3 AAC 53.750(d):** This sub-section provides that the Commission will compile and publicly notice the initial list of proposed PIPTs.
- 3 AAC 53.750(e):** This sub-section provides that the Commission will issue the final list of PIPTs by exchange and physical location.
- 3 AAC 53.750(f):** This sub-section establishes that the Commission may consider amendments and modifications to the final PIPT list on its own motion or upon petition.

Option 1 Current Regulations	Option 2 ATA Proposal	Options 3 & 4 Staff Proposal
<p>(a) The commission will, by order, designate an initial list of public interest pay telephones under the procedures set out in (b) through (e) of this section.</p> <p>(b) The commission will establish a deadline for the submission of requests for the establishment of public interest pay telephones that meet the criteria for that designation as set out in 3 AAC 53.745. A request must be submitted in accordance with 3 AAC 48.095 and indicate the exchange and the physical address or location for each public interest pay telephone. A request to designate an existing pay telephone as a public interest pay telephone must include sufficient cost and revenue information for the commission to determine the profitability of the pay telephone.</p> <p>(c) After the deadline for the submission of requests under (b) of this section, the commission will review the requests for designation of public interest pay telephones for compliance with the criteria set out at 3 AAC 53.745 and will identify its recommended additions or deletions.</p> <p>(d) Following the completion of the procedures set out in (c) of this section, the commission will issue a preliminary list of proposed public interest pay telephones. The commission will provide public notice of its preliminary list and serve the list on all certificated telecommunications carriers in the state, including private pay telephone service providers. The commission will invite public comment on the completeness and accuracy of the preliminary list of public interest pay telephones. A certificated private pay telephone service provider may indicate which, if any, locations on the list it is willing to serve in its service area without support. The commission will establish a deadline for the submission of comments.</p> <p>(e) After the deadline established under (d) of this section, the commission will issue a final list of public interest pay telephones by</p> <p>(1) exchange; and</p> <p>(2) physical address or location of each public interest pay telephone.</p>	No change.	Repeal.

(f) The commission may consider amendments and modifications to the final list of public interest pay telephones designated under (e) of this section upon the commission's own motion or upon petition by an affected person.		
--	--	--

3 AAC 53.755. Assignment of public interest pay telephones.

3 AAC 53.755: This section provides that the Commission will assign the PIPT(s) for a given exchange to the incumbent local exchange carrier (ILEC).

Option 1 Current Regulations	Option 2 ATA Proposal	Options 3 & 4 Staff Proposal
After issuance of the final list of public interest pay telephones under 3 AAC 53.750(e) , the commission will assign the public interest pay telephone or telephones for a given exchange to the incumbent local exchange carrier serving that exchange.	No change.	Repeal.

3 AAC 53.760. Funding for public interest pay telephones.

3 AAC 53.760(a): This sub-section establishes that PIPT support is funded through the AUSF.

3 AAC 53.760(b): This sub-section provides that PIPT support will be paid monthly to the assigned ILEC based on the “actual net cost” of providing the service.

3 AAC 53.760(c): This sub-section defines the cost and revenue elements allowed and disallowed in the calculation of “actual net cost,” and provides that allowable costs are subject to an annual review.

3 AAC 53.760(d): This sub-section provides that the Commission will establish the process for the annual review of PIPT funding requirements.

3 AAC 53.760(e): This sub-section mandates that the ILEC make a reasonable attempt to obtain revenues from other sources to offset the actual net costs of the PIPT.

Option 1 Current Regulations	Option 2 ATA Proposal	Options 3 & 4 Staff Proposal
(a) Financial support required for a public interest pay telephone is funded from disbursements of the Alaska Universal Service Fund (AUSF). (b) An incumbent local exchange carrier assigned public interest pay telephone responsibility will be given monthly compensation from the AUSF for each public interest pay telephone based on the actual net cost of providing the service. (c) Actual net cost is equal to allowable costs less all revenues received from the public interest pay telephone, including revenues imputed by the commission. Allowable costs include a reasonable allocation of operating expenses, depreciation, taxes, and a reasonable return on invested capital, subject to annual commission review. Location rental is not an allowable cost unless specifically authorized by the commission. (d) The commission will establish by order the process for annual review of the funding requirements for public interest pay telephones. (e) An incumbent local exchange carrier providing public interest pay telephone service shall make a reasonable attempt to obtain revenues from available sources including federal dial-around compensation, local coin calls, and aggregator commissions from long distance carriers.	No change.	Repeal.

3 AAC 53.765. Service requirements.

3 AAC 53.765(a): This sub-section mandates that the ILEC maintain and serve its PIPTs in accordance with the Commission’s private pay telephone (PPT) regulations (3 AAC 53.820 – 3 AAC 53.899).

3 AAC 53.765(b): This sub-section establishes that the ILEC may not abandon PIPT service without prior approval of the Commission.

Option 1 Current Regulations	Option 2 ATA Proposal	Options 3 & 4 Staff Proposal
(a) An incumbent local exchange carrier that the commission has assigned public interest pay telephone responsibility shall maintain and serve the public interest pay telephones in accordance with 3 AAC 53.820 - 3 AAC 53.899. (b) An incumbent local exchange carrier that the commission has assigned public interest pay telephone responsibility may not abandon service without prior approval of the commission.	(a) No change. (b) No change. <u>(c) If wireless telephone service becomes available to the area where the public interest pay telephone is located, the incumbent local exchange carrier shall submit a request to remove the public interest pay telephone designation at that location within 30 days after wireless service initially became available.</u>	Repeal.

3 AAC 53.770. Maximum charge for a public interest pay telephone.

3 AAC 53.770: This section establishes that a local call placed from a PIPT cannot exceed \$0.25, and the charge for a long distance call cannot exceed the charges of the dominant long distance service provider.

Option 1 Current Regulations	Option 2 ATA Proposal	Options 3 & 4 Staff Proposal
The charge for a local call from a public interest pay telephone may not exceed 25 cents per call. The charge for a long distance call may not exceed the charges of the dominant long distance carrier.	The charge for a local call from a public interest pay telephone may not exceed 25 cents per call. The charge for a long distance call may not exceed the charges of the <u>intrastate interexchange</u> [DOMINANT LONG DISTANCE] carrier <u>of last resort designated for the local exchange area.</u>	Repeal.

3 AAC 53.775. Miscellaneous provisions.

3 AAC 53.775(a): This sub-section establishes that the ILEC must install a PIPT that accepts coins, unless public interest requires the installation of a coinless pay telephone.

3 AAC 53.775(b): This sub-section mandates that a coinless PIPT must provide free local calling.

3 AAC 53.775(c): This sub-section establishes that the PIPT should be located on public property or the ILEC’s property if possible.

Option 1 Current Regulations	Option 2 ATA Proposal	Options 3 & 4 Staff Proposal
(a) A public interest pay telephone provider shall install a public interest pay telephone capable of accepting coin calls unless the commission determines that the public interest requires the installation of a coinless pay telephone.	(a) A public interest pay telephone provider shall install a public interest pay telephone capable of accepting coin calls unless the commission determines that the public interest requires the installation of a coinless pay telephone.	Repeal.
(b) A coinless public interest pay telephone must provide free local calling.	(b) A coinless public interest pay telephone must provide free local calling.	
(c) To the extent possible, a public interest pay telephone must be located on public or utility property.	(c) To the extent possible, a public interest pay telephone must be located on public or utility property, and provides 24-hour accessibility to the public.	

3 AAC 53.799. Definitions.

3 AAC 53.799(a): This sub-section defines the terms “location provider” and “coinless pay telephone” used in Article 10.

3 AAC 53.799(b): This sub-section provides that undefined terms used in Article 10 have the same meaning as the definitions in 3 AAC 48.820 (Article 7 – Miscellaneous Provisions); 3 AAC 52.340 (Article 3 – Telephone Utilities); 3 AAC 52.399 (Article 4 – Criteria for Intrastate Interexchange Telephone Competition); and 3 AAC 53.899 (Article 11 – Criteria for the Provision of Private Pay Telephone Service).

Option 1 Current Regulations	Option 2 ATA Proposal	Options 3 & 4 Staff Proposal
(a) Unless the context indicates otherwise, in 3 AAC 53.740 - 3 AAC 53.799, (1) "location provider" means the owner of premises on which a public interest pay telephone is located or, for leased premises, the lessee, unless otherwise provided in the lease; (2) "coinless pay telephone" means a pay telephone that accepts 1-800 subscriber calls or access card calls. (b) Terms used in 3 AAC 53.740 - 3 AAC 53.799 that are not defined in this section have the meanings given in 3 AAC 48.820, 3 AAC 52.340, 3 AAC 52.399, and 3 AAC 53.899.	No change.	Repeal.

Further regulations and others items not addressed in MATRIX that also should be reviewed:

- 3 AAC 48.430 and 3 AAC 48.442. (Jurisdictional Separations, and **DEM Weighting**).
- 3 AAC 48.440. (the *Alaska Intrastate Interexchange Access Charge Manual*).
- 3 AAC 53.265. (Local Exchange Carriers of Last Resort). **LEC COLR Support.**
- 3 AAC 53.400 – 3 AAC 53.499. (Eligible Telecommunications Carrier Designation). **Lifeline provisions.**
- Alaska Universal Service Administrative Company By-Laws (last updated Order U-08-097(2), February 3, 2009).