

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 91M-314T

RULES PRESCRIBING THE STANDARD PROCEDURES FOR ADMINISTERING THE
COLORADO LOW-INCOME TELEPHONE ASSISTANCE FUND, 4 CCR 723-13.

**COMMISSION ORDER SETTING THE UNIFORM
CHARGE FOR EACH APPLICABLE ACCESS LINE AT
EIGHT CENTS PER MONTH FOR FISCAL YEAR
2003/2004 TO SUPPORT THE COLORADO LOW-INCOME
TELEPHONE ASSISTANCE FUND AND REQUIRING THE
NECESSARY CHANGES TO THE TARIFF**

Mailed Date: May 30, 2003
Adopted Date: May 28, 2003

I. BY THE COMMISSION

A. Statement

1. The Colorado Low-Income Telephone Assistance Fund (LITAP) was established by the Colorado Legislature in 1990. See § 40-3.4-101 et seq., C.R.S. In 1991, the Commission adopted Rules Prescribing the Procedures for Administering the Low-Income Telephone Assistance Fund. 4 *Code of Colorado Regulations* (CCR) 723-13. Pursuant to Rule 4 CCR 723-13-4, the Commission shall determine, and by appropriate order, impose a Uniform Charge on each business and residential access line in a uniform amount in order to fund LITAP. Such charge may be adjusted on or before July 1 of each year. Rule 4 CCR 723-13-3.1 provides:

Implementing tariffs shall consist of a twenty-five percent discount for a single local dial tone line and the flat rate usage charge in the principal residence of an eligible subscriber. Eligible subscribers who pay mileage charges associated with basic telephone service may be eligible for a twenty-five percent discount for these charges. In no event shall the discount provided be less than the end user common line charges imposed by the Federal Communications Commission.

2. The Commission has assembled data projecting the amount of funding necessary to meet the program's legislative and rule requirements. *See* Attachment A. After accounting for the projected amounts in LITAP at the end of the fiscal year 2002-2003, the Commission finds the LITAP Uniform Charge on each eligible access line for fiscal year 2003-2004 shall be increased from six to eight cents per month per line. The increase to the line charge is necessitated by the "CALLS ORDER" and the "MAGS ORDER" issued by the Federal Communications Commission (FCC), which modified the End User Common Line Charge (SLC) for all price capped local exchange carriers and rural local exchange providers such that the amount of LITAP assistance is increased to \$6.50 per eligible low-income subscriber as of July 1, 2003. This is an increase of \$3.00 per access line per month over a three-year period.

3. This increase has a direct effect on the Colorado LITAP fund. Colorado statute requires that LITAP assistance be either a 25 percent discount or the SLC imposed by the FCC, whichever is greater. The number of LITAP subscribers increased by over 17 percent in the calendar year 2002. The Colorado Department of Human Services estimates another significant increase in subscribers for the calendar year 2003. The increased SLC charge and the increase in the number of LITAP subscribers will create a shortfall in the LITAP fund at the current Uniform Charge. An increase of two cents per month per access line is necessary to maintain a positive projected balance of the fund.

II. ORDER

A. The Commission Orders That:

1. The Commission, pursuant to § 40-3.4-108, C.R.S., and Rules 4 and 5 of the Commission's Rules Prescribing the Procedures for Administering the Low-Income Telephone Assistance Fund, 4 *Code of Colorado Regulations* 723-13, hereby establishes a Uniform Charge

on each eligible access line for the Colorado Low-Income Telephone Assistance Fund for the Fiscal Year 2003-2004, which shall be eight cents per month per access line, effective July 1, 2003.

2. To the extent necessary to reflect the eight cents per month per access line charge, each basic local exchange telecommunications service provider who has Colorado Low-Income Telephone Assistance Fund tariffs on file with the Commission shall file revised tariffs changing the Uniform Charges per access line per month, on not less than one day's notice, citing this Order as authority.

3. The Commission may enter subsequent orders should the estimates in the Attachment A appended to this Order prove inaccurate.

4. The Uniform Charge of eight cents per month shall be included in each applicable subscriber's bill as part of the subscriber's base rate. As soon as practicable, after July 1, 2003, each basic local exchange telecommunications provider who has on file a tariff providing for Low-Income Telephone Assistance, and is thus a part of the Colorado Low-Income Telephone Assistance Fund, shall print a market informational message. The message shall be on each customer's bill during one billing cycle stating: "The Basic Rate contains an eight cent monthly charge for the Colorado Low-Income Telephone Assistance Fund."

5. The 20-day time-period provided for by § 40-6-114(1), C.R.S., to file an application for rehearing, reargument, or reconsideration begins on the first day after the mailing of this Order.

6. This Order is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
May 28, 2003.**

(S E A L)



ATTEST: A TRUE COPY

Bruce N. Smith
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

GREGORY E. SOPKIN

POLLY PAGE

JIM DYER

Commissioners