Decision No. C04-0552

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 12 CENTS PER MONTH FOR THE FISCAL YEAR 2004-2005 TO SUPPORT THE COLORADO LOW-INCOME TELEPHONE ASSISTANCE PROGRAM AND REQUIRING THE PRINTING OF A MARKET INFORMATIONAL NOTE

> Mailed Date: June 1, 2004 Adopted Date: May 26, 200

I. BY THE COMMISSION

A. Statement

1. The Colorado Low-Income Telephone Assistance Program (LITAP), also called "Lifeline," was established by the 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. Rule 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. 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; such charge can be adjusted on or before July 1 of each year. After accounting for the projected amounts in the Colorado Low-Income Telephone Assistance Fund (Fund) for the first two

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quarters of 2004, the Commission finds the LITAP uniform charge on each access line for fiscal year 2005 beginning July 1, 2004, will need to be increased from 10 cents to 12 cents per line per month.

3. Colorado allows participating telephone service providers to be reimbursed from the Fund for a 25 percent discount or the end user subscriber line charge imposed by the Federal Communications Commission, whichever is greater. Considering the current fund balance, revenue, and projected expenditures for Fiscal Year 2004-2005, the Commission finds it necessary to increase the LITAP uniform charge on each access line beginning July 1, 2004. The increased end user subscriber line charge (currently \$6.50 per month), an increase in the number of LITAP subscribers, and a decrease in the number of access lines assessed the uniform charge have had an impact on the Fund and created a shortfall at the current uniform charge. A two-cent increase in the monthly uniform charge is necessary in order to establish and maintain a positive Fund balance.

II. ORDER

A. The Commission Orders That:

1. Pursuant to § 40-3.4-108(1), 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, the Colorado Low-Income Telephone Assistance Program uniform charge on each access line for the Fiscal Year 2004-2005 shall be 12 cents per line per month effective July 1, 2004.

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2. If necessary, local exchange telecommunications providers may file revised tariffs changing the Colorado Low-Income Telephone Assistance Program charge on not less than one day's notice to the Commission, citing this Order as authority.

- 3. The Commission may enter subsequent orders should the estimates in the Table entitled "Colorado Low-Income Telephone Assistance Fund", appended as Attachment A to this Order, prove inaccurate.
- 4. The uniform charge of 12 cents per month shall be included in each applicable subscriber's bill, either as a specific line item or as part of the subscriber's basic rate effective July 1, 2004. As soon as practicable after July 1, 2004, each local exchange telecommunications provider collecting the Colorado Low-Income Telephone Assistance Program charge as part of its basic rate shall print on each customer's bill a market informational note. The market informational note shall state: "The basic rate contains a 12-cent monthly charge for the Colorado Low-Income Telephone Assistance Fund." The market informational note shall be printed on the bill through one billing cycle.
- 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 upon its Mailed Date.

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B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING May 26, 2004.

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