

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1223

In the Matter of)	
)	
EDGE WIRELESS, LLC)	ORDER
)	
Designation as an Eligible Telecommunications)	
Provider, Providing Services to Customers)	
Under the Federal Lifeline/Link Up Program)	
and the State of Oregon Telephone Assistance)	
Program (OTAP).)	

DISPOSITION: APPLICATION APPROVED

On September 23, 2005, Edge Wireless, LLC (Edge) filed an application with the Public Utility Commission of Oregon (Commission) requesting designation as a federal eligible telecommunications provider (ETP) pursuant to OAR 860-033-0005. Designation as a federal ETP will authorize Edge to participate in the federal Lifeline/Link Up program, as well as the Oregon Telephone Assistance Program (OTAP). Edge is a radio common carrier and currently has 38,391 residential lines, 7,318 business lines, and 95 tribal lines. A description of the filing and its procedural history is contained in the Staff Report, attached as Appendix A, and incorporated by reference.

In order to be designated as a federal ETP, a telecommunications service provider must be designated as a federal eligible telecommunications carrier (ETC) by a state public utility commission. Staff finds that Commission Order No. 05-965 designated Edge as an ETC on August 29, 2005. In order to be designated as a state ETP, a telecommunications service provider must comply with the federal requirements contained in C.F.R. § 54.101. The applicant must also demonstrate that it will comply with OAR 860-033-0005 through OAR 860-033-0100. Staff finds that Edge has satisfied the requirements to provide OTAP to qualifying customers, as further provided in Appendix A.

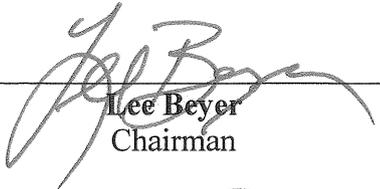
Staff recommends that the Commission grant Edge's request to be designated as an ETP pursuant to OAR 860-033-0005. Granting the petition will authorize Edge to participate in the federal Lifeline/Link Up program and OTAP.

At its Public Meeting on October 25, 2005, the Commission adopted Staff's recommendation and approved Edge's application for designation as an ETP in the proposed designated service area.

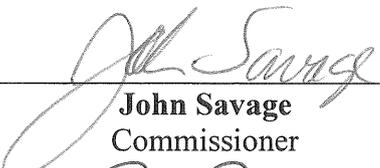
ORDER

IT IS ORDERED that the application by Edge Wireless, LLC for designation as a federal Eligible Telecommunications Provider in the wire centers listed in Appendix A is approved.

Made, entered, and effective NOV 07 2005.



Lee Beyer
Chairman



John Savage
Commissioner



Ray Baum
Commissioner



A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: October 25, 2005

REGULAR _____ CONSENT X EFFECTIVE DATE _____

DATE: October 7, 2005

TO: Public Utility Commission

FROM: Damara Paris, RSPF Manager *DP*

THROUGH: Rick Willis, PUC Executive Director *[Signature]*
Victoria McLean, CSD Administrator *[Signature]*

SUBJECT: EDGE WIRELESS, LLC: (Docket No. UM 1223) Designation as an Eligible Telecommunications Provider, Providing Services to Customers Under the Federal Lifeline/Link Up Program and the State of Oregon Telephone Assistance Program (OTAP).

STAFF RECOMMENDATION:

Staff recommends that the Commission grant Edge Wireless, LLC's request to be designated an Eligible Telecommunications Provider (ETP) pursuant to Oregon Administrative Rule (OAR) 860-033-0005. Granting the petition will authorize Edge Wireless, LLC to participate in the federal Lifeline/Link Up program, as well as the Oregon Telecommunications Assistance Program (OTAP).

DISCUSSION:

A. The Application of Edge Wireless, LLC.

Commission Order No. 05-965 designated Edge Wireless, LLC, a federal eligible telecommunications carrier (ETC) in September 2005. The company now seeks designation as an ETP in order to participate in the federal Lifeline/Link Up telephone subsidy program and the State of Oregon Telephone Assistance Program (OTAP). The corporation submitted their application to provide OTAP services on September 26, 2005. Edge Wireless, LCC, or Edge, is a radio common carrier and currently has 38,391 residential lines, 7,318 business lines and 95 tribal lines served by wireless instruments.

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B. The Federal Lifeline/Link UP Program

The federal Lifeline/Link Up program is a universal service fund (USF) supported mechanism designed to increase the availability of telecommunications services to low-income customers.

The Lifeline portion of the Lifeline/Link Up program reimburses telephone companies for providing low-income consumers with a discount on the cost of residential basic local exchange service. Lifeline support enables low-income consumers to save up to \$13.50. Of this amount, the OTAP program contributes \$3.50 per month. Consumers living on tribal lands may qualify for alternate Lifeline discounts based on their area of tribal residence.

The Link Up portion of the Lifeline/Link Up program reimburses telephone companies for providing low-income consumers with a discount on the cost of connecting their residential basic local exchange service. Link Up support enables low-income consumers to save up to 50% on connection fees, or \$30, whichever is less. Participants may also establish a deferred payment schedule for remaining connection charges of up to \$200. Consumers living on tribal lands may qualify for tribal Link Up discounts.

Telecommunications service providers provide funding for federal Lifeline/Link Up. Carriers are required to contribute a percentage of their interstate revenues towards federal USF support mechanisms, including high cost support and rural healthcare programs. Most telecommunications service providers pass this cost on to their customers via a surcharge on end user bills.

C. Oregon Telephone Assistance Program

In 1987, the Commission established OTAP in response to the law enacted by the Oregon Legislature stating that all Oregonians have a right to access to basic telecommunication services under the Residential Service Protection Fund (RSPF). OTAP is one of four telecommunication assistance programs outlined in Chapter 290, Oregon Laws 1987.

OTAP is administered by Commission staff and serves as an additional source of support to the Lifeline portion of the federal Lifeline/Link Up program. The state contributes \$3.50 per eligible consumer for basic local exchange telephone service, while the federal government contributes up to \$10 per consumer.

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At present, 34 ILEC companies, 2 CLEC and 2 wireless companies currently participate in the OTAP and federal Lifeline/Link UP program. Approximately 62,000 low-income customers in Oregon currently receive OTAP and Lifeline support.

D. Consumer Eligibility for Lifeline, Link Up and OTAP

In states that maintain their own low-income support programs, the FCC requires consumers to meet state eligibility requirements in order to receive federal Lifeline/Link Up support. In states that do not have their own income support programs, consumers are required to meet default federal eligibility requirements. In Oregon, consumers are eligible to receive OTAP and Lifeline/Link Up assistance if they are currently receiving federal food stamps or assistance from another low-income program for which eligibility requirements do not exceed 135% of the federal poverty level. In addition to food stamps, consumers receiving assistance such as Temporary Assistance to Needy Families, Supplemental Security Income or coverage under an approved medical program may qualify.

E. The Federal ETC Designation Process

Before a telecommunications service provider can receive federal USF support (whether high cost support or Lifeline/Link Up), it must be designated as a federal ETC by a state public utility commission. In September 2005, Edge was granted an ETC designation by the Commission through Order No. 05-965, UM 1177.

F. State ETP Designation Process

In order to be designated as a state ETP to participate in OTAP, a telecommunications service provider must comply with the federal requirements contained in C.F.R. § 54.101. The applicant must also demonstrate that it will comply with OAR 860-033-0005 through OAR 860-033-0100, which includes the rules applicable to OTAP.

G. Analysis of Edge Wireless, LLC.'s Application

Edge Wireless LLC filed its OTAP application on September 26, 2005, which included a cover letter and a completed OTAP ETP Provider Application Form. These documents are attached to this memo.

Staff found that the application was complete and responsive. As part of the application, Edge agreed to abide by the PUC Oregon Administrative Rules pertaining to OTAP. These rules specifically apply to procedures for approving, denying and terminating OTAP recipients, timelines for submitting reports, requirements regarding

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client confidentiality and expectations pertaining to Link Up. In summary, Edge has satisfied the requirements to provide OTAP to their qualifying consumers.

PROPOSED COMMISSION MOTION:

Approve Edge, Inc.'s application for designation as an ETP, so it can provide services to customers under the federal Lifeline/Link Up program and the State of Oregon OTAP program.

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