ENTERED 09/18/07

### BEFORE THE PUBLIC UTILITY COMMISSION

#### **OF OREGON**

UM 1314

In the Matter of	)	
AT&T MOBILITY LLC, dba Cingular Wireless, LLC and AT&T	) )	ORDER
Application for Designation as an Eligible	)	
Telecommunications Provider (ETP)	)	
Providing Services to Customers Under the	)	
Federal Lifeline/Link Up Program and the	)	
State of Oregon Telephone Assistance	)	
Program (OTAP).	)	

#### DISPOSITION: APPLICATION APPROVED

On April 27, 2007, AT&T Mobility LLC, dba Cingular Wireless, LLC and AT&T (AT&T Mobility), filed an application with the Public Utility Commission of Oregon (Commission), requesting designation as an Eligible Telecommunications Provider (ETP), pursuant to OAR 860-033-0005. Designation as an ETP will authorize AT&T Mobility to participate in the federal Lifeline/Link Up program, as well as the Oregon Telecommunications Assistance Program (OTAP). A description of the Lifeline/Link Up program and the OTAP is contained in Staff's Report, attached as Appendix A, and incorporated by reference.

In order to be designated as a state ETP and to participate in OTAP, a telecommunications service provider must comply with federal requirements contained in C.F.R. § 54.101 and must comply with OAR 860-033-0005 through OAR 860-033-0100. Commission Staff finds that AT&T Mobility satisfied the requirements to become an ETP for the purposes of providing OTAP and Lifeline/Link Up benefits, as further provided in Attachment A.

At its Public Meeting on September 11, 2007, the Commission adopted Staff's recommendation and approved AT&T Mobility's application for designation as an ETP.

#### **ORDER**

IT IS ORDERED that AT&T Mobility LLC.'s application for designation as an Eligible Telecommunications Provider, in order to provide service to customers under the federal Lifeline/Link Up program and the State of Oregon Telecommunications Assistance Program, is approved.

> SEP 1 8 2007 Made, entered, and effective

Lee Bever

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 by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

ITEM NO. CA1

## PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT PUBLIC MEETING DATE: September 11, 2007

REGULAR CONSENT X EFFECTIVE DATE September 11, 2007

DATE:

August 31, 2007

TO:

Public Utility Commission

FROM:

Jon Cray, RSPF Manager

THROUGH: Rick Willis and David Poston

SUBJECT: AT&T MOBILITY LLC: 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 AT&T Mobility LLC's request to be designated as an Eligible Telecommunications Provider (ETP) pursuant to Oregon Administrative Rule (OAR) 860-033-0005 in the wire centers listed in Appendix A. Granting the petition will authorize AT&T Mobility LLC to participate in the Federal Lifeline/Link-Up Program, as well as the Oregon Telephone Assistance Program.

#### **DISCUSSION:**

## A. The Application of AT&T Mobility LLC

Commission Order No. 07-111 designated AT&T Mobility LLC a federal eligible telecommunications carrier (ETC) on March 29, 2007. The company now seeks designation as an ETP in order to participate in the Federal Lifeline/Link-Up Program and the State of Oregon Telephone Assistance Program (OTAP). The corporation submitted their ETP application to provide OTAP services on April 27, 2007. AT&T Mobility LLC, doing business as Cingular Wireless and AT&T, is a Commercial Mobile Radio Services (CMRS) carrier providing mobile telecommunications service.

UM 1253, AT&T Mobility LLC. August 20, 2007 Page 2

## 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 customers with a discount on the cost of basic residential local exchange service. Lifeline support enables low-income customers to save up to \$13.50 with OTAP contributing \$3.50 per month. Customers 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 customers with a discount on the cost of connecting their basic residential local exchange service. Link-Up support enables low-income customers to save up to 50% on connection fees or up to \$30. Participants may also establish a deferred payment schedule for remaining connection charges of up to \$200.

Telecommunications service providers provide funding for Federal Lifeline/Link-Up. Carriers are required to contribute a percentage of their interstate revenues towards federal USF 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 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 contributed \$3.50 per eligible consumer for basic local exchange telephone service, while the federal government contributes up to \$10 per customer.

Currently, there are 33 ILEC companies, 1 CLEC and 3 wireless companies participating in the OTAP and Federal Lifeline/Link-Up Program. Approximately 56,000 low-income customers in Oregon currently receive OTAP and Lifeline support.



UM 1253, AT&T Mobility LLC. August 20, 2007 Page 3

## D. Oregon Telephone Assistance Program

In states that maintain their own low-income support programs, the FCC requires customers 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, customers are required to meet default federal eligibility requirements. In Oregon, customers 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, customers 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. On March 29, 2007, AT&T Mobility LLC, was granted an ETC designation in the wire centers listed in Appendix A by the Commission through Order No. 07-111, Docket UM 1253.

## F. The 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. AT&T Mobility LLC filed its completed OTAP ETP Application form on April 27, 2007. The application is attached to this memo.

Staff found that the application was complete and responsive. As part of the application, AT&T Mobility LLC 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 customer confidentiality and expectations pertaining to Link-Up. In summary, AT&T Mobility LLC has satisfied the requirements to provide OTAP to their qualifying customers.

UM 1253, AT&T Mobility LLC. August 20, 2007 Page 4

### PROPOSED COMMISSION MOTION:

Approve AT&T Mobility LLC'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 Telephone Assistance Program in the wire centers listed in Appendix A.

# APPENDIX A

# Cingular Wireless, LLC Federal ETC Designated Service Area - Oregon

Wire Center*	CLLI Code	ILEC Study Area	
Beaver Creek	BVCKOR	Beaver Creek Cooperative Tel. Co. (532359)	
Canby Needy	CNBYOR NEDYOR	Canby Telephone Association (532362)	
Redland	RDLDOR	Clear Creek Mutual Telephone Co. (532363)	
Gervais	GRVSOR	Gervais Telephone Company (532373)	
Halsey	HLSYOR	Roome Telecommunications Inc. (532375)	
Condon	CNDNOR	Home Telephone Company (532377)	
Antelope	ANTPOR	Trans-Cascades Telephone Co. (532378)	
Mount Angel	MTANOR	Mt. Angel Telephone Company (532386)	
Nehalem	NHLMOR	Nehalem Telephone and Telegraph (532387)	
Dufur	DUFUOR	North State Telephone Company (532388)	
Lyons	LYNSOR	Peoples Telephone Company (532391)	
Alsea Bellfountain Blodgett Chitwood Philomath South Beach Waldport Yachats	ALSEOR BLFNOR BLDGOR CHWDOR PHLMOR SBCHOR WLPTOR YCHTOR	Pioneer Telephone Cooperative (532393)  "	

# APPENDIX A (Continued)

# Cingular Wireless, LLC Federal ETC Designated Service Area - Oregon

# APPENDIX A (Continued)

# Cingular Wireless, LLC Federal ETC Designated Service Area - Oregon

Wire Center*	CLLI Code	ILEC Study Area
Amity	AMTYOR	Verizon Northwest Inc. (532416)
Beaverton	BVTNOR	
Forest Grove	FRGVOR	u u
Gaston	GSTNOR	ic ii
Grand Island	GDISOR	u u
Gresham	GRHMOR	"
Hoodland	HDLDOR	tt tt
Mill City	MLCYOR	u
Newberg	NWBROR	ee ee
Sherwood	SHWDOR	u u
Silverton	SLTNOR	u u
Somerset West	SMRWOR	ı, ı
Sunnyside	SNSDOR	и
Tigard	TGRDOR	u . u
Tualatin	TULTOR	tt tt
Vernonia	VRNNOR	16 66

<sup>\*</sup> Each wire center will be included in its entirety.