BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Staff's Review)	
Of the Commission's)	Case No. TW-2017-0078
Chapter 31 Rules)	
)	

STAFF REQUEST FOR COMMENT

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and requests that the Commission issue an Order or Notice to the participants in this matter that they, and any other entity wishing to do so, have the opportunity to provide comments and states as follows:

- 1. Staff requested that the Commission open this docket to discuss proposed changes to 4 CSR 240 Chapter 31 to bring the rules in alignment with changes to the federal Universal Services Fund (USF). Staff held a workshop and received follow-up comments from interested parties as to the proposed changes.
- 2. The Missouri Small Telephone Company Group, Missouri Independent Telephone Company Group, and FairPoint Communications recommend that the Missouri USF support broadband-only service within the Lifeline and Disabled programs.¹ The case file lacks any information regarding the projected financial impact to the Missouri USF, which would result from this proposal.
- 3. Interested parties are encouraged to file comments and related information regarding the impact of expanding the Missouri USF to support a broadband-only service within the Lifeline and Disabled programs. Information may include, but not be limited to:

¹ In regards to broadband service, the Missouri USF currently supports voice-only service or a bundled package of voice and broadband services, but not a broadband-only service.

- How, if at all, will Staff's projections that Missouri USF program participants will continue to decline at the rate of 15% per year be impacted by this proposal?² If your response depends on the current Missouri USF support level, please clarify and explain.³
- Does your company offer landline broadband service? If yes, does your company offer broadband-only service? If broadband service is solely available on a bundled basis with voice service, please explain why a broadband-only service is not offered and whether the company intends to eventually offer a broadband-only service.
- If your company offers a landline broadband-only service, how comparable are the rates for a broadband-only service versus a bundled package of voice and broadband services?⁴
- If your company participates in the Lifeline program:
 - How many Lifeline subscribers are currently provided with landline broadband-only service?⁵
 - How many Lifeline subscribers are currently provided with a landline bundled voice/broadband service?
 - Will expanding Missouri USF support to a broadband-only service within the Lifeline and Disabled programs cause a significant impact on program participation?⁶

²Staff's projection is based on maintaining Missouri USF program parameters and may be found on page 3 of the memorandum of Staff's February 28, 2017 filing and on Attachment B to that filing.

³ Currently Missouri USF support is \$3.50; however, some parties recommend increasing this amount to as much as \$12.50.

⁴ For example, can a consumer experience significant savings with a broadband-only service or would it be just as economical for a consumer to subscribe to a bundled offering and simply not use the voice service?

⁵ Enhanced Telecommunications Corporations (ETCs) have been able to enroll broadband-only subscribers into the Lifeline program since December 2, 2016 and solely receive federal Lifeline support. FCC Form 497 is used by ETCs to request federal Lifeline support and requires an ETC to separately quantify Lifeline subscribers' totals based on voice, broadband or bundled services.

⁶ For example should the Commission expect more companies to participate in these programs? Should the Commission expect broadband-only service offerings to be more wide-spread among existing companies participating in these programs?

4. Staff requests that the Commission issue an Order or Notice asking participants and other interested parties to file feedback in this docket on or before June 5, 2017.

WHEREFORE, Staff submits its request that the Commission issue an Order or Notice for Comment; and grant such other and further relief as the Commission considers just in the circumstances.

/s/ Whitney Payne

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 18th day of May, 2017, to all counsel of record.

<u>/s/</u>	Whitney	Payne	
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