

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Proposed Modifications to)
the Missouri Universal Service Fund) File No. TO-2019-0346

**Comments of the Missouri Small Telephone Company Group and
the Missouri Independent Telephone Company Group**

In response to the Missouri Public Service Commission’s invitation to comment on Staff’s Missouri Universal Service Fund (MoUSF) proposals, the Missouri Small Telephone Company Group (STCG) and Missouri Independent Telephone Company Group (MITG),¹ hereinafter collectively referred to as the STCG, offer the following comments:

Introduction and Summary

The Missouri Legislature created the MoUSF to “assist low-income customers and disabled customers in obtaining affordable telecommunications services.”² Voice service remains critical for many disabled and low-income ratepayers as an affordable way to contact government agencies, health care providers, and public safety agencies. Voice service also remains an important method for contacting family members and pursuing employment opportunities in rural areas with unreliable cell phone service.

The STCG is made up of thirty-five (35) small, Incumbent Local Exchange Carriers (ILECs), each serving between approximately 200 and 14,000 subscribers in rural Missouri. Many STCG members have been providing service for over 100 years, and the STCG companies have advanced networks that provide excellent

¹ See Attachment A.

² Section 392.248.2(2) RSMo.

telecommunications services, including Broadband Internet Access Services, in rural Missouri. The STCG companies have been designated by the Commission as Eligible Telecommunications Companies (ETCs) and offer MoUSF Disabled and Lifeline subscriber discounts to qualified subscribers.

The STCG supports Staff's proposals to:

- (a) continue the suspension of the Missouri Universal Service Fund (MoUSF) assessment through December 31, 2022;
- (b) increase the MoUSF support amount for Lifeline voice-only services by \$5.25 from \$18.75 to \$24.00 if the FCC eliminates voice-only support on December 1, 2022;
- (c) reinstate the MoUSF surcharge on January 1, 2023 at .0015 or .0020 depending on if MoUSF Lifeline voice-only support is increased; and
- (d) provide companies with the flexibility to implement the support increase at any time from December 1, 2022 through February 1, 2023.

STCG Comments

A. Suspension of the MoUSF assessment through 2022 is appropriate.

Staff has continued to monitor the MoUSF balance to ensure that the MoUSF meets its statutory purpose, and Staff has prepared detailed forecasts and projections about future MoUSF fund balances, revenues, and expenses. The STCG agrees with Staff's proposal to continue suspension of the MoUSF assessment through December 31, 2022.

B. Staff’s proposal to increase MoUSF Lifeline voice-only support amounts by \$5.25 from \$18.75 to \$24.00 if FCC eliminates Lifeline voice-only support is in the public interest and should be adopted.

Currently, the FCC is examining whether to phase out Lifeline voice-only support on December 1, 2022. If the FCC does phase out voice-only support, then low-income participants in the MoUSF Lifeline program who subscribe to voice-only service will see a rate increase of \$5.25. Staff’s proposal to increase MoUSF voice-only support would offset this possible rate increase for Missouri’s low-income Lifeline, voice-only customers. Furthermore, increasing the MoUSF voice-only Support amount is consistent with the MoUSF’s statutory mandate: “To assist low-income customers and disabled customers in obtaining affordable telecommunications services.” Section 392.248.2(2) RSMo.

C. Reinstatement of the MoUSF assessment in 2023 is appropriate.

The STCG agrees with Staff’s proposal to reinstate the MoUSF assessment beginning on January 1, 2023 at .0015 or .0020 depending on if MoUSF Lifeline voice-only support is increased.

D. Companies should be provided with flexibility to implement any changes in the MoUSF voice-only Lifeline support.

The STCG agrees with Staff’s proposal that “companies should be given flexibility to implement the support increase any time from December 1, 2022 through February 1, 2023.” Many Missouri companies use third-party billing entities to prepare and issue monthly billing statements, and it may take 60-90 days to implement the necessary billing system changes.

Conclusion

The STCG supports Staff's recommendations for the MoUSF.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing document was filed in EFIS on this 24th day of June, 2022, with notice of the same being sent to all counsel of record, and that a copy of the same was sent on this date by electronic transmission to Staff Counsel and the Office of the Public Counsel.

/s/ William R. England, III

ATTACHMENT A

Missouri Small Telephone Company Group

BPS Telephone Company
Citizens Telephone Company of Higginsville, Mo.
Craw-Kan Telephone Cooperative, Inc.
Ellington Telephone Company
Farber Telephone Company dba Missouriicom
Fidelity Communications
Goodman Telephone Company
Granby Telephone Company
Grand River Mutual Telephone Corporation dba GRM Networks
Green Hills Telephone Corporation
Holway Telephone Company dba American Broadband
IAMO Communications, Inc.
Kingdom Telephone Company
K.L.M. Telephone Company dba American Broadband
Le-Ru Telephone Company
Lathrop Telephone Company dba LTC Networks
Mark Twain Rural Telephone Company
McDonald County Telephone Company
Miller Telephone Company
New Florence Telephone Company dba Missouriicom
New London Telephone Company dba Missouriicom
Northeast Missouri Rural Telephone Company dba NEMR
Orchard Farm Telephone Company dba Missouriicom
Ozark Telephone Company
Peace Valley Telephone Company, Inc.
Rock Port Telephone Company
Seneca Telephone Company
Steelville Telephone Exchange, Inc. dba STE Communications
Stoutland Telephone Company dba Missouriicom

Missouri Independent Telephone Company Group

Alma Communications Company dba Alma Telephone Company
Chariton Valley Telephone Corporation
Choctaw Telephone Company
MoKAN DIAL Inc.
Oregon Farmers Mutual Telephone Company
Otelco Mid-Missouri, LLC