

/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 8th day of July, 2019, to all counsel of record.

/s/ Whitney Payne

MEMORANDUM

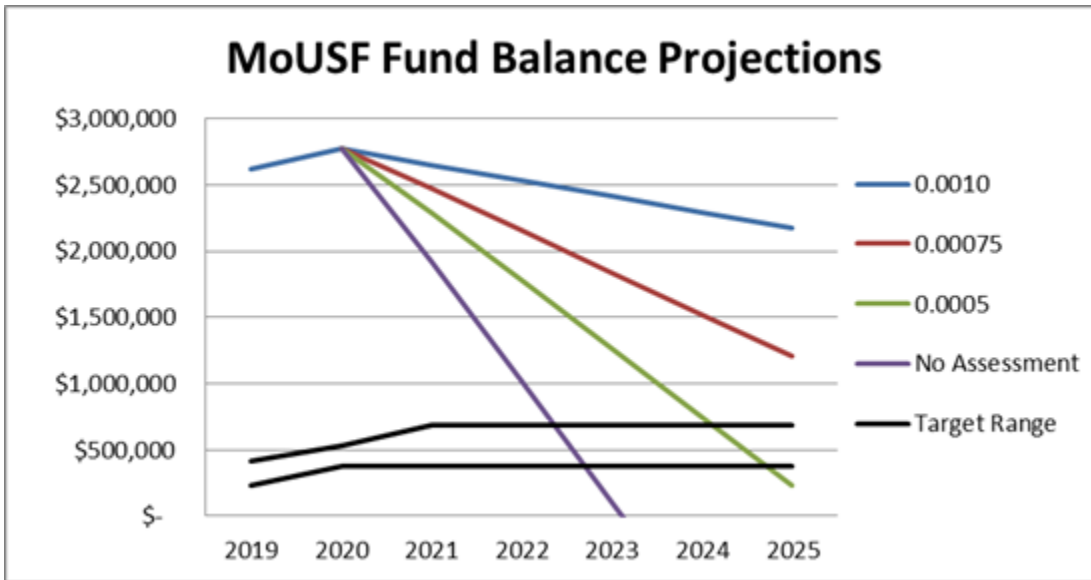
TO: Official Case File
Case No. TO-2019-0346

FROM: John Van Eschen, Manager
Kari Salsman, Utility Policy Analyst I
Telecommunications Department

SUBJECT: Response to Order Directing Filing

DATE: July 8, 2019

This memorandum is intended to comply with the Order Directing Filing instructing the Commission Staff to report on the likely impact of Staff’s recommended support amounts under certain additional assessment levels.¹ The graph below is based on the same assumptions used in Staff’s prior recommendation and shows Missouri USF fund balance projections using assessment levels of the current .001, and .00075, .0005, and no assessment:²



¹ Staff’s May 10, 2019 recommendation is for Missouri USF support to increase from \$6.50 to \$14.75 for the Lifeline program and to \$24.00 for the Disabled program.

² In brief, Staff’s assumptions are: September 2019 is when new support levels begin impacting the fund; An assessment change, if any, will occur on January 1, 2020; Assessable revenue will remain flat at the current level; The number of subscribers supported by the Missouri USF will not change rather than continue the trend of significant declines (-20.87%) of the past several years.

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As shown by the graph, all assessment levels are projected to reduce the fund balance. The fund balance will become negative in the following time frames: no assessment (March 2023); .0005 (July 2025); .0075 (November 2028); and .001 (May 2043).

- Attachment A:** Projections .0010 assessment
- Attachment B:** Projections .00075 assessment
- Attachment C:** Projections .0005 assessment rate
- Attachment D:** Projections no assessment