

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INQUIRY INTO UNIVERSAL) ADMINISTRATIVE
SERVICE AND FUNDING ISSUES) CASE NO. 360

ORDER

Due to changes in the projected cost of the Kentucky Lifeline Program, the monthly surcharge for each local exchange carrier¹ ("LEC") and wireless provider customer access line should be decreased from five cents (\$0.05) to three cents (\$0.03) per month. As in the past, this surcharge should be shown on the customer's bill as "Kentucky Lifeline Surcharge." All LECs and wireless carriers should submit to the Commission updated tariffs to reflect this change no later than December 1, 1999, to be effective January 1, 2000. Also, carriers should use the new "Universal Service Fund" report form and instructions for completing the form, which is attached hereto as Appendix 1.

IT IS THEREFORE ORDERED that:

1. The surcharge for the Kentucky Lifeline Program shall be three cents (\$0.03) per access line per month beginning with all bills for service rendered after January 1, 2000.
2. By December 1, 1999, all carriers shall submit tariff revisions to reflect this change.

¹ Local exchange carriers include all incumbent and competitive local exchange carriers.

3. For reports due on and after January 1, 2000, carriers shall use the form attached hereto and incorporated herein as Appendix 1.

Done at Frankfort, Kentucky, this 15th day of November, 1999.

By the Commission

ATTEST:

Executive Director

APPENDIX 1

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION
IN ADMINISTRATIVE CASE NO. 360 DATED NOVEMBER 15, 1999



COMMONWEALTH OF KENTUCKY
UNIVERSIAL SERVICE FUND

Date _____

Reporting Month _____

Carrier Information	
Company Name	_____
Company Address	_____
Telephone / Fax	_____
Vendor Number	_____

Classification Please Circle One	<input type="checkbox"/> ILEC	<input type="checkbox"/> CLEC	<input type="checkbox"/> Cellular	<input type="checkbox"/> PCS
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Monthly Access Line Data	
1. Total Access Lines in Service.....	_____
2. Surcharge Per Access Line.....	_____ <u>\$0.03</u> _____
3. Amount of Surcharge Remitted to Kentucky USF.....	_____
4. Number of Access Lines Receiving Lifeline Support.....	_____
5. Amount of Reimbursement Requested from Kentucky USF.....	_____

Signature Block	
I hereby attest that the information reported herein is true and accurate to the best of my knowledge.	
Company Official _____ (Printed)	Title _____ Company Official _____ (Signed)

Make check payable to: "Kentucky State Treasurer" and send with this report to:
 Finance and Administration Cabinet
 ATTN: Patricia Damron
 Capitol Annex, Room 488A
 Frankfort, KY 40601

Send a copy of this report to:
 Kentucky Public Service Commission
 ATTN: Jim Stevens
 P.O. Box 615
 Frankfort, KY 40602



Instructions for completing Kentucky Universal Service Fund Report

Beginning in January 2000 the surcharge rate for the Kentucky Universal Service Fund (“USF”) to support the Kentucky Lifeline program will decrease from five cents (\$0.05) per access line to three cents (\$0.03) per access line, collected on a monthly basis. Following are instructions for completing the forms and definitions of the terms on the forms.

All Incumbent Local Exchange Carriers (“ILECs”), Competitive Local Exchange Carriers (“CLECs”), and Wireless Providers are required to collect the surcharge from their customers on a monthly basis. The surcharge should be collected for all local exchange access lines and wireless subscribers including analog and digital cellular and PCS. Local exchange access lines are defined for this purpose as facilities which provide access to and from the telecommunications network for toll service and for local calling with the exception of Coin, WATS, remote call forwarding, radio common carriers, interlata foreign exchange lines, private line services, mobile, other common carriers, and company official accounts. Each carrier should collect the surcharge from the customers it serves on a retail basis, wholesale accounts should not be charged the surcharge. The surcharge should appear on each customer’s bill as “Kentucky Lifeline Support” or a similar facsimile.

Also new for this year, carriers will be able to contribute to the fund on a monthly or quarterly basis depending on the number of subscribers served. Carriers with less than 1,000 access lines may contribute on a quarterly basis. Carriers with greater than 1,000 access lines should continue to contribute on a monthly basis. Carriers contributing on a quarterly basis will still be required to submit separate reports for each month but remit them to the fund on a quarterly basis. Reports are due within 15 days following the reporting month.

Form Instructions

Please complete the carrier information at the top of the form; include company name, address, telephone/fax number, vendor number, date report filed and month for reporting data. Please circle your company designation.

Block 3, Monthly Access Line Data

Line 1, this is the total number of access lines in service for the month.

Line 2, the amount of the surcharge is provided.

Line 3, this should be equal to line 1 multiplied by line 2.

Line 4, this is the number of customers that are receiving Lifeline service.

Line 5, the amount of reimbursement should be the number of customers from line 4 multiplied by the amount of state reimbursement, up to \$3.50.

Signature Block

Please date and print the name and title of the company official and sign the form. A company official may be an officer, controller or other responsible person designated to be held accountable for the information submitted on the form.

Please note the two addresses at the bottom of the form and mail within 15 days after the reporting month. Utilities failing to file reports will be subject to penalties in accordance with KRS 278.990