

**PROPOSED REGULATION OF THE
PUBLIC UTILITIES COMMISSION OF NEVADA**

LCB File No. R009-98

February 25, 1998

EXPLANATION – Matter in *italics* is new; matter in brackets [] is material to be omitted.

AUTHORITY: §§1-8, NRS 704.184 and 704.210.

Section 1. Section 22 of LCB File No. R150-97, which was adopted by the public utilities commission of Nevada and was filed with the secretary of state on December 11, 1997, is hereby amended to read as follows:

Sec. 22. 1. The commission will establish service areas to determine the area for which a provider of telecommunication service that seeks designation as an eligible telecommunications carrier:

(a) Must provide *the* telecommunication [service:] *services set forth in 47 C.F.R. § 54.101(a);* and

(b) Is eligible to receive federal universal service support.

2. Except as otherwise provided in subsection 3, [the] *a* service area [of a provider of last resort of basic service] *established by the commission pursuant to subsection 1* must be identical to the study area of [that company].

3. *Any] the provider of last resort of basic service that provides basic telecommunication service within that area.*

3. *In an area served by a non-rural telephone company, any person may petition the commission for the establishment of a service area [for a rural telephone company that differs from the service area established pursuant to subsection 1 for that rural telephone company.] that does not comply with the requirement set forth in subsection*

2. In determining whether to establish an alternative service area, the commission will consider:

(a) Whether the establishment of an alternative service area will promote competition;

(b) Whether the establishment of an alternative service area will promote universal service;

(c) The potential effect that establishment of an alternative service area may have on the fund for universal service; and

(d) Any other factor that the commission determines to be relevant.

4. As used in this section:

(a) [**Rural**] *“Non-rural telephone company” [has the meaning ascribed to it] means a provider of last resort of basic service that does not meet the definition of a rural telephone company, as that term is defined in 47 C.F.R. § 51.5.*

(b) “Study area” means a geographic area defined by the Federal Communications Commission for each provider of last resort of basic service.

Sec. 2. Section 25 of LCB File No. R150-97, which was adopted by the public utilities commission of Nevada and was filed with the secretary of state on December 11, 1997, is hereby amended to read as follows:

Sec. 25. 1. A provider of telecommunication service that provides intrastate telecommunication service to an eligible school or library at a discounted rate may file an application with the commission requesting a disbursement of money from the fund for universal service for the amount of the discount if:

(a) The eligible school or library has met the requirements set forth in section 23 of this regulation; and

(b) Federal universal service support is not available to pay the entire amount of the discount.

2. The application filed pursuant to subsection 1 must include:

(a) The identity of each school and library to which discounts in the rates for intrastate services will be provided;

(b) A detailed description of each service that will be provided to each school and library, including, without limitation, references to intrastate tariffs on file at the commission, if applicable;

(c) The nondiscounted rate for each service that will be provided;

(d) The percentage of discount that is applicable to each service;

(e) The difference between:

(1) The annual revenues that would be generated if the provider of telecommunication service provided the intrastate services to the schools and libraries at nondiscounted rates; and

(2) The annual revenues that will be generated at the discounted rates;

(f) Information which demonstrates that the nondiscounted rate is the lowest corresponding price charged by the provider of telecommunication service to nonresidential customers who are situated similarly to a particular school or library for similar services; and

(g) Information which demonstrates that federal universal service support is not available for the [fiscal] *calendar* year to reimburse the amount of the discount in the rate for intrastate services.

3. The commission will issue an order approving, denying or modifying an application filed pursuant to this section within 90 days after receipt of the application.

Sec. 3. Section 27 of LCB File No. R150-97, which was adopted by the public utilities commission of Nevada and was filed with the secretary of state on December 11, 1997, is hereby amended to read as follows:

Sec. 27. 1. [Except as otherwise provided in subsection 2, a provider of telecommunication service] *An eligible telecommunications carrier* who provides telecommunication service to a public or private nonprofit provider of health care that serves persons in a rural area shall, to the extent that federal universal service support or money from the fund for universal service is available, charge that provider of health care rates for available intrastate eligible telecommunications services that are no higher than the urban rates for such services, as determined pursuant to 47 C.F.R. § 54.605.

2. A provider of telecommunication service [is not required to comply with the provisions of subsection 1 if the requested service is] *who provides* access to an internet service provider *to a public or private nonprofit provider of health care that*

services persons in a rural area, shall provide credits for toll charges associated with such access pursuant to 47 C.F.R. § 54.621(a).

Sec. 4. Section 28 of LCB File No. R150-97, which was adopted by the public utilities commission of Nevada and was filed with the secretary of state on December 11, 1997, is hereby amended to read as follows:

Sec. 28. 1. A provider of telecommunication service who is designated as an eligible telecommunications carrier and who provides intrastate eligible telecommunications services to a provider of health care pursuant to section 27 of this regulation may file an application with the commission requesting a disbursement of money from the fund for universal service for an amount equal to the difference between the urban rate and the rural rate for those services, as those rates are determined pursuant to 47 C.F.R. §§ 54.605 and 54.607.

2. Any telecommunications carrier who provides to a provider of health care intrastate access to an internet service provider may file an application with the commission requesting a disbursement of money from the fund for universal service for the costs of the toll charges for such access.

3. A disbursement of money from the fund for universal service will be made for the purposes set forth in subsections 1 and 2 only if:

(a) The provider of health care to whom the telecommunications carrier provides the discounted service meets the requirements set forth in section 26 of this regulation; and

(b) Federal universal service support is not available to pay the entire amount of the discount or costs of the toll charges.

4. An application filed pursuant to this section must include:

- (a) The identity of each provider of health care to which discounted intrastate services will be provided at a discounted rate;
- (b) A detailed description of each service that will be provided to each provider of health care, including, without limitation, references to intrastate tariffs on file at the commission, if applicable;
- (c) The rural rate for each service that will be provided, as determined pursuant to 47 C.F.R. § 54.607;
- (d) The urban rate for each service that will be provided, as determined pursuant to 47 C.F.R. § 54.605;
- (e) The difference between the annual revenues that would be generated if the provider provided the intrastate services to the provider of health care at the rural rate and the annual revenues that will be generated at the urban rate;
- (f) The amount of money requested to support access to an internet service provider; and
- (g) Information which demonstrates that federal universal service support is unavailable for the [fiscal] *calendar* year to pay the amount of the discount or the costs of the toll charges.

5. The commission will issue an order approving, denying or modifying an application filed pursuant to this section within 90 days after receipt of the application.

Sec. 5. Section 30 of LCB File No. R150-97, which was adopted by the public utilities commission of Nevada and was filed with the secretary of state on December 11, 1997, is hereby amended to read as follows:

Sec. 30. 1. [A provider of telecommunication service] *An eligible telecommunications carrier* shall offer to subscribers within its service area the following services:

(a) Lifeline; and

(b) Link up.

2. In offering lifeline service pursuant to subsection 1, [a provider of telecommunication service] *an eligible telecommunications carrier* shall offer to qualifying low-income subscribers a lifeline discount of at least \$5.25 per line per month [The rate for lifeline service after deduction of the discount must be no more than], *but the discount must not exceed* 60 percent of the amount of the monthly rate charged by the [provider] *carrier* for one-party residential basic local exchange service, including, without limitation, the charge for a federal subscriber line.

3. As used in this section, “link up” has the meaning ascribed to it in 47 C.F.R. § 54.411(a).

Sec. 6. Section 31 of LCB File No. R150-97, which was adopted by the public utilities commission of Nevada and was filed with the secretary of state on December 11, 1997, is hereby amended to read as follows:

Sec. 31. 1. Except as otherwise provided in subsection 2, [a provider of telecommunication service] *an eligible telecommunications carrier* shall not disconnect service provided pursuant to a lifeline program if the subscriber fails to pay charges for toll calls.

2. [A provider of telecommunication service] *An eligible telecommunications carrier* may file with the commission an application for a waiver from the requirements of subsection 1.

3. The commission will approve an application for such a waiver only upon determining after investigation that the [provider of telecommunication service:] *eligible telecommunications carrier:*

- (a) Would incur substantial costs to comply with the provisions of subsection 1;
- (b) Offers, at no charge, toll limitation to its consumers that qualify as low-income consumers; and
- (c) Provides service within a service area in which the level of telephone subscription among low-income consumers is equal to or greater than the national average rate of subscription for low-income consumers.

4. The commission will approve or deny an application that is filed pursuant to subsection 2 within 30 days after receipt of the application.

5. As used in this section, “low-income consumer” [is] *means* a consumer whose income is below the poverty level established for a family of four that resides within the State of Nevada.

Sec. 7. Section 32 of LCB File No. R150-97, which was adopted by the public utilities commission of Nevada and was filed with the secretary of state on December 11, 1997, is hereby amended to read as follows:

Sec. 32. 1. Except as otherwise provided in subsection 2, [a provider of telecommunication service] *an eligible telecommunications carrier* shall not charge a service

deposit to initiate service provided pursuant to a lifeline program if the qualifying low-income subscriber elects voluntarily to receive toll blocking from the [provider.

2. The provider of telecommunication service] *carrier*.

2. *An eligible telecommunications carrier* may charge a service deposit to initiate service provided pursuant to a lifeline program if the qualifying low-income subscriber does not elect voluntarily to receive toll blocking or if toll blocking is unavailable.

3. As used in this section, “toll blocking” has the meaning ascribed to it in 47 C.F.R. § 54.400(b).

Sec. 8. Section 33 of LCB File No. R150-97, which was adopted by the public utilities commission of Nevada and was filed with the secretary of state on December 11, 1997, is hereby amended to read as follows:

Sec. 33. 1. A provider of telecommunication service who is designated as an eligible telecommunications carrier may file an application requesting a disbursement of money from the fund for universal service for reimbursement of the costs of providing a discount in the rate for lifeline service pursuant to section 30 of this regulation. The amount of reimbursement requested *per line per month* must not exceed [:

(a) The first \$5.25 per line per month; and

(b) One half of any available federal universal service support that exceeds \$5.25 per line per month,

up to the maximum level of federal support of \$7.00 per line per month, in accordance with] *the difference between the amount of the lifeline discount offered by the provider*

pursuant to section 30 of this regulation and the amount of federal universal service support available for the discount pursuant to 47 C.F.R. § 54.403(a).

2. An eligible telecommunications carrier may seek reimbursement from the fund for universal service for only the portion of the discount in the rate for lifeline service for which federal universal service support is not available.

3. The commission will issue an order approving, denying or modifying an application filed pursuant to subsection 1 within 90 days after receipt of the application.