

Chapter PSC 160

UNIVERSAL SERVICE SUPPORT FUNDING AND PROGRAMS

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PSC 160.01 Scope and purpose. (1) PURPOSE. Chapter PSC 160 is designed to effectuate and implement s. 196.218, Stats., and parts of other sections of the Wisconsin statutes, authorizing the commission to establish a universal service fund and programs to further the goal of providing a basic set of essential telecommunications services and access to advanced service capabilities to all customers of the state.

(2) SCOPE AND EXCEPTION. (a) The requirements of ch. PSC 160 shall be observed by the telecommunications providers subject to the jurisdiction of the commission as indicated in this chapter, except insofar as any exemption may be made by the commission. Except as otherwise expressly provided by law, s. 196.218, Stats., and the requirements of this chapter apply to telecommunications providers certified under s. 196.203 (2), Stats.

(b) Nothing in this chapter shall preclude special and individual consideration being given to exceptional or unusual situations and upon due investigation of the facts and circumstances involved, the adoption of requirements as to individual providers or services that may be lesser, greater, other or different than those provided in this chapter.

(3) DISPUTES. Disputes not resolved between the affected parties regarding assessment or support amounts or the eligibility to receive or the liability to pay under this chapter shall be referred to the commission for resolution.

(4) ENFORCEMENT. The manner of enforcing ch. PSC 160 is prescribed in ss. 196.218, 196.499 (17) and 196.66, Stats., and includes such other means as provided in statutory sections administered by the commission.

(5) ORDERS. The commission may issue orders it deems necessary to assist in the implementation or interpretation of this chapter. Except for declaratory rulings under s. 227.41, Stats., which require the opportunity for a hearing, and commission determinations not subject to judicial review under ss. 227.52 and 227.53, Stats., orders shall be issued only after notice and an opportunity for comment by interested parties including the universal service fund council.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (2) (a) and (5), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.02 Definitions. The definitions in s. 196.01, Stats., apply in this chapter. In addition, in this chapter:

(1g) "Calculated charge" means the charge calculated by converting a per call charge into a per minute charge. The conversion to a per minute charge shall be accomplished by dividing the per call charge by the telecommunications provider's average residential call duration. If there are multiple per call charges within

one local calling area, the weighted average shall be used as the per call charge.

(1m) "Contributory provider" means a telecommunications provider that pays monies to the universal service fund.

(2) "Disability" means a physical or sensory impairment that limits or curtails an individual's access to or usage of telecommunications services. "Disability" includes a speech, vision or hearing impairment and motion impairments that limit an individual's ability to handle telecommunications equipment.

(3) "Emergency service numbers" mean 9-1-1 where available and fire, emergency medical services, law enforcement, and poison center emergency numbers where 9-1-1 is not available.

(4g) "Federal high cost program" means any program established by the federal communications commission under 47 CFR 54 subpt. D.

(4m) "Institutions" means:

(a) Not-for-profit schools, which includes each school in a school district as defined by s. 115.01 (3), Stats., private schools as defined by s. 115.001 (3r), Stats., charter schools as defined by s. 118.40, Stats., colleges and universities as defined by s. 36.05 (13), Stats., and technical college districts as defined by s. 38.01 (5), Stats.

(b) Public libraries.

(c) Not-for-profit hospitals.

(5) "Lifeline" means the program that provides reduced monthly service rates for low-income customers.

(6) "Link-Up" means the program that waives service connection charges for low-income customers.

(7) "Local exchange service provider" means any commercial mobile radio service provider that has been designated as an eligible telecommunications carrier under s. PSC 160.13, or a telecommunications utility or any other provider of basic local exchange service or standard business lines and usage.

(8) "Low-income" means a household that receives benefits from one or more of the following programs:

(a) Wisconsin works under ss. 49.141 to 49.161, Stats.

(b) Medical assistance under 42 USC 1395.

(c) Supplemental security income under 42 USC 1381 to 1385c.

(d) Food stamps under 7 USC 2011 to 2029.

(e) The low income household energy assistance program under s. 16.27, Stats.

(f) The Wisconsin homestead tax credit under ss. 71.51 to 71.55, Stats.

(g) Badger care under s. 49.665, Stats.

(h) As approved by the commission, other state or federally administered programs for households with income levels equal to or less than 200% of the poverty line as defined in 42 USC 9902 (2).

(9) "Non-profit group" means an organization described in s. 501 (c) (3) of the internal revenue code that is exempt from federal income tax under s. 501 (a) of the internal revenue code.

(10) "Nonrecurring charge" means the charge for those activities and materials necessary to connect network services to the customer's premises, up to and including the network interface device but not including customer premises wiring or customer premises equipment, and not including construction charges.

(11) "Rural telephone company" has the meaning given in 47 USC 153 (37).

(12) "Two line voice carryover" means the technique of using 3-way calling and 2 telephone lines, one for voice and one for TTY or similar equipment, to connect a caller who is deaf or hard of hearing but can speak, with another caller via the telecommunications relay service.

(13) "Universal service" means a statewide rapid, efficient, communications network with adequate, economically placed facilities to assure that a basic set of essential telecommunications services is available to all persons in this state at affordable prices and that the advanced service capabilities of a modern telecommunications infrastructure are affordable and accessible to all areas of the state within a reasonable time.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; renum. (1) and (4) to be (1m) and (4m) and am. (4m) (a), renum. (9) to be (13), cr. (1g), (4g), (8) (g), (h), (9) to (12), am. (7), (8) (a), (e), Register, April, 2000, No. 532, eff. 5-1-00; **correction in (8) (e) made under s. 13.93 (2m) (b) 7., Stats., Register April 2007 No. 616.**

PSC 160.03 Essential telecommunications services. (1) Each local exchange service provider shall make available to all its customers at affordable prices all essential telecommunications services.

(2) "Essential telecommunications services" means all the following:

- (a) Single-party voice-grade service with:
 1. Line quality capable of facsimile transmission.
 2. Line quality capable of data transmission as specified in s. PSC 160.031.
 3. Dual-tone multi-frequency touch tone and rotary pulse dialing operability.
 4. Access to emergency services numbers and 9-1-1 operability where requested by local authorities.
 5. Equal access to interlata interexchange carriers subject to federal communications commission orders and rules.
 6. Equal access to intralata interexchange carriers pursuant to schedules, terms and conditions imposed by commission orders and rules.
 7. Single party revertive calling, if 2 or more pieces of customer premises equipment can be simultaneously active on the line or channel being used by the customer.
 8. A reasonably adequate number of calls within a reasonably adequate local calling area as defined by the commission.
 9. Connectivity with all public toll, local, wireline and wireless networks, and with various internet service providers.
 10. Telecommunications relay service to facilitate communication between teletypewriter users and non-teletypewriter users.
 11. Access to operator service.
 12. Access to directory assistance.
 13. Toll blocking, 900 and 976 number blocking and extended community calling blocking options as specified in s. PSC 160.04.

14. Intercept and announcements for vacant, changed, suspended and disconnected numbers in oral and TTY-readable formats.

15. A directory listing with the option for non-listed and non-published service.

(b) Annual distribution of a local telephone directory in accordance with s. PSC 165.055.

(c) Timely repair.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (2) (a) 7. to 10., and 14., r., (2) (c), renum. (2) (d) to be (2) (c), Register, April, 2000, No. 532, eff. 5-1-00; except (2) (a) 14. eff. 11-1-00.

PSC 160.031 Essential data transmission capability. (1) The data transmission capability specified in s. PSC 160.03 shall be at least 9600 bits per second effective July 1, 1996.

(2) For lines extending greater than 10,000 feet from the central office, this data transmission capability requirement shall be met under an implementation schedule to be set by the commission.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; r. (3), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.035 Advanced service capabilities. (1) "Advanced service capabilities" means all the following:

- (a) Digital access lines and channels by January 1, 2000.
- (b) High speed data transfer connectivity by January 1, 2002.
- (c) Two-way interactive video conferencing at a speed no less than 30 frames per second and two-way interactive imaging capabilities by January 1, 2003.

(2) In the absence of alternative providers and in the presence of sufficient demand, or to promote economic development and infrastructure development, a local exchange service provider shall, by the date set by the commission, make available to any customer on request, in a timely manner, at affordable prices, any advanced service capabilities.

(3) (a) Upon its own motion, upon petition by a local exchange service provider for relief from an obligation in sub. (2) or upon petition by a customer alleging that an advanced service is not available in a timely manner, is needed but not scheduled for deployment under this section, or is not priced at an affordable level, the commission may investigate the offering of a given advanced service capability.

(b) The investigation shall address, but is not limited to, the reasonableness of the required investment in equipment and facilities, the presence of alternative providers, level of demand, and other factors included in s. 196.03 (6), Stats. Following investigation, including notice and opportunity for hearing, the commission may determine, based on the above criteria, a deployment schedule, a maximum reasonable rate, whether the provider requires assistance from the universal service fund to provide the service, and any other requirement necessary to meet customer demand for an advanced service capability.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (1) (c), renum. (3) to be (3) (a) and am., cr. (3) (b), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.04 Toll blocking. (1) **BLOCKING OBLIGATIONS.** Every local exchange service provider in the state shall offer the capability to block all long distance calls and, separately, the capability to block 900 and 976 number calls and the capability to block extended community calling unless a timely waiver has been granted to the local exchange service provider by the commission.

(2) **CHARGES.** Blocking shall be without monthly or nonrecurring charge to low-income customers and at no charge other than for second and subsequent service activation orders for other residential and standard business line customers.

(3) **EMERGENCY SERVICE.** Blocking shall not prevent the customer from reaching the emergency service numbers appropriate for the customer's location.

(4) **PUBLIC NOTIFICATION AND EDUCATION.** A local exchange service provider shall make all reasonable efforts to inform customers within its service areas of the availability of, and eligibility requirements for cost-free toll blocking services, 900 and 976 number blocking services and extended community calling blocking services. The local exchange service provider shall also make reasonable efforts to instruct eligible customers requesting the service in use of the equipment or service.

(5) **PETITION FOR WAIVER.** A local exchange service provider seeking a waiver of its blocking obligations under this section shall submit to the commission the following information:

- (a) The provider's name and address.
- (b) An explanation of why a waiver is being requested and of why the provider considers implementation of blocking to be an unreasonable expense for the provider and its customers.
- (c) Costs of hardware, software, programming, customer education, installation, maintenance and any other costs, on a per-customer basis, for blocking capability using customer premises equipment.
- (d) Costs of hardware, software, programming, customer education, installation, maintenance and any other costs, on a per customer basis, for blocking equipment installed in a central office, providing a separate calculation for each exchange for which an exemption is requested.
- (e) An estimate of the number of customers, by exchange, expected to request the service.

(6) The commission staff shall review the waiver request and issue a letter to the provider granting or denying the application.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (1), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.05 Universal service fund programs. Universal service fund monies may be used for fund administration; for the purpose of informing the public regarding the universal service fund, its existence, purpose, intent and areas of use; and for the following purposes:

- (1) For the following programs as adopted by the commission under the appropriation in s. 20.155 (1) (q), Stats.:
 - (a) Link-Up America, as specified in s. PSC 160.061.
 - (b) Lifeline assistance, as specified in s. PSC 160.062.
 - (c) Voice mail service for the homeless, as specified in s. PSC 160.125 (1).
 - (d) Telecommunications equipment purchase program (TEPP) vouchers, as specified in s. PSC 160.071 (1).
 - (e) Telecommunications customer assistance program, as specified in s. PSC 160.08.
 - (f) High rate assistance credits, as specified in s. PSC 160.09.
 - (g) Alternative universal service protection plans, as specified in s. PSC 160.092.
 - (h) Rate shock mitigation, as specified in s. PSC 160.10.
 - (i) Assistance to institutions, as specified in s. PSC 160.11.
 - (j) Intralata toll service provider of last resort, as specified in s. PSC 160.14.
 - (k) Funding for programs or projects approved under s. PSC 160.125 (2).
 - (L) Public interest pay telephones, as specified in s. PSC 160.073.
 - (m) Outreach for low-income assistance programs, as specified in s. PSC 160.063.
 - (n) Eligible telecommunications carriers designated under s. PSC 160.13 (5) (c).
 - (o) Advanced service capabilities, as specified in s. PSC 160.035.
 - (p) Second line for 2 line voice carryover, as specified in s. PSC 160.071 (6) (b).

(q) Medical telecommunications equipment program, as specified in s. 196.218 (4u), Stats.

(r) Payments by the department of public instruction to extend its contract with the National Federation of the Blind for the Newline electronic information service, as specified in s. 9139 (1d), 1999 Wis. Act 9, and s. 196.218 (5) (a) 8., Stats.

(s) Other programs consistent with the purposes identified in s. 196.218 (5) (a) 1. and 2., Stats., as they are approved by the commission on an interim basis.

Note: The text of s. 196.218 (5) (a) 1. and 2., Stats., appears in a note after s. PSC 160.125 (2) (a).

(2) For payments by the technology for educational achievement in Wisconsin board for educational telecommunications access support, as specified in s. 196.218 (5) (a) 5., Stats., under the appropriation in s. 20.505 (4) (s), (t), (tm) and (tu), Stats., and for payments under the appropriation in s. 20.865 (4) (u), Stats.

(3) For payments to the department of administration for telecommunications services provided to the campuses of the university of Wisconsin system at River Falls, Stout, Superior and Whitewater, as specified in s. 196.218 (5) (a) 6., Stats., under the appropriation in s. 20.285 (1) (q), Stats.

(4) For grants awarded by the technology for educational achievement in Wisconsin board prior to July 1, 2002, as specified in s. 196.218 (5) (a) 7., Stats., under the appropriation in s. 20.505 (4) (s), Stats.

(5) For payments by the department of public instruction to contract for periodical and reference information databases as specified in s. 115.28 (26), Stats., under the appropriation in s. 20.255 (3) (q), Stats.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; emerg. am. (intro.), renum. (1) to (10) to be (1) (a) to (j), cr. (2) to (4), eff. 2-27-98; am. (intro.), renum. (1) to (10) to be (1) (a) to (j), cr. (2) to (4), Register, October, 1998, No. 514, eff. 11-1-98; am. (intro.), (1) (c), (d), (i) and (2), cr. (1) (k) to (s) and (5), Register, April, 2000, No. 532, eff. 5-1-00; **corrections in (2) and (4) made under s. 13.93 (2m) (b) 7., Stats., Register April 2007 No. 616.**

PSC 160.06 Eligibility for low-income programs.

(1) **LOW-INCOME ASSISTANCE ELIGIBILITY.** Local exchange service providers shall verify an applicant's eligibility for low-income assistance programs by making timely queries of the applicable databases of the Wisconsin department of workforce development, the Wisconsin department of revenue, or other state agencies. Applicant eligibility shall be verified by finding the applicant to be any of the following:

(a) An active client of at least one of the programs listed in s. PSC 160.02 (8).

(b) A member of the active client's household whose low income qualifies the client for benefits under at least one of the programs listed in s. PSC 160.02 (8).

(c) A recipient of the Wisconsin homestead tax credit for the most recently completed tax year. If the applicant's tax filing for the most recently completed tax year has not been posted to the records of the Wisconsin department of revenue and if application for low-income assistance is made on or before June 30th, then the tax year prior to the most recently completed tax year may be used to determine eligibility.

(2) **ELIGIBILITY RECONFIRMATION.** Eligibility shall be reconfirmed on at least an annual basis for all customers receiving lifeline assistance.

(3) **ELIGIBILITY INQUIRY.** Local exchange service providers shall inquire of the customer regarding eligibility of that customer for low-income programs on each order for initial or moved residential service and, orally or in writing, in the first contact with a customer during a year concerning disconnection or payment arrangements.

(4) **QUERY AUTHORIZATION.** Local exchange service providers shall comply with client authorization requirements of the Wisconsin department of workforce development, the Wisconsin department of revenue, or other state agencies for database

queries necessary for eligibility verification. Customers shall complete and remit any reasonably required query authorization forms or forfeit eligibility.

(5) EXCEPTIONS. Lifeline and Link-Up programs are not available to customers who are dependents for federal income tax purposes as defined in 26 USC 152 (1986), unless the customer is more than 60 years of age.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; renum. (1) to be (1) (intro.) and am. (1) (intro.), renum. (5) (a) to be (5), cr. (1) (a) to (c), am. (3) and (4), r. (5) (b), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.061 Link-Up America program. (1) All local exchange service providers shall waive all applicable nonrecurring charges when initiating or moving essential telecommunications services, as defined in s. PSC 160.03 (2), for low-income, single line customers. All federal, state, county and local taxes applicable to the waived charges shall also be waived.

(2) Waivers apply for new service installations, for moves from one residence to another, and for reconnection of an existing service.

(3) Charges to be waived include the following, or their equivalent: service ordering, record change, central office connection, outside plant or line connection and premises visit.

(4) (a) Customers whose claim of eligibility for link-up benefits cannot be verified at the time the service order is issued may be billed for installation charges. These customers shall receive a grace period for payment of installation charges until the due date of the second bill issued following installation of service.

(b) The local exchange service provider shall periodically perform an eligibility verification check during the 60-day period from the date service is connected. If the customer's eligibility cannot be confirmed within 45 days, the customer shall be notified in writing of the situation. A credit shall be issued for appropriate charges once eligibility has been confirmed.

(5) Customers who have paid installation charges may receive the link-up waiver as a credit on their bills, providing that claim is made with the local exchange service provider within 60 days following completion of the service order and that all other link-up eligibility requirements are met.

(6) Local exchange service providers that are eligible telecommunications carriers under s. PSC 160.13 may receive reimbursement from the universal service fund for 50% of the waived nonrecurring charges. Local exchange service providers that are not eligible telecommunications carriers may receive reimbursement from the universal service fund for 100% of the waived nonrecurring charges.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (1) and (6), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.062 Lifeline program. (1) All local exchange service providers shall offer a lifeline monthly rate to all qualified low-income customers.

(2) (a) The lifeline monthly rate includes single-party residential service, touch-tone service, any 9-1-1 charges billed on the telephone bill, the federal subscriber line charge and 120 local calls, excluding extended community calling calls.

(b) The lifeline monthly rate shall be the total of the residential monthly rates for the items in par. (a) minus \$7 or, if the total of the monthly residential rates for the items in par. (a) is greater than \$22, the lifeline monthly rate shall be \$15.

(c) Notwithstanding par. (b), in no case shall the lifeline monthly rate be less than \$3 or more than \$15.

(3) The lifeline monthly rate may appear as a credit against the full standard tariffed rate on a customer's bill or as a special rate designation. Whenever possible, the lifeline rate shall begin to appear on an eligible customer's bill on the next bill date following the date of application for lifeline assistance. If the rate does not begin to appear on the next bill date, when it does appear back credit will be given. In cases where a customer's eligibility date

as found in the records of the Wisconsin department of workforce development, the Wisconsin department of revenue, or other state agencies precedes the last bill date prior to application, credit shall also be given for one month's prior bill.

(4) (a) Eligibility for lifeline assistance continues until the next bill date following a failure to meet eligibility requirements.

(b) When the low income household energy assistance program is one of the customer's qualifying income assistance programs, the eligibility for lifeline assistance shall continue until the bill date in the next December following the close of the heating season. At that time, lack of eligibility shall be re-verified by the local exchange service provider before removing the lifeline assistance from the customer's bill.

(c) When the homestead tax credit is one of the customer's qualifying income assistance programs, the eligibility for lifeline assistance continues until the bill date in the next June following the end of the tax year. At that time, lack of eligibility shall be re-verified by the local exchange service provider before removing the lifeline assistance from the customer's bill.

(5) Local exchange service providers may receive reimbursement from the universal service fund for 100% of that portion of the standard authorized rate for service which is in excess of the amount of the lifeline monthly rate which is eligible for reimbursement from federal lifeline program funds.

(6) Customers eligible for lifeline or link-up America assistance may not be charged a deposit for service if they voluntarily accept toll blocking, may not be requested to pay in advance for more than one month's local service bill, and may not be disconnected from local service for nonpayment of toll charges billed by the local exchange service provider. Customers that otherwise would be subject to disconnection may be counseled to accept toll blocking.

(7) A local exchange service provider acting under the limited conditions specified in its commission approved telecommunications customer assistance program under s. PSC 160.08 may impose toll blocking or restriction on lifeline customers.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (1), renum. (2) (a) to be (2) (b) and am., renum. (4) to be (3) and am., renum. (6) to be (5) and am., renum. (5) to be (4), cr. (2) (a), (c), (6) and (7), r. (2) (b) and (3), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.063 Outreach for low-income assistance programs. (1) Funding shall be available to fund collaborative partnerships between community-based organizations and telecommunications providers to increase participation of the eligible populations in the universal service fund low-income support programs.

(2) Funding from the universal service fund for these collaborative efforts shall not exceed \$250,000 in one year.

(3) The commission shall annually review and grant funding based on complete responses to a request for proposals. Funding shall be limited to not more than 6 projects with at least one project focused statewide and one project focused on the Milwaukee area, if feasible.

(4) The commission shall contract for an evaluation of the effectiveness of this program in promoting enrollment in low-income programs and subscribership to telephone service to be completed within 2 years of May 1, 2000. The cost of this evaluation shall not exceed \$25,000. This \$25,000 shall be included as part of the \$250,000 maximum total funding available under this section during the year in which the evaluation occurs.

History: Cr. Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.07 Special needs certification. (1) A person with a disability may determine whether that disability presents a barrier to use of telecommunications services. That person shall determine what accommodations are needed to ensure effective telecommunications access.

(2) When a local exchange service provider or the fund administrator has sound reason to question the self-certification

of a customer under sub. (1), additional verification of disability, such as an appropriate doctor's written medical diagnosis and description of physical limitations and special needs resulting from that diagnosis, may be required for certification of special telecommunications needs.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96.

PSC 160.071 Service and equipment pricing for individuals with special needs. (1) TELECOMMUNICATIONS EQUIPMENT PURCHASE PROGRAM (TEPP). (a) Vouchers shall be available to assist customers with a disability who have special needs certification in the purchase of equipment needed to personally access and use essential services of the telecommunications network. Vouchers may not be used to purchase equipment which will be used exclusively for commercial purposes.

(b) Vouchers shall be limited to the following amounts by category of disability:

1. \$200 for hard of hearing.
2. \$800 for deaf and severely hard of hearing.
3. \$1,600 for speech impaired.
4. \$1,600 for mobility impaired.
5. \$2,500 for deaf-low vision.
6. \$7,200 for deaf-blind.

(c) A voucher recipient under par. (b) 1. is not required to make a co-payment. All other voucher recipients are required to make a co-payment of \$100 at the time the equipment is purchased. Pursuant to par. (f), for low income customers the co-payment may be supplied by funding through the telecommunications assistance program (TAP).

(d) The commission shall annually establish a budget for the total voucher program.

(e) Customers with disabilities may obtain voucher application forms from the fund administrator, their local exchange service provider, or other sources. Completed voucher application forms shall be submitted to the universal service fund administrator.

(f) Applicants for vouchers under this section shall be Wisconsin residents. An applicant may not receive a voucher for equipment for the same disability more than once every 3 years. An applicant may receive a voucher for equipment even if another person in the same household has also received a voucher. Applications filed by low-income deaf and hard of hearing individuals shall be referred to the Wisconsin department of health and family services for telecommunications assistance program (TAP) funding to provide any customer co-payment required under par. (c). If found eligible, an alternative voucher may be issued to include that program's funding. If found ineligible, a voucher application shall be processed in priority according to its original date of receipt by the fund administrator.

(g) Applications shall be granted on a first-come, first-served basis; except, no single disability classification described in par. (b) may be issued vouchers totalling more than 75% of the total annual budget within the first 3 quarters of the budget year.

(h) A waiting list shall be established for applications held pending available funding or pursuant to par. (g).

(i) The commission may establish new disability categories and voucher maximums if a need is identified.

(j) Vendors may redeem vouchers, submitted with an invoice, from the universal service fund administrator. Reimbursement may not exceed the total purchase price of the equipment with tax less, where applicable, a customer co-payment of \$100.

(k) The commission may impose reasonable limits on the types and quantities of devices that may be purchased with one voucher.

(L) The fund administrator shall maintain lists of the types and quantities of equipment eligible for purchase with a single voucher in each category under par. (b). Revisions to the list shall be done periodically by the fund administrator in consultation

with the commission staff and representatives selected by the universal service fund council. Input regarding revisions may be solicited from vendors, representatives of interested groups serving the disabled and others, as appropriate.

(m) Equipment purchases involving individual exceptions to the eligible equipment lists under par. (L) may be granted by the fund administrator only following consultation with commission staff. Commission staff, the fund administrator, or both, may solicit input regarding such exceptions from vendors, representatives of interested groups serving the disabled and others, as appropriate.

(n) Objections to items included on or excluded from the eligible equipment lists and determinations regarding individual exceptions shall be handled as informal complaints. The commission staff shall review the objection and issue a letter addressing it. Such decisions may be appealed to the commission.

(2) EQUIPMENT LEASE RATES. Customer premises equipment required to meet special telecommunications needs of those with disabilities shall be tariffed by the telecommunications utility for monthly lease at rates that recover, over a reasonable period of time, only the utility's direct costs for the customer premises equipment, plus directly attributable overheads. No further contribution to the utility's earnings or general overhead costs shall be included in calculating the rate.

(3) DISCOUNTED LONG DISTANCE SERVICE. Certified hearing impaired customers and certified speech impaired customers who need to use a teletypewriter for telephonic conversations shall receive discounted long distance service. For these customers, all telecommunications providers offering long distance services shall, at a minimum, apply their evening or off-peak discounts or rate schedules in the daytime or peak rate period and their weekend or off-peak discounts or rate schedules in all other rate periods.

Note: Providers are encouraged to provide these customers with rates that are even lower than the minimums established in this subsection.

(4) DIRECTORY ASSISTANCE CHARGES. Customers with certified disabilities that prevent them from using the telephone directory shall not be charged for a reasonable number of directory assistance calls in a month.

(5) OPERATOR ASSISTANCE CHARGES. Customers with certified disabilities that prevent them from directly dialing or keying calls shall not be charged for operator assistance to place calls.

(6) CUSTOM CALLING SERVICE CHARGES. (a) Customers with certified disabilities who deem one or more custom calling services essential in order to receive service that is useful and comparable to the essential service provided to other customers shall receive those services without charge.

(b) Hearing impaired customers who are able and choose to use 2 line voice carryover shall not be charged any intrastate non-recurring charge or monthly rate for the second line. The local exchange service provider shall receive reimbursement from the universal service fund for the amount waived.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; cr. (1) (k) to (n) and (6) (b), renum. (6) to be (6) (a), am. (1) (a), to (c), (f), (j) and (3), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.073 Public interest pay telephones.

(1) The commission shall assure provision of a pay telephone where it determines that the public health, safety, and welfare is jeopardized without the telephone yet insufficient demand, usage or other public or private funds are available to assure its installation and its continued operation. Pay telephones so designated are considered public interest pay telephones.

(2) A request for designation of a pay telephone as a public interest pay telephone may be made by a pay telephone service provider or any other person. The commission staff shall review the request and issue a letter to the requester granting or denying the request. Such decisions may be appealed to the commission.

(3) A public interest pay telephone:

(a) Shall fulfill a public policy objective in health, safety or public welfare. For pay telephones in certain locations, where the telephone does not otherwise exceed the revenue limitations set forth in sub. (4) (a), designation shall be presumed to fulfill such a public policy objective. These locations are: public schools (K-12), public libraries, town halls, public parks, public pools, public museums, public boat landings, public waysides and locations provided under s. PSC 165.088.

(b) May not be a pay telephone that is or will be provided under a contract or agreement for multiple pay telephones, or that should be included in such a contract or agreement but is not.

(c) May not be a pay telephone that would otherwise exist as a result of the operation of the competitive marketplace.

(4) While the determination of whether to designate a pay telephone as a public interest pay telephone does not depend on the presence or absence of any one or more of the following items, these items shall be considered, in addition to other considerations that may be relevant, in determining whether to make such a designation. Items favoring designation include:

(a) The average actual or projected monthly revenue from the pay telephone is \$90 or less, or \$120 or less if the pay telephone has a TTY device.

(b) The pay telephone is outside or otherwise available to the public 24 hours per day.

(c) The pay telephone is physically and geographically accessible to the general public during the operating hours of any facility in which it is located.

(d) There is no other pay telephone located within 500 feet.

(e) The pay telephone allows coin calls.

(f) The person on whose property the pay telephone is located will receive neither revenues generated from the telephone nor compensation from another source related to the placement of the telephone.

(5) The pay telephone service provider shall be reimbursed the costs and charges for equipment, provision of basic service, maintenance and servicing, and administrative operations such as collection and accounting for a public interest pay telephone. The state universal service fund shall only cover the costs and charges not covered by a federal universal service program and revenues from the pay telephone.

(6) The public interest pay telephone designation of each telephone so designated shall be reviewed by the commission annually in the quarter during which the designation was originally granted. For purposes of this review, the commission may delegate initial screening or review of the qualification of facilities carrying the public interest pay telephone designation to a private organization or organizations.

(7) A pay telephone provider that is providing a public interest pay telephone shall meet the following service quality related requirements as to that telephone:

(a) The telephone shall be in compliance with all state and federal laws and regulations regarding the provision of pay telephone service.

(b) The telephone shall be kept in good working condition. Service and repairs shall be made within a reasonable time period after receiving a request for service. Preventive maintenance shall be performed on a reasonable and routine basis.

(c) Monthly records for all repair service, preventive maintenance and coin collection shall be kept for one year and shall be made available to the commission on request.

History: Cr. Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.075 Responsibility for pay telephone usability. (1) In this section, "pay telephone usability" means the ability to use pay telephone equipment once it has been accessed by an individual.

(2) Pay telephone usability standards include signage, volume control, monitoring height, cord length, and text telephones.

(3) All pay telephone service providers are responsible for compliance with all federal and state standards regarding usability of their pay telephones by individuals with disabilities.

(4) This section does not create any new obligations for pay telephone usability beyond those imposed under federal, state laws or negate any obligation for pay telephone usability of other parties under the law.

(5) Information on how to report non-compliance or any other complaint under sub. (3) to the commission shall be posted at or on each pay telephone unit or bank of units.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (3), cr. (5), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.08 Telecommunications customer assistance program. The commission may authorize individual telecommunications providers to establish telecommunications customer assistance programs that meet authorized goals and objectives for increasing or stabilizing subscription levels for non-optional, essential telephone service within its service territory or to address avoidance of disconnection or limitation of service to low-income households with payment problems. Such programs may allow a provider to not make available certain essential services, as defined in s. PSC 160.03 (2), in order to preserve at least minimal telephone service to certain low-income households with payment problems. The commission shall determine on a case-by-case basis whether or not a telecommunications customer assistance program may receive universal service fund monies.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.09 High rate assistance credits. (1) A local exchange service provider that is an eligible telecommunications carrier under s. PSC 160.13 shall provide high rate assistance credits to residential customers when the price of service exceeds levels set in this section.

(2) Credits shall be applied to the price of service as specified in sub. (3), except that if a local exchange service provider charges a single rate covering basic local exchange service and other telecommunications or related services, the commission may determine, by order and after opportunity for hearing, the portion of such bundled rates to which rate assistance credits apply.

(3) For purposes of calculating credits under this section, the price of service shall include the following:

(a) The fixed monthly charge for essential telecommunications service, as defined in s. PSC 160.03;

(b) The federal communications commission end user common line charge; and

(c) Usage charges, if any, based on the size of the local calling area, excluding extended community calling territory, as follows: [See Figure 160.09 (3) (c) following]

Figure 160.09 (3) (c):		
Exchange's local calling area size, excluding extended community calling territory, as measured by number of access lines	Exchange's combined local calling and extended community calling area size as measured by number of access lines	Usage charges includable in the s. 160.09 (3) (c) calculation of the price of service
At least 50,000	(Not applicable)	Per minute or calculated charges for 480 minutes of local calling.
Less than 50,000 but at least 5,000	At least 50,000	Per minute or calculated charges for 360 minutes of local calling, plus Price of 1 minute of extended community calling times 120 minutes.
Less than 50,000 but at least 5,000	Less than 50,000	Per minute or calculated charges for 360 minutes of local calling, plus Price of 1 minute of extended community calling times 90 minutes, plus The average price of 1 minute of intrastate toll service, as periodically calculated by the commission, times 30 minutes. If a provider does not have extended community calling in the exchange, the above 360 minutes of local calling should be changed to 450 minutes.
Less than 5,000	At least 50,000	Per minute or calculated charges for 240 minutes of local calling, plus Price of 1 minute of extended community calling times 240 minutes.
Less than 5,000	Less than 50,000	Per minute or calculated charges for 240 minutes of local calling, plus Price of 1 minute of extended community calling times 120 minutes, plus The average price of 1 minute of intrastate toll service, as periodically calculated by the commission, times 120 minutes. If a provider does not have extended community calling in the exchange, the above 240 minutes of local calling should be changed to 360 minutes.

(4) Local exchange service providers shall issue high rate assistance credits according to the following criteria:

(a) For the portion of the price of service below 1.5% of median household income, per month, for the area in which the rate applies, no credits apply.

(b) For the portion of the price of service equal to or above 1.5% but below 2.0% of median household income, per month, for the area in which the rate applies, the local exchange service provider shall issue a credit equal to 50% of that amount.

(c) For the portion of the price of service equal to or above 2.0% but below 2.5% of median household income, per month, for the area in which the rate applies, the local exchange service provider shall issue a credit equal to 75% of that amount.

(d) For the portion of the price of service equal to or above 2.5% but below 3.0% of median household income, per month, for the area in which the rate applies, the local exchange service provider shall issue a credit equal to 85% of that amount.

(e) For the portion of the price of service equal to or above 3% of median household income, per month, for the area in which the rate applies, the local exchange service provider shall issue a credit equal to 95% of that amount.

(f) When a rate applies in only one county, the median household income, as published by the Wisconsin department of workforce development, used to calculate the credit shall be that of that county in which the rate applies. When a rate applies in more than one county, the median household income used to compute the credit shall be the average of the median household incomes in each county in which the rate applies, weighted by the number of customers paying that rate in each county.

(g) If the amount of money required to reimburse local exchange service providers for credits under this section exceeds the amount budgeted for this program under s. PSC 160.17, the commission may modify the formula for high rate assistance credits. Such modification may be done by commission order, after notice and an opportunity for hearing.

(5) Except as provided in sub. (9), each local exchange service provider shall be reimbursed by the universal service fund for the value of the credits it issues, provided that it qualifies under s. PSC 160.091.

(6) When a local exchange service provider charges a prorated portion of the normal monthly charge for service because the customer has had service for only a portion of the month, the rate

assistance credit for that customer shall be pro-rated by the same percentage.

(7) High rate assistance credits shall be shown and identified on bills issued to customers.

(8) Telecommunications utilities with rate ceiling programs in place on May 1, 1996 may continue those programs until rates subject to those programs are changed, unless the commission authorizes an extension of the rate ceiling program.

(9) Local exchange service providers shall not be reimbursed by the universal service fund for the value of credits issued to customers receiving essential telecommunications service under a contract if the contract has a duration of greater than one year. The commission may grant waivers of this subsection by order. This subsection does not apply to rural line extension contracts entered into before January 1, 1996.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (1), (8) and (9), r. (2) (a), (b), (3) (f), (h) and (6), renum. (2) (c) to be (2) and am. (2), renum. (3) (a) to (e) to be (4) (a) to (e) and am. (4) (a) to (e), renum. (3) (g) to (4) (f) and am. (4) (f), renum. (3) (i) and (5) to be (4) (g) and (6), renum. (4) to be (5) and am. (5), renum. (8) to be (9) and am. (9), cr. (3), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.091 Qualifications for providers receiving universal service funding for high rate assistance credits. A local exchange service provider receiving reimbursement for high rate assistance credits under s. PSC 160.09 shall:

(1) Provide service that meets the minimum requirements of s. PSC 160.03 and any applicable quality of service administrative rules established by or orders issued by the commission;

(2) Be designated by the commission as an eligible telecommunications carrier under s. PSC 160.13 for the area in which it seeks reimbursement; and

(3) Show that it has applied any money it receives from the federal high cost program, to the extent permitted under federal communications commission regulations, to the rates for which it is issuing credits, and not to other services or to ineligible customers.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; r. and recr. Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.092 Alternative universal service protection plans. (1) As an alternative to the high rate assistance credit mechanism in s. PSC 160.09, the commission may, by order, after notice and an opportunity for hearing, implement other plans under this section.

(2) Alternative plans under sub. (1) shall be implemented on an experimental basis. These experiments shall be reviewed within 3 years of inception and shall terminate within 5 years of inception, unless made permanent by commission order after notice and an opportunity for hearing.

(3) Alternative high cost support plans under this section may make use of cost studies, bidding, defined service territories or other mechanisms to protect universal service. The commission may, by order, authorize payment of universal service fund monies as part of an alternative plan.

(4) Alternative high cost support plans may include rate ceiling programs, as referenced in s. PSC 160.09 (8), including programs authorized for other utilities.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96.

PSC 160.10 Rate shock mitigation. (1) The commission may authorize assistance, through temporary rate credits, for customers of rate of return regulated telecommunications utilities to mitigate the impact of large increases in authorized rates.

(2) Rate shock mitigation credits shall be funded by the telecommunications utility, where possible. Where that is not the case, the telecommunications utility shall be reimbursed for the amount of the credits from the universal service fund. Funding for the rate shock mitigation shall be specified by the commission in individual cases.

(3) When a telecommunications utility charges a pro-rated portion of the normal monthly charge for service because the customer has had service for only a portion of the month, the rate shock mitigation credit for that customer shall be pro-rated by the same percentage. The universal service fund shall reimburse the telecommunications utility for the portion of the credit actually issued to the customer when not funded by that utility.

(4) Rate shock mitigation credits shall be shown and identified on bills issued to customers.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; r. (5), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.11 Assistance to institutions. (1) Partial support funding through rate discounts is available for institutions ordering telecommunications services to be used to provide any of the following services:

- (a) Two-way interactive video services.
- (b) High-speed data transfer.
- (c) Toll call access to the internet.
- (d) Direct internet access.

(1m) Only institutions that were granted support funding through rate discounts for up to 3 years under this section and were receiving such discounts as of October 29, 1999 are eligible for continued discounts under this section. Such institutions are eligible to continue to receive discounts for the remainder of the 3 year period for which they were granted support.

(2) Support funding is available only for new services which either were not previously available, or which provide significant improvements over existing services at that institution. Support shall only be available for services obtained from a contributory provider, unless exempted from payment under s. PSC 160.18 (1).

(3) Support funding is available only as partial payment for new services. The amount of funding shall decrease year by year, as follows:

- (a) For the first year, the monthly discount shall be 30% of the monthly charge or \$300 per month, whichever is less.
- (b) For the second year, the monthly discount shall be 20% of the monthly charge or \$200 per month, whichever is less.
- (c) For the third year, the monthly discount shall be 10% of the monthly charge or \$100 per month, whichever is less.
- (d) For the fourth year, and thereafter, no discount shall be issued.

(4) An institution is eligible to receive support for only one service at a time, at a single location. If that service links 2 locations at an institution, the discount may be applied to the entire channel. The university of Wisconsin system may receive a separate discount at each of its regional 2-year and 4-year campuses.

(5) After the discount for a service under sub. (3) has ended, the institution may receive support for a new service. An institution may not receive a discount for a service that has been canceled and reinstated.

(6) An institution which is receiving access to a data line or video link supported by the educational telecommunications access program under ch. PSC 161 is not eligible to receive support under this section for that data line or video link.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; emerg. cr. (6), eff. 2-27-98; cr. (6), Register, October, 1998, No. 514, eff. 11-1-98; cr. (1m), Register, April, 2000, No. 532, eff. 5-1-00; correction in (2) made under s. 13.93 (2m) (b) 7., Stats., Register April 2007 No. 616.

PSC 160.115 Medical telecommunications equipment program. (1) For purposes of this section:

- (a) "Initial application" means an application for universal service fund support under this section that is the first such application filed by the applicant during a state fiscal year.
- (b) "Non-profit medical clinic" includes any clinic that:

1. Is a non-profit organization governed by a board of directors,
2. Serves federally designated health professional shortage areas as defined in 42 USC 254e(a)(1), medically underserved areas, or medically underserved populations, and
3. Does one or both of the following:
 - a. Provides services to all patients regardless of insurance status.
 - b. Uses a sliding fee scale for uninsured patients based on income status.

(c) "Public health agency" includes the department of health and family services, any local health department as defined in s. 250.01 (4), Stats., and any health care facility or program operated by a tribe or tribal organization under the Indian Self-Determination Act (25 USC 450f et seq.)

(2) Funding may be available to non-profit medical clinics and public health agencies for the purchase of telecommunications equipment for any of the following purposes:

- (a) To promote technologically advanced medical services.
- (b) To enhance access to medical care in rural or underserved areas of the state, or both.
- (c) To enhance access to medical care by underserved populations or persons with disabilities in the state, or both.

(3) A maximum of \$500,000 in universal service fund support may be dispersed under this section per state fiscal year.

(4) (a) An application for universal service fund support under this section may not involve dispersment of support during multiple state fiscal years.

(b) All applications shall become public documents upon filing.

(5) Applications shall include all of the following:

- (a) A description of the telecommunications equipment for which universal service fund support is requested.
- (b) An explanation of how the applicant's purchase of such telecommunications equipment will support the purposes identified in sub. (2).
- (c) Identification of the vendor that will supply the telecommunications equipment.
- (d) A description of how the portion of the purchase price not covered by universal service fund support, if any, will be paid for.
- (e) A description of the steps taken to secure the telecommunications equipment at reasonable prices.
- (f) A statement certifying that the universal service fund support will be used for the purpose granted.
- (g) Any other information that the commission deems necessary.

(6) (a) The commission shall evaluate all applications submitted under this section. Provided that funds remain for this purpose, the commission may approve an application if it includes the information required under sub. (5) and if the commission determines the following:

1. The applicant is a non-profit medical clinic or public health agency located in Wisconsin.
2. The applicant's purchase of telecommunications equipment will support the purposes identified in sub. (2).
3. The applicant will be able to pay for the portion of the cost of the equipment not funded under this section.
4. The medical clinic or public health agency has taken steps to secure the equipment at reasonable prices.

(b) Public health agencies and non-profit organizations that operate more than one location may receive universal service fund support for telecommunications equipment at more than one location, but before approving an application involving an additional location, the commission shall consider how much total universal service fund support has been received by such agency or orga-

nization during the state fiscal year and the total amount remaining available to be dispersed under this section during the fiscal year. Preference may be given to initial applications filed by a public health agency or non-profit medical clinic.

(c) The commission may convene a panel of experts to assist in the evaluation of applications submitted under this section.

History: Cr. Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.125 Funding to promote access to telecommunications services. (1) VOICE-MAIL SERVICE FOR THE HOMELESS.

(a) Any voice mail provider may be compensated for providing, on request, to a social services agency, a job service agency or other homeless shelter authority, voice-mail service without charge to be used by that agency or authority for the benefit of its homeless clients or residents.

(b) A voice-mail provider that is providing voice-mail boxes to a qualifying agency or authority at no charge may request and receive reimbursement only for its incremental usage and administrative costs of providing this service using available capacity. As an alternative, reimbursement may be requested and received from the fund at a standard rate set by the commission to cover expected incremental costs of providing this service using available capacity.

(c) A qualifying agency or authority administering or providing voice-mail service to homeless clients may request reimbursement for its costs directly attributable to administering and providing the voice-mail boxes for the benefit of its homeless clients.

(d) To evaluate the effectiveness of this program, the commission may monitor and obtain information on the offering of this service from the participating voice mail providers, social services agencies, job service agencies and homeless shelter authorities.

(e) A list of all individuals receiving voice mail under this section shall be maintained by the social services agencies, job service agencies or homeless shelter authorities participating in this program.

(2) ACCESS PROGRAMS OR PROJECTS BY NON-PROFIT GROUPS.

(a) Partial funding may be available to non-profit groups for the facilitation of affordable access to telecommunications and information services through programs or projects, or both, not supported elsewhere in this chapter, but that are consistent with the purposes identified in s. 196.218 (5) (a) 1. and 2., Stats.

Note: As of November 1999, s. 196.218 (5) (a) 1. and 2., Stats., reads:

(5) *USES OF THE FUND.* (a) *The commission shall require that moneys in the universal service fund be used only for any of the following purposes:*

1. *To assist customers located in areas of this state that have relatively high costs of telecommunications services, low-income customers and disabled customers in obtaining affordable access to a basic set of essential telecommunications services.*
2. *To assist in the deployment of advanced service capabilities of a modern telecommunications infrastructure throughout this state.*

(b) Any non-profit group may apply for universal service funding to fund any portion of a program or project or both. Funding shall be provided on a state fiscal year basis. Applications for funding in the following fiscal year shall be submitted by November 15th. The commission shall issue a list of approved programs or projects, or both, by April 15th, with funding for those programs or projects, or both, to begin that July 1st. All applications shall become public documents upon filing.

(c) Applications shall include:

1. A description of a public need which is not being met at present;
2. A description of how the program or project is consistent with the purposes identified in s. 196.218 (5) (a) 1. and 2., Stats.
3. A description of the program or project proposed, including a description of how the public need described in subd. 1. may be met through affordable access to telecommunications or information services;

4. A showing that the proposed program or project meets the described public need in a least cost manner. This requirement can be met by showing that the applicant carried out an appropriate request for proposals.

5. Identification of the providers of each portion of the telecommunications services or equipment and a specific description of the following components of the program or project:

- a. The costs of telecommunications services and telecommunications equipment used by the program or project;
- b. The cost of training for those who are served by the program or project so that they can utilize the services;
- c. The administrative costs directly attributable to the program or project;
- d. The cost of technical expertise required to complete the program or project; and
- e. Revenue from services or training described in subd. 5. b.

(d) The commission shall evaluate all applications submitted. In evaluating the applications the commission shall consider information including, but not limited to, the following:

- 1. The basis of the public need to be met;
- 2. The extent to which other programs or projects, either funded under this section or otherwise under this chapter, meet that need; and
- 3. The overall cost of the proposed program or project.

(e) The universal service fund shall reimburse applicants for up to 50% of the cost of reimbursable portions of the program or project, or both. The reimbursable costs include those listed in par. (c) 5. a. to d.

(f) The programs or projects, or both, to be funded and the amount of reimbursement for each program or project shall be determined by the commission. The commission shall seek comments on the programs or projects to be funded, but shall not hold a hearing. A maximum of \$500,000 in funding may be dispersed under this subsection per state fiscal year.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; renum. from 160.063 (title), (1), (2), (3) and (4) to be 160.125 (1) (title), renum. (1) to (4) to be (1) (a), (b), (d) and (e), cr. (1) (c) and (2), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.13 Designation of eligible telecommunications carriers. (1) The commission may designate a telecommunications provider as an eligible telecommunications carrier. Such a provider is eligible to receive universal service funding under both applicable federal and state universal service programs for an area, if it meets all of the following requirements:

(a) Holds itself ready to offer service to all customers in the area, except that those customers with a demonstrated inability to pay for service may be denied service in accordance with ss. PSC 165.051 and 165.052.

(b) Advertises its service in the area on a regular basis, with such advertisements:

- 1. Disseminated in media of general distribution in the area, at least 2 times per year;
- 2. Describing the services offered; and
- 3. Describing the affordability of the services, including the availability of discounts for low income customers.

(c) Makes available lifeline and link-up service, as defined in ss. PSC 160.061 and 160.062.

(d) Offers, at a minimum, all portions of essential telecommunications service, as defined in s. PSC 160.03. For purposes of this subsection "essential services" includes public interest pay telephone service pursuant to s. PSC 160.073, pay telephones specified by s. PSC 165.088, and pay telephone interconnection service subject to federal communications commission orders, commission orders and ch. PSC 169.

(2) The area in which a provider shall be designated as an eligible telecommunications carrier shall be:

(a) For an area that is served by an incumbent local exchange service provider that is not a rural telephone company, the incumbent local exchange service provider's wire center, unless the commission designates a smaller area.

(b) For an area that is served by an incumbent local exchange service provider that is a rural telephone company, the service territory comprised of one or more of the incumbent local exchange service provider's wire centers, unless the commission designates, and the federal communications commission approves, a smaller area.

(3) For an area served by an incumbent local exchange service provider that is a rural telephone company, the commission may only designate an additional eligible telecommunications carrier after finding that the public interest requires multiple eligible telecommunications carriers, pursuant to federal law and s. 196.50 (2), Stats. For an area served by an incumbent local exchange service provider that is not a rural telephone company, the commission may designate an additional eligible telecommunications carrier without making such a finding.

(4) The commission shall maintain a list of the eligible telecommunications carriers for all areas of the state.

(5) (a) An eligible telecommunications carrier may relinquish its designation as such for an area by notifying the commission and the administrators of both the state and federal universal service funds, in writing, of its intention.

(b) If at least one other eligible telecommunications carrier is designated for that area, the relinquishing carrier shall be relieved of eligible telecommunications carrier status for that area 2 weeks after receipt by the commission of the letter, and without commission action.

(c) If no other eligible telecommunication carrier is designated for that area, the relinquishing carrier shall remain as eligible telecommunications carrier for that area until the commission designates an alternative eligible telecommunications carrier. In such a case, the commission shall notify the relinquishing carrier, and the administrators of the state and federal funds, that eligible telecommunications carrier status is still in effect. The commission may use a process similar to that described in s. PSC 160.14 (3) to (6) to designate a new eligible telecommunications carrier for an area for which the only existing eligible telecommunications carrier is seeking to relinquish that status.

(d) A provider may continue to provide services in an area for which it has relinquished eligible telecommunications carrier status, but may not continue to receive high cost assistance funding. If a provider seeks to abandon facilities or discontinue any service, it shall notify affected customers and follow any abandonment or discontinuance procedures established by the commission.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; r. and recr. Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.14 Intralata toll service provider of last resort.

(1) The intralata toll service provider of last resort for an exchange shall be the designated intralata toll provider for that exchange until intralata 1+ presubscription service is available in that exchange or until the commission orders otherwise under sub. (7). For purposes of this section, "provider of last resort" means the intralata toll service provider of last resort.

(2) (a) When intralata 1+ presubscription service is available in an exchange, the designated intralata toll provider may petition the commission for withdrawal of its provider of last resort requirements for that exchange.

(b) The petition shall be filed in writing with the commission. Except as provided in par. (d), petitioner retains intralata toll service provider of last resort responsibilities until a new provider of last resort is designated, or for a period of 12 months, whichever is shorter.

(c) The petitioner shall notify all of its affected customers of its request to have its provider of last resort requirements lifted.

The notice to customers shall be approved in advance by the commission and clearly state the following:

1. The petitioner is seeking authority to deny service to some or all customers within the exchange.

2. Toll services in the future may be available only from other telecommunications providers, or from only one telecommunications provider.

3. If a new provider of last resort is designated, all customers may be switched to that provider's service, although they may choose to obtain service from any other intralata toll service provider in the area after reassignment of the provider of last resort requirement.

(d) If intralata 1+ presubscription service has been in effect in an exchange for at least one year, and if the designated telecommunications utility toll provider has less than 50% of all presubscribed residential access lines in that exchange, then the commission may lift the provider of last resort requirement for that exchange. If future circumstances so require, the commission may designate a new provider of last resort pursuant to sub. (3).

(3) If a petition under sub. (2) is filed, the commission shall issue a notice requesting applications from all telecommunications providers interested in becoming the provider of last resort for that exchange. The provider seeking to abandon provider of last resort requirements for that exchange may not file an application to become the new provider of last resort once again.

(4) If only one telecommunications provider responds to the request for applications, that provider becomes the provider of last resort, effective in 90 days. All customers shall be notified of the proposed change at least 60 days prior to the effective date. The notice shall include a telephone number which they may use to designate their intralata toll service provider. On the effective date, all customers who do not designate an intralata toll service provider shall be presubscribed to the new provider of last resort.

(5) (a) If more than one telecommunications provider applies to become the provider of last resort, the local exchange service provider at that exchange shall ballot customers on their choice of intralata toll service provider.

(b) Only those telecommunications providers that file applications to be the provider of last resort for the exchange may appear on the ballot, although customers may "write-in" another telecommunications provider if desired.

(c) Customers who do not return ballots shall be randomly allocated to the telecommunications providers appearing on the ballot, according to the percentage of customers who chose each listed provider.

(d) All telecommunications providers appearing on the ballot shall be the providers of last resort for at least one year. After that date, these providers may notify the commission that they wish to be relieved of provider of last resort responsibility. When the last provider of last resort files to exit the market, the process described in this section recommences.

(e) Half of the costs of balloting shall be paid by the local exchange carrier serving the exchange and half will be paid by the providers appearing on the ballot.

(6) If no toll providers apply to be provider of last resort for an exchange, the commission shall hold an auction of the provider of last resort responsibility. The commission may authorize compensation from the universal service fund for the provider of last resort selected by the auction.

(7) If the provider of last resort for an exchange files a petition for withdrawal of its provider of last resort requirements at an exchange where intralata 1+ presubscription is not available, the commission may investigate that petition and order that the provider of last resort obligation be withdrawn for that provider subject to conditions, notice requirements and balloting procedures the commission deems necessary and reasonable for the service change at that exchange. Those conditions, requirements and pro-

cedures shall be as designated in this section to the extent the commission determines they are applicable.

(8) A provider of last resort may not sell or dispose of any intralata toll customer to another provider, except at the express request of the customer.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (1), (2) (a), (b), (c) 3., (3) to (5) (a), (b), (d), (6) and (7), cr. (2) (d) and (8), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.15 Identification of charges caused by universal service funding liability. Telecommunications providers may not establish a surcharge on customer bills for contributing to or recovering any portion of the providers' payment of universal service fund obligations.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.16 Fund administrator. (1) The commission shall designate the fund administrator and provide for an annual audit of the fund. The commission shall establish guidelines for administration and assignment of liabilities.

(2) The fund administrator may propose changes or modification to the mechanisms of administration of the fund. The commission may approve such requests without hearing.

(3) The universal service fund shall compensate the administrator for the administrator's costs of administering the fund as approved by the commission.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; reprinted to restore dropped copy, Register, May, 1996, No. 485; r. (3) to (5), renum. (6) to be (3), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.17 Fund budget and assessment rates.

(1) At least annually, the commission shall set the budget for fund administration and the programs specified in s. PSC 160.05 (1). The commission may make adjustments to the budget as needed to address unforeseen circumstances. Adjustments may include:

- (a) Reallocating the budget among programs.
- (b) Modifying the support formulas or benefits within a program.
- (c) Deferring support payments to a later period.

(2) At least annually, the commission, in consultation with the technology for educational achievement in Wisconsin board and department of administration, shall determine the amounts necessary for funding the payments specified in s. PSC 160.05 (2) and (4).

(3) Based on the need for funds under subs. (1) and (2) and s. 196.218 (5) (a) 6., Stats., and subject to the appropriation amounts in ch. 20, Stats., the commission shall determine the assessment rates to apply to providers. The commission may modify the assessment rates at any time based on changes in funding needs or provider revenues subject to assessment.

(4) The commission shall provide notice of the proposed budget under sub. (1) and any proposed changes to the budget to the universal service fund council and other interested parties with an opportunity for comment prior to commission action.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; emerg. am. eff. 2-27-98; r. and recr. (1), r. (2), renum. (3) to be (4) and am., cr. (2) and (3), Register, October, 1998, No. 514, eff. 11-1-98.

PSC 160.18 Collection of universal service fund monies. (1) Each assessed provider shall pay the amount of its assessment to the universal service fund. Assessed providers include all telecommunications providers operating within Wisconsin, except those with intrastate gross telecommunications revenues of less than \$200,000 during the preceding calendar year.

(2) The commission may require a person other than a telecommunications provider to contribute to the universal service fund, if after notice and opportunity for hearing the commission determines that the person is offering nontraditional broadcast

services in competition with a telecommunications service for which a contribution is required under this chapter.

(3) Telecommunications providers shall be assessed on the basis of their gross intrastate operating revenues from telecommunications services.

(4) Each telecommunications provider shall submit information, on a schedule and in a format to be set by the commission, on the telecommunications provider's gross intrastate telecommunications revenues during the preceding calendar year.

(5) The percentage liability for a given telecommunications provider is the ratio of that provider's intrastate gross telecommunications revenues to the sum of the intrastate gross telecommunications revenues for all contributory providers.

(6) The amount to be assessed to a given telecommunications provider is the percentage liability of that provider under sub. (5) multiplied by the total amount to be collected.

(7) Telecommunications providers who provided telecommunications service in Wisconsin for only part of the preceding calendar year shall be assessed based on actual revenues for the year, without adjustments to annualize that revenue.

(8) Failure to receive a bill is not grounds for relief from a telecommunications provider's liability for assessment.

(9) (a) Assessments shall be paid within 30 days after the bill is mailed. A telecommunications provider that has not paid within 30 days after the bill is mailed shall be deemed to have not paid under s. 196.218 (8), Stats. Assessments not paid within 30 days after the bill is mailed shall be collected using the process described in s. 196.85 (3), Stats.

(b) Objection to an assessment amount shall be made within 30 days after the bill is mailed. The making of the objection and commission action regarding that objection shall follow the process described in s. 196.85 (4), Stats.

(10) The commission shall obtain the information necessary to process the assessment of commercial mobile radio service providers and shall mail bills to such providers within 90 days of May 1, 2000. These bills will include assessments back to the effective date of May 1, 2000.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; renum. (1) (intro.) and (9) to be (1) and (9) (a), r. (1) (a) and (b), cr. (9) (b) and (10), Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.181 Use audit. Recipients of universal service fund monies may be audited by the commission to ensure that the funding was applied for and used appropriately.

History: Cr. Register, April, 2000, No. 532, eff. 5-1-00.

PSC 160.19 Universal service fund council. (1) The commission shall appoint a universal service fund council to advise the commission concerning the administration of s. 196.218, Stats., the content of administrative rules adopted pursuant to s. 196.218, Stats., and any other matters assigned to the universal service fund council by the commission.

(2) The universal service fund council shall consist of telecommunications providers and of consumers of telecommunications services. The commission shall appoint a diverse member-

ship to the universal service council including representatives of the local exchange telecommunications industry; the interexchange telecommunications industry, including facilities-based carriers and resellers; the cable television industry; other telecommunications providers and consumers of telecommunications services including residential, business, governmental, institutional, and public special interest group users of telecommunications services.

(3) A majority of the members of the universal service fund council shall be representatives of consumers of telecommunications services.

(4) (a) Universal service fund council members shall be appointed to staggered three-year terms.

(b) The commission may appoint a replacement member when necessary to serve the remaining term of a member withdrawing from the universal service fund council.

(5) The universal service fund council shall elect a chairperson and a vice-chairperson from its membership, not including the commission staff liaison. The term of office for these positions shall be one year. Elections may be held at the first meeting of each calendar year or may be conducted by mail prior to the first meeting of each calendar year.

(6) The universal service fund council shall meet at least twice annually. Other meetings may be called, upon adequate notice to all members, to address matters of the fund as they arise. Meetings of the universal service fund council shall be open to the public.

(7) Members of the universal service fund council shall serve without compensation. Members, other than those members representing the telecommunications industry and any members representing state agencies, may be reimbursed for their actual and necessary expenses incurred in the performance of their duties as part of the universal service fund council, subject to budget guidelines adopted by the commission.

(8) (a) The universal service fund council may adopt bylaws appropriate for its operation.

(b) The universal service fund council may form subcommittees of its membership as necessary to review issues and make recommendations for consideration of the full council.

(9) The commission shall assign staff members as needed to facilitate the work of the universal service fund council. The commission shall appoint a member of the commission staff to serve as staff liaison for the universal service fund council. The liaison shall be a non-voting member and shall do all of the following:

(a) Assist the universal service fund council in obtaining subject matter expertise in the area of universal telecommunications service.

(b) Maintain the official record of the universal service fund council, including membership, minutes of meetings, agendas and reports.

(c) Assist the chairperson of the universal service fund council in planning the agendas, times and places of meetings.

(d) Provide other administrative assistance as required.

History: Cr. Register, April, 1996, No. 484, eff. 5-1-96; am. (4) (a) and (5), Register, April, 2000, No. 532, eff. 5-1-00.