Matthew G. Bevin Governor

Charles G. Snavely Secretary Energy and Environment Cabinet



Commonwealth of Kentucky

Public Service Commission
211 Sower Blvd.
P.O. Box 615

Frankfort, Kentucky 40602-0615

Telephone: (502) 564-3940
Fax: (502) 564-3460

psc.ky.gov

Michael J. Schmitt Chairman

> Robert Cicero Vice Chairman

Daniel E. Logsdon Jr. Commissioner

NEWS RELEASE

Contact: Andrew Melnykovych, PSC 502-782-2564 or 502-564-3940 502-330-5981 (cell) Andrew.Melnykovych@ky.gov Lisa Aug, KDVA 502-564-9203 Lisa.Aug@ky.gov

Telecommunications Assistance Will Soon Be Easier to Obtain for Eligible Veterans and Survivors

Participation in Veteran's Pension or Survivor Benefits will be automatic qualifier for Lifeline subsidy

FRANKFORT, Ky. (Oct. 17, 2016) – It will soon be easier for veterans and their survivors who receive pension benefits to obtain subsidized telephone or broadband service.

As a result of major changes coming in December to the Lifeline program, low-income veterans or their survivors receiving pension benefits will have automatic proof of eligibility for the Lifeline program.

"The Lifeline program has evolved over the years to reflect both changes in telecommunications services and the emerging needs in our society," PSC Chairman Michael Schmitt said. "Easing access for eligible veterans and their survivors is the right thing to do."

The Federal Communications Commission (FCC), which sets the rules for the Lifeline program, earlier this year changed the rules for demonstrating eligibility and added broadband to the list of subsidized services.

"Expansion of the Lifeline program to include broadband services is a significant enhancement," said Norman E. Arflack, commissioner of the Kentucky Department of Veterans Affairs (KDVA). "I encourage all eligible veterans and survivors to avail themselves of this opportunity."

Arflack said that information about the Lifeline program will be made available at all KDVA field offices and at other locations providing services to veterans.

The Lifeline program currently provides a subsidy of up to \$12.75 per month for eligible Kentucky households to maintain a single telephone line, which may be either landline or wireless. The federal government provides \$9.25 of the subsidy, while Kentucky contributes \$3.50. Eligibility is verified through proof of participation in a variety of other programs for low-income residents or through verification of low-income status.

Lifeline Eligibility Eased for Eligible Veterans and Survivors – Page 2

The state subsidy comes from funds collected from carriers who may recover the cost through a small monthly surcharge on telephone bills. The federal subsidy comes from the federal Universal Service Fund which is assessed on all telecommunications carriers and may be recovered through a monthly surcharge on telephone bills.

Beginning December 2, broadband providers will become eligible to participate in the Lifeline program and to offer subsidized service. The service can be either wireless or a fixed service such as cable, DSL or fiber optic. Because the PSC does not regulate broadband the \$3.50 state subsidy will not be available for broadband-only service in Kentucky.

Lifeline subsidies will remain limited to one per household. Customers will have to choose whether to obtain federally subsidized service from a telephone or broadband provider. The state subsidy may only be used for voice service provided by wireless or landline telephone.

The expansion of eligibility certification to include Veteran's Pension or Survivor Benefits applies to customers who sign up for Lifeline or recertify their eligibility on or after December 2.

Lifeline providers will be required to meet certain minimum standards set by the FCC. The standards will be upgraded annually through 2021. The standards as of December 2 will be:

- Landline: unlimited local calling
- Wireless voice service: 500 free minutes
- Wireless broadband: 500 megabytes (MB) of data
- Fixed broadband: 150 gigabytes of data; download speed of 10 MB/second; upload speed of 1 MB/second

More information on the Lifeline program is available on both the PSC and FCC websites.

The FCC's online guide to the Lifeline program is here: https://www.fcc.gov/general/lifeline-program-low-income-consumers

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has about 75 employees.

-30-

FOLLOW THE PSC ON TWITTER @KYPSC

QUESTIONS OR PROBLEMS REGARDING YOUR UTILITY SERVICE?

CALL THE PSC CONSUMER HOTLINE: 800-772-4636