COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INQUIRY INTO THE STATE)CASE NO.UNIVERSAL SERVICE FUND)2016-00059

EASY TELEPHONE SERVICES COMPANY D/B/A EASY WIRELESS RESPONSE TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION

Easy Wireless hereby serves its Responses to the Kentucky Public Service Commission Request

for Information dated June 22, 2016.

<u>REQUEST NO. 1.</u> If not already provided in a previous response to a Commission Staff request for information, respond to the following:

- **a.** Provide the monthly Kentucky Universal Service Fund ("KUSF") forms¹ ("KUSF form") submitted to the Commission and the Department of Finance and Administration from January 2014 to the present.
- **b.** Explain how the total number of subscriber lines is calculated for the KUSF form when a new customer receives service in the middle of a month.
- c. Explain how the total number of subscriber lines is calculated for the KUSF form when a customer leaves in the middle of a month. Commission Staff's First Request for Information referred to these forms as "reimbursement" forms. In this request, Commission Staff is referring to the forms that the parties are to file monthly pursuant to the Commission's decision in *An Inquiry into Universal Service Funding Issues*, Administrative Case No. 360 (KY. PSC May, 22, 1998) (form last revised March 10, 2016). These forms are to be filed regardless of whether a party is seeking reimbursement from the KUSF.
- **d.** Explain how the KUSF surcharge remittance is calculated when you experience a bad debt. Explain whether none of the surcharge amount or the full surcharge amount billed to, but not paid by, the customer is remitted.
- e. State whether the KUSF surcharge billed to a customer is prorated if the customer has service for less than a full month.
- **<u>RESPONSE:</u>** Please see Easy Wireless' response to Staff's Initial Requests.

RESPONSIBLE WITNESS: Tina C. Allen

¹ Commission Staff's First Request for Information referred to these forms as "reimbursement" forms. In this request, Commission Staff is referring to the forms that the parties are to file monthly pursuant to the Commission's decision in *An Inquiry into Universal Service Funding Issues*, Administrative Case No. 360 (Ky. PSC May, 22, 1998)(form last revised March 10, 2016). These forms are to be filed regardless of whether a party is seeking reimbursement from the KUSF.

<u>REQUEST NO. 2.</u> If no KUSF forms have been submitted to the Commission and the Kentucky Department of Finance and Administration from January 2014, to the present, explain why the KUSF forms have not been submitted.

- **a.** If no KUSF forms have been submitted, state whether you collect the KUSF surcharge from your customers.
- **b.** If you do not collect the KUSF surcharge from your customers, explain why the KUSF surcharge has not been collected.
- **c.** If no KUSF forms have been submitted, state whether you remit the KUSF surcharge to the Kentucky Department of Finance and Administration.
- **d.** If you do not remit the KUSF surcharge to the Kentucky Department of Finance and Administration, explain why the KUSF surcharge has not been remitted.

RESPONSE: N/A

RESPONSIBLE WITNESS: Tina C. Allen

<u>REQUEST NO. 3.</u> Explain the anticipated impact, if any, that the FCC's recent *Lifeline Reform Order*² will have on the provision of Lifeline service in Kentucky, including, but not limited to, verifying eligibility of Lifeline customers; the potential provision of broadband service; and, the impact of the reduction of Federal Universal Service funding for voice service.

<u>RESPONSE</u>: Easy anticipates very little impact on the FCC's Lifeline Reform Order. The company already verifies the eligibility of Lifeline customers prior to enroll. Using the National Verifier Database will not be too burdensome if this can be integrated with the company's current enrollment platform, CGM. The company has or will increase their service offering to meet the minimum standards as set forth in the order, and already gives 25 MB of data on the 250 minute plan. The company does not expect an impact due to the reduction of the FSUF on voice service. However, Easy believes any reduction in support may diminish the ability of the wireless industry generally to address the gap between eligible end users and those actually participating in the Lifeline program.

<u>RESPONSIBLE WITNESS:</u> Tina C. Allen

² See Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42; Telecommunications Carriers Eligible for Universal Service Support, WC Docket No. 09-197; Connect America Fund, WC Docket No. 10-90, Third Report and Order, Further Report and Order, and Order on Reconsideration (Rel. April 27, 2016). ("Lifeline Reform Order").

<u>REQUEST NO. 4.</u> In light of the *Lifeline Reform Order*, explain how a reduction in the amount of, or elimination of, KUSF support would impact the provision of Lifeline service in Kentucky.

<u>RESPONSE</u>: With increased service offerings, a decrease or elimination of the KUSF would impact all carriers in KY. Smaller companies would be forced to withdraw from offering service in KY, leading to less competition and less choice for the consumer. As discussed in response to Request No. 3, Easy believes any reduction in support may diminish the ability of the wireless industry generally to address the gap between eligible end users and those actually participating in the Lifeline program.

RESPONSIBLE WITNESS: Tina C. Allen

Respectfully Submitted,

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CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that the July 13, 2016 electronic filing of these Data Responses is a true and accurate copy of the same document being filed in paper medium; that the electronic filing was transmitted to the Commission on July 13, 2016; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of these Data Responses will be mailed to the Commission by first class United States mail, postage prepaid, on July 13, 2016.

Douglas F. Brent