

The Commonwealth of Massachusetts

DEPARTMENT OF TELECOMMUNICATIONS & ENERGY

Legal Notice

December 8, 1997

D.T.E. 97-103

Investigation by the Department of Telecommunications and Energy on its own motion concerning (1) designation of eligible telecommunications carriers ("ETC"), pursuant to § 102 of the Telecommunications Act of 1996; (2) participation in the FCC's modified Lifeline program and acceptance of increased federal funding, pursuant to 47 C.F.R. Part 54 sections 54.400-54.417 *et seq.*; and (3) participation in the FCC's program for discounted intrastate rates for telecommunications services for rural health care providers, pursuant to Section 254 of the Telecommunications Act of 1996.

On May 8, 1997, the Federal Communications Commission ("FCC") issued its Federal-State Joint Board On Universal Service, Report and Order, CC Docket No. 96-45, FCC 97-157 ("Universal Service Order") implementing § 254 of the Telecommunications Act of 1996 ("the Act"). In that Order, among other things, the FCC adopted rules that (1) make universal service funding available to all local exchange carriers, not just incumbents, that meet federal requirements for ETC status; (2) expand the Lifeline Assistance program for low-income consumers and increase the amount of federal funding available to states; and (3) make discounted intrastate telecommunications services available to rural health care providers. To implement the above federal policies, the FCC requires that state commissions take certain actions by December 31, 1997.

The Department hereby gives notice to all common carriers that in order to be considered for designation as an ETC under Section 102 of the Act, for purposes of receiving specific federal universal service support under Section 254(e) of the Act, commencing on January 1, 1998, carriers must submit a petition requesting ETC and service area designation with the Secretary of the Department by December 12, 1997.

In the Universal Service Order, the FCC concluded that a revised Lifeline program shall be available in all states. To participate in the revised Lifeline support program and accept increased federal Lifeline support, states are required to notify the Universal Service Administrative Company in writing of the reduction of intrastate rates by December 31, 1997. 47 C.F.R. § 54.401(d). At this time, the Department also intends to participate in the FCC's modified Lifeline program and to apply for the maximum \$3.50 in additional federal Lifeline support. Currently, customers participating in the Massachusetts Lifeline assistance program receive a \$9.50 reduction in the monthly rate for residence service (exchange service rate plus the \$3.50 federal subscriber line charge). With the additional \$3.50 in federal support, the Lifeline discount will increase to \$13.00.

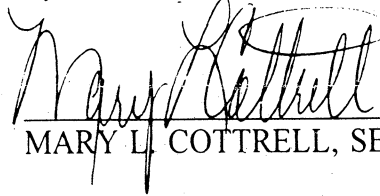
At this time, the Department intends to participate in the federal program for discounted intrastate telecommunications services for rural health care providers in Massachusetts. To facilitate the competitive bidding process for rural health care providers.

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carriers, and the administrator, we direct all interexchange and local exchange carriers operating in Massachusetts to file with the Department appropriate tariffs that provide discounts on intrastate telecommunications services to qualified health care providers by December 18, 1997.

Any interested person may file written comments on the Department's proposals concerning Lifeline and discounts for rural health care providers, and on any ETC petitions filed with the Department. One original and nine copies of all comments should be filed with Mary L. Cottrell, Secretary, Department of Telecommunications & Energy, 100 Cambridge Street, 12th Floor, Boston, Massachusetts 02202, on or before December 19, 1997 at 5:00 P.M.

By Order of the Department



MARY L. COTTRELL, SECRETARY

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Legal notice was received from the Department of Telecommunications & Energy regarding proposals to designate telecommunication carriers, increased federal funding and the modification to the Lifeline Program and participation in a discount program for rural health care providers pursuant to the Telecommunicaitons Act of 1996.

In City Council December 15, 1997

Referred to the
City Manager

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sent
12-17-97
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