

(Attached as Appendix I) INCREASING TELEPHONE ASSISTANCE PLAN CREDIT AND
REQUIRING FILING OF NEW UNIFORM TARIFFS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of a Change in the Telephone
Assistance Plan Uniform Tariff

ISSUE DATE: March 24, 1989

DOCKET NUMBERS:
(Attached as Appendix I)

ORDER INCREASING TELEPHONE
ASSISTANCE PLAN CREDIT AND
REQUIRING FILING OF NEW UNIFORM
TARIFFS

PROCEDURAL HISTORY

Under Minn. Stat. §§ 237.69 *et seq.* (1988) the Commission is required to establish and administer jointly with the Department of Human Services and all Minnesota telephone companies the Telephone Assistance Plan. The Telephone Assistance Plan (TAP) is a program designed to promote universal telephone service by providing credits against the telephone bills of low income elderly and low income disabled persons. The credits are funded by an access line surcharge collected by the local telephone companies.

The Commission is to determine the amount of the monthly credit under the Plan, subject to requirements that the credit not exceed any of the following amounts: 50% of any participant's local service bill; the amount available in matching funds from waiver of the federal interstate access charge by the Federal Communications Commission; or the amount available in light of the ten cent statutory limit on the access line surcharge. The current monthly credit is \$3.20, unless that amount exceeds half of the participant's monthly bill for local service.

The Commission is assisted in determining the amount of the monthly credit by a Commission-appointed TAP Technical Work Group. The Work Group is made up of representatives from the telephone companies, the Department of Public Service, the Residential Utilities Division of the Office of the Attorney General, and local human services agencies. In November of 1988 the Work Group recommended that the Commission set the monthly TAP credit at \$3.20 as of December 1, 1988 and increase it to \$3.50 on April 1, 1989. The Commission adopted the recommended credit amount and deferred action on the proposed April 1 increase until more data on the TAP fund was available.

The Commission met on March 21, 1989 to consider raising the maximum monthly credit to \$3.50.

FINDINGS AND CONCLUSIONS

The Commission has examined TAP enrollment figures, revenues, and disbursements, along with projections of future enrollment, revenues, and disbursements. The Commission concludes the monthly maximum credit can be increased to \$3.50 without jeopardizing the financial integrity of the TAP fund.

The Commission will increase the monthly credit for TAP participants to \$3.50 per month or one-half the participant's monthly charge for local service, whichever is lower. This increase shall become effective as of the first billing cycle on or after April 1, but no later than May 1, 1989. All companies shall file revised uniform TAP tariffs, enclosed herewith, within ten days of the date of this Order.

In one year the Commission will again examine the level of TAP benefits the TAP fund will support.

ORDER

1. The maximum monthly credit available under the Telephone Assistance Plan shall increase to \$3.50 on April 1, 1989.
2. All telephone companies shall increase TAP credits to TAP participants as of their first billing cycle on or after April 1, 1989, but no later than May 1, 1989.
3. All telephone companies shall file revised uniform TAP tariffs, enclosed herewith, within ten days of the date of this Order.
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)