

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE INVESTIGATION AND)
IMPLEMENTATION OF RULES FOR THE)
IDAHO NON-RURAL UNIVERSAL SERVICE)
FUND PURSUANT TO IDAHO CODE § 62-610A-F.)**

CASE NO. GNR-U-00-1

**REVISED NOTICE OF PUBLIC
WORKSHOP AND
SCHEDULING ORDER**

ORDER NO. 28374

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The Commission initiated this proceeding on its own motion to examine what rules are necessary to implement an Idaho Non-Rural Universal Service Fund established pursuant to *Idaho Code* § 62-610A-F. Pursuant to Order No. 28262, comments were filed March 14, 2000, and a public workshop was held March 28, 2000. On April 3, 2000, the Commission gave notice of another public workshop and adopted a schedule for circulating proposed rules. Order No. 28331. On April 24, 2000, the Commission revised that schedule. Order No. 28353.

The Commission Staff has requested additional time. After reviewing the schedule set in GNR-T-97-22 and GNR-T-00-2, in which the Commission will establish the Idaho High Cost Fund mechanism as well as adopt the forward-looking cost method for determining support, the Commission finds that delaying the workshop and submitting proposed rules in this rulemaking is appropriate.

By this Order, the Commission reschedules the second public workshop and modifies other dates. The Commission orders Staff to prepare proposed rules, to be posted on the Commission web page and to serve all parties by May 30, 2000. All other persons may critique those proposed rules and file those analyses with the Commission by electronic mail, hard copy to follow, by June 13, 2000. Parties are not required to file responses to the proposed rules before the workshop. The Commission shall post all comments received on its web page and schedules a second public workshop for June 15, 2000, beginning at 9:30 a.m.

BACKGROUND

The 1998 Legislature amended Idaho Code Title 62 to create a new Universal Service Fund (USF).¹ See *Idaho Code* §§ 62-610A through F. *Idaho Code* §§ 62-610A-F require the Commission to “establish a competitively and technologically neutral funding mechanism which will operate in coordination with federal universal service support mechanisms.” Initially, this new fund will only be available to non-rural local exchange carriers² that meet the statutory criteria. However, all telecommunications providers, including “municipal, cooperative or mutual telephone companies and telecommunications companies providing wireless, cellular, personal communications services and mobile radio services for compensation” may be eligible for the new Idaho High Cost Fund support and all their customers will pay a surcharge to fund the new USF. *Idaho Code* § 62-610B.

The new USF statute requires that disbursements from the new fund be used to defray costs, as determined by the Commission, for providing “universal service” to customers within a geographic support area. In calculating and determining those costs, the Commission must use a “forward-looking cost methodology.” *Idaho Code* § 62-610F(2). Therefore, on December 19, 1997, the Commission opened a docket to analyze cost models and adopt a forward-looking cost model as required by *Idaho Code* § 62-610F. (Case No. GNR-T-97-22). That docket is still open and further evidentiary proceedings are pending. In response to the Legislature’s statutory directive, the Commission has taken several other steps toward establishing and implementing this new Idaho High Cost Fund.³

The purpose for this negotiated rulemaking is to determine what rules are necessary to implement the new Idaho High Cost Fund.

¹ The parties at the first public workshop agreed that this new fund should be called the Idaho High Cost Fund to distinguish it from the existing Idaho Universal Service Fund.

² Any application of this new fund to rural LECs to replace funding available pursuant to *Idaho Code* § 62-610 cannot begin earlier than January 1, 2001.

³ Case No. GNR-T-98-7 designated what telecommunications services constitute those services that must be made available to Idaho consumers (“universal services”) on September 8, 1998. Order No. 27715. The Commission has not issued any decision in GNR-T-98-8, because the geographic description of the service area may be affected by the cost model chosen. In January 2000, the Commission initiated GNR-T-00-2 to establish and implement the new Idaho High Cost Fund, adopted a schedule for evidentiary proceedings and consolidated it with GNR-T-97-22.

NOTICE OF SECOND PUBLIC WORKSHOP

YOU ARE HEREBY NOTIFIED that the Commission will convene a second informal public workshop to examine what rules are necessary to implement the new Idaho High Cost Fund. The workshop will commence at **9:30 A.M. ON TUESDAY, JUNE 15, 2000, IN THE COMMISSION'S HEARING ROOM, 472 WEST WASHINGTON STREET, BOISE, IDAHO, (208) 334-0300.** The workshop will provide an opportunity for utilities, the Commission Staff, and others to explore what rules are necessary to implement the new Idaho High Cost Fund.

YOU ARE FURTHER NOTIFIED that the Commission encourages utilities and other interested persons to participate in the public workshop scheduled in the body of this Order.

YOU ARE FURTHER NOTIFIED that all hearings and prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act. Persons needing the help of a sign language interpreter or other assistance of the kind that the Commission is obligated to provide under the Americans with Disabilities Act in order to participate in or to understand the testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0338 (TELEPHONE)
(208) 334-3151 (TEXT TELEPHONE)
(208) 334-3762 (FAX)

ORDER

IT IS HEREBY ORDERED that the Commission Staff file proposed rules implementing the new Idaho High Cost Fund.

IT IS FURTHER ORDERED that those proposed rules be posted on the Commission web page by May 30, 2000.

IT IS FURTHER ORDERED that any person may file comments responding to those proposed rules with the Commission by June 13, 2000. Persons filing comments should file those comments by electronic mail as an attached file in either Word or PDF format with the Commission by E-mail to jcusick@puc.state.id.us or ccopsey@puc.state.id.us and need not serve other parties

with hard copies. The Commission will post all comments on its web page for public review. Failure to file comments does not preclude participation at the workshop.

IT IS FURTHER ORDERED that the second public workshop currently scheduled for June 6, 2000 is vacated and rescheduled to begin at 9:30 a.m. on June 15, 2000.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this day of May 2000.

DENNIS S. HANSEN, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

PAUL KJELLANDER, COMMISSIONER

ATTEST:

Myrna J. Walters
Commission Secretary

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