

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)
SURCHARGE FOR THE IDAHO) **CASE NO. GNR-T-09-02**
TELECOMMUNICATIONS SERVICE)
ASSISTANCE PROGRAM) **ORDER NO. 30775**
_____)

Each year the Administrator of the Idaho Telecommunications Service Assistance Program (ITSAP) files a report detailing the activities and status of the program during the previous year. ITSAP provides eligible recipients with a reduction in costs of residential basic local exchange telephone service. Funds for the program are raised through a surcharge on all end-user business, residential and wireless access service lines. The Commission determines the uniform statewide monthly surcharge and the Idaho Department of Health and Welfare administers the program in conjunction with federal programs to maximize federal “lifeline” and “link up” contributions to Idaho’s low-income customers. See *Idaho Code* § 56-901(1). The ITSAP surcharge four years ago was \$.12 per access line per month but decreased two years in a row and has been steady at \$.06 per access line per month. Order No. 30002.

In her report filed March 5, 2009, the ITSAP Administrator reported gross surcharge revenues of \$1,190,003 during 2008, a slight increase over the amount collected during 2007. Disbursements to eligible subscribers declined to \$1,172,978 from the previous year’s total of \$1,324,118. Disbursements to telephone companies for administration costs decreased slightly and totaled \$129,341. During 2008, an average of 28,006 customers received ITSAP each month. The ITSAP balance at the end of 2008 was \$340,917.23.

The Administrator also reported that the number of local wireline access lines decreased approximately 4.5%, while wireless access lines increased by approximately 3.5%. Overall, there was a small decrease of approximately 4,900 lines in the total number of lines subject to the ITSAP surcharge.

The ITSAP Administrator estimates the funding requirements for 2009 will be approximately \$933,467 and that the total line counts will decrease slightly, with the number of wireline access lines decreasing while wireless lines continue to increase. The Administrator also estimates the number of ITSAP recipients will decrease to 26,877 per month and telephone

companies' administrative costs will be relatively unchanged at \$127,550. Based on these projections, the Administrator recommended the current surcharge level of \$.06 per line per month should not be changed. At the existing rate, the Administrator projected the fund balance will be approximately \$223,600 at the year's end, which is adequate to maintain a three-month reserve in the ITSAP account. Staff reviewed the Administrator's report and supported the Administrator's recommendation to retain the ITSAP current surcharge of \$.06 per access line per month.

Based on the Administrator's report and Staff's recommendation, the Commission has determined to not alter the current ITSAP surcharge of \$.06 per access line per month. The Administrator's report shows that a surcharge level of \$.06 per line per month will result in sufficient funds to meet the 2009 funding requirements for all eligible households, while retaining a reasonable reserve balance.

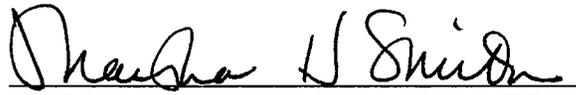
ORDER

IT IS HEREBY ORDERED that the ITSAP surcharge of \$.06 per access line per month on all end-user business, residential and wireless access services will remain in effect for the next year.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 10th
day of April 2009.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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