BEFORE THE PUBLIC SERVICE COMMISSION

In re: Adoption of the National School Lunch Program and an income-based criterion at or below 135% of the Federal Poverty Guidelines as eligibility criteria for the Lifeline and Link-Up programs.

DOCKET NO. 040604-TL ORDER NO. PSC-05-0064-PCO-TL ISSUED: January 19, 2005

ORDER TO CONTINUE HEARING

On April 29, 2004, the FCC released its Report and Order (Order), and Further Notice of Proposed Rulemaking (FNPRM) regarding Lifeline and Link-Up. To improve the Lifeline and Link-Up programs and to increase subscribership, the FCC's Order, in part: 1) added TANF and NSL to the program-based eligibility criteria; and 2) added an income-based eligibility criterion of 135% of the FPG.

On August 10, 2004, Proposed Agency Action Order No. PSC-04-0781-PAA-TL was issued for the purpose of adopting the National School Lunch program and an income-based eligibility criterion for consumers with incomes at or below 135% of the Federal Poverty Guidelines. Additionally, the Order allows Florida consumers, who qualify for Lifeline assistance, the option of electing a self-certification process. The Order requires ETCs to disclose to consumers both Lifeline certification processes available, along with the Lifeline credits available under each process. Additionally, ETCs are required, on an annual basis, to file reports identifying the number of applicants applying for Lifeline and Link-up, the number of applicants approved for Lifeline/Link-up, the method of certification the applicant used, and whether the approved applicant received \$8.25 or \$13.50 in assistance.

On August 31, 2004, BellSouth Telecommunications, Inc., Verizon Florida, Inc., the Florida Office of the Public Counsel on behalf of the Citizens of Florida, Quincy Telephone Company d/b/a TDS Telecom, GTC, Inc. d/b/a GT COM and ALLTEL Florida, Inc., and Sprint-Florida, Inc. filed protests in response to Order No. PSC-04-0781-PAA-TL requesting a formal hearing pursuant to Section 120.57, Florida Statutes. Pursuant to the above-listed entities' protests, this matter is currently scheduled for an administrative hearing to be held on January 20-21, 2005.

On January 5, 2005, a prehearing was held and Prehearing Order No. PSC-05-0036-PHO-TL was subsequently issued on January 11, 2005. Also on January 5, 2005, our staff held a meeting with BellSouth to discuss the settlement proposals set forth in the direct testimony filed on behalf of BellSouth and to discuss the possibility of settling the unresolved issues in this docket. On January 7, 2005, BellSouth filed its formal settlement proposal with the

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FPSC-COMMISSION CLERK

¹ Report and Order and Further Notice of Proposed Rulemaking, WC Docket 03-109, <u>In the Matter of Lifeline and Link-Up</u>, Release No. FCC 04-87, (Rel. April 29, 2004.)

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Commission. On January 11, 2005, parties filed their responses to BellSouth's formal settlement proposal.²

Upon consideration, I believe it is reasonable and appropriate to continue the hearing in this matter until February 21-22, 2005, to allow the Commission to consider the parties' settlement proposals at an upcoming agenda conference.

Therefore, it is,

ORDERED by Chairman Braulio L. Baez, as Prehearing Officer, that the hearing dates in this proceeding are modified as set forth in the body of this Order. It is further,

ORDERED that Order Nos. PSC-04-1066-PCO-TL and PSC-04-1096-PCO-TL are affirmed in all other respects.

By ORDER of Chairman Braulio L. Baez, as Prehearing Officer, this 19th day of January , 2005

RAULIO L. BAHZ Chairman and Prehearing Officer

(SEAL)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

² In their responses, Verizon and Sprint included formal settlement proposals.

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Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.