BEFORE THE PUBLIC SERVICE COMMISSION

In re: Joint petition to implement practices and procedures with Department of Children and Families to automatically enroll eligible customers in Lifeline telephone program, by Citizens of Florida and AARP.

DOCKET NO. 060677-TL ORDER NO. PSC-07-0064-PCO-TL ISSUED: January 24, 2007

ORDER DENYING BELLSOUTH TELECOMMUNICATIONS, INC.'S AND EMBARQ FLORIDA, INC.'S MOTIONS FOR ABEYANCE AND GRANTING BELLSOUTH TELECOMMUNICATIONS, INC.'S THIRD MOTION FOR EXTENSION OF TIME

I. <u>Case Background</u>

On October 11, 2006, the Citizens of Florida, through Harold McLean, Public Counsel (OPC), and AARP filed a Joint Petition to Implement Automatic Enrollment for Lifeline Telephone Services (Joint Petition) requesting this Commission order local exchange telecommunications companies in Florida to implement practices and procedures with the Department of Children and Families (DCF) to automatically enroll eligible customers in the Lifeline telephone program. Responses to the Joint Petition were due October 31, 2006.

On October 31, 2006, BellSouth Telecommunications, Inc. (BellSouth) filed a Motion for Extension of Time requesting an extension to file its response to the Joint Petition through and including November 17, 2006. On November 7, 2006, we issued Order No. PSC-06-0935-PCO-TL granting BellSouth's request for an extension. On November 17, 2006, BellSouth filed its Second Motion for Extension of Time requesting an extension to file its response until November 28, 2006. On November 27, 2006, we issued Order No. PSC-06-0977-PCO-TL granting BellSouth's Second Motion for Extension of Time to file its response to the Joint Petition by November 28, 2006.

On November 28, 2006, BellSouth filed a Motion for Abeyance and its Third Motion for Extension of Time. On December 12, 2006, Embarq Florida, Inc. (Embarq) filed its Request for Abeyance in support of BellSouth's Motion; the statements contained therein are substantially similar to BellSouth's Motion. On December 14, 2006, the AARP and the Attorney General filed their Joint Response in Opposition to BellSouth's Third Motion for Extension and Motion for Abeyance. Subsequently, on December 20, 2006, the AARP and the Attorney General filed a Response in Opposition to Embarg's Request for Abeyance.

This Order addresses BellSouth's Motion for Abeyance, BellSouth's Third Motion for Extension of Time, Embard's Request for Abeyance, and the AARP's and the Attorney General's Joint Responses in Opposition.

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II. Parties' Arguments

BellSouth's Motion for Abeyance and Third Motion for Extension of Time and Embarg's Request for Abeyance

As previously mentioned, BellSouth filed a Motion for Abeyance requesting this Commission to hold this docket in abeyance for a minimum of six months, pending the results of the Commission's recently initiated Online Automated Lifeline and Link-Up Application Process.¹ In support of its Motion, BellSouth asserts that before expending time and resources litigating the Joint Petition, this Commission should first review the results of the new automated online process. Additionally, BellSouth states that an abeyance would allow interested parties an opportunity to learn and adjust to the new process, and participate in the upcoming Commission workshops scheduled on February 6, 2007.

In addition to its Motion for Abeyance, BellSouth filed a Third Motion for Extension of Time to file its response to the Joint Petition. BellSouth asks this Commission to grant its request for an extension until either we grant or deny BellSouth's Motion for Abeyance. BellSouth requests that if this Commission grants its Motion for Abeyance, it should have ten days after the abeyance period ends to respond to the Petition. Otherwise, if we deny the Motion for Abeyance, BellSouth requests ten days after an order denying the Motion is issued to respond to the Joint Petition.

In conclusion, BellSouth asserts that no party will be prejudiced by granting its Motions. The AARP and the Attorney General object to both of BellSouth's Motions.

As stated in the Case Background, Embarq filed a Request for Abeyance in support of BellSouth's Motion for Abeyance; the statements contained therein are substantially similar to BellSouth's Motion. Embarq did not indicate an intention to respond to the Joint Petition, nor did it request an extension of time for it to respond.

The AARP's and the Attorney General's Joint Response in Opposition

According to the AARP and the Attorney General, BellSouth's request for an abeyance and extension to respond to the Joint Petition amounts to an untimely response to the Joint Petition. In support of its argument, the AARP and the Attorney General state that a six month delay would harm the one million Florida households eligible to receive Lifeline, but not realizing the benefits of that program.

First, the AARP and the Attorney General contend that BellSouth's Third Motion for Extension of Time should be denied because BellSouth has used previous motions for extension of time as a delay tactic in this docket. The AARP and the Attorney General state that BellSouth had obviously never intended to respond to the Joint Petition, and any unnecessary delay in this proceeding is a disservice to the public.

¹ On October 13, 2006, this Commission launched its Online Automated Lifeline and Link-Up Application Process.

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Second, the AARP and the Attorney General recognize this Commission's newly initiated Online Automated Lifeline and Link-Up Process as an improvement to the current process; however, they contend that participation through this process will likely be minimal considering such factors as subscribers' awareness of the programs and access to a computer.

In conclusion, the AARP and the Attorney General ask that this Commission deny BellSouth's Motion for Abeyance and Third Motion for Extension of Time, with prejudice.

Additionally, the AARP and the Attorney General oppose Embarq's Request for Abeyance. In their response, to Embarq's request, the AARP and the Attorney General contend that said request is untimely and that Embarq should not be granted additional time to respond to the Joint Petition. The AARP and the Attorney General further contend that Embarq has waived its opportunity to respond.

III. Analysis and Decision

Several recent developments at the Commission pertaining to the Lifeline and Link-Up programs are worthy of acknowledgment. First, as mentioned previously by the parties, the Commission launched an Online Automated Lifeline and Link-Up Application Process in October 2006. Second, the Commission has been working with DCF representatives to pursue a form of automatic enrollment in which applicants for DCF-administered assistance programs would indicate interest in Lifeline participation during that assistance application process. On a periodic basis, DCF would forward a list of those applicants who were approved for assistance, and who indicated interest in Lifeline, to the Commission for disbursement of the appropriate information to the appropriate eligible telecommunications carrier (ETC). Third, the Commission recently initiated a second phase of rulemaking pertaining to the Lifeline and Link-Up programs, and staff has scheduled an upcoming rule development workshop with the parties to discuss draft language.

As for the online application process launched late last year, it has thus far exceeded expectations. Despite the belief that lack of computer access would be a greater impediment, we have assisted over 600 consumers in achieving Lifeline and Link-Up enrollment through this new process since inception.

With respect to the Commission's work with DCF on a form of automatic enrollment, we are confident that with DCF's assistance, we can accomplish a system that results in measurable improvement in Lifeline and Link-Up enrollment. While there is no deadline for this initiative at this time, coordination efforts are currently underway, and we are optimistic that there will be progress to report in the near future. Though not identical to the automatic enrollment proposal in this instant proceeding, this initiative with DCF involves a substantially similar process.

Finally, regarding the Commission's second phase of Lifeline rulemaking, a formal rule development workshop (a normal precursor to a docketed rulemaking proceeding before the Commission) will be held on February 6, 2007. Staff and interested persons will continue discussions of draft rule language that began with an informal meeting held on January 10, 2007.

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While staff's draft rule language may not specifically include automatic enrollment as proposed by the Joint Petitioners to this Docket, or the automatic enrollment initiative that staff is working on with DCF, it is likely that automatic enrollment in some form will be discussed in the context of the rulemaking proceeding.

While these recent Lifeline initiatives are noteworthy and provide the potential for addressing the issue of automatic enrollment in some fashion, I find it unnecessary to formally hold this Docket in abeyance and ask for all parties' cooperation in proceeding in an efficient manner in developing proposed issues and a case schedule.

To that end, the parties to this Docket are strongly encouraged to schedule at least one informal meeting prior to the February 6, 2007 rule workshop or as soon as possible thereafter. Such an informal meeting need not necessarily include Commission staff, but if the parties so choose, staff can assist with the meeting. Parties may use such a meeting to, among other things, identify areas of agreement and disagreement regarding the Joint Petitioners' automatic enrollment proposal and to identify a preliminary list of issues. Following these events, all parties should have a clearer picture of the Lifeline and Link-Up issues to be litigated in this proceeding and the rulemaking proceeding and whether there are reasonable opportunities for agreement or consolidation.

Upon careful review and consideration of the foregoing, BellSouth's Motion for Abeyance and Embarq's Request for Abeyance is denied. Due to the timing and form of this ruling on the Motion for Abeyance, BellSouth's Third Motion for Extension of Time has, in effect, been granted. Additionally, I find it reasonable to allow BellSouth to file its response ten days following the issuance of this Order, as requested in its Third Motion for Extension of Time. Therefore, BellSouth's response to the Joint Petition is due on or before February 5, 2007. Further, I find that Embarq did not formally indicate a desire to respond to the Joint Petition; therefore, no ruling regarding whether it has waived its opportunity is necessary. Last, further requests for abeyance or extensions of time to file responses to the October 11, 2006 Joint Petition are strongly discouraged unless the parties jointly represent a need for such an extension.

Based upon the foregoing, it is

ORDERED by Commissioner Katrina J. Tew, as Prehearing Officer, that BellSouth Telecommunications, Inc.'s Motion for Abeyance is hereby denied. It is further

ORDERED that Embarq Florida, Inc.'s Request for Abeyance is hereby denied. It is further

ORDERED that BellSouth Telecommunications, Inc.'s Third Motion for Extension of Time is granted.

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Commissioner and Prehearing Officer

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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.

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.