

**PROPOSED REGULATION OF  
THE PUBLIC UTILITIES COMMISSION OF NEVADA**

**LCB File No. R087-09**

October 6, 2009

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: §§1 and 2, NRS 703.025, 704.210, 704.6873 and 707.490.

A REGULATION relating to public utilities; requiring the Administrator of the fund to maintain the availability of telephone service to prepare a quarterly report concerning collections for and disbursements from the fund; providing the manner by which certain providers of telecommunication service may request a reimbursement from the fund to maintain the availability of telephone service for the cost of providing a Lifeline discount; requiring the Administrator to disburse Lifeline reimbursements quarterly to providers of telecommunication service that meet certain requirements; limiting the amount of the Lifeline reimbursement to \$3.50 per line per month; requiring certain providers of telecommunication service to charge a Lifeline subscriber who is not a resident of Tribal lands a rate of not less than \$3.50 per line per month; and providing other matters properly relating thereto.

**Section 1.** NAC 704.68044 is hereby amended to read as follows:

704.68044 The Administrator of the ~~[Fund for Universal Service]~~ *fund to maintain the availability of telephone service* shall:

1. Conduct periodic audits of contributors to the ~~[Fund for Universal Service]~~ *fund to maintain the availability of telephone service* to ensure that the correct payments are being remitted by the providers of telecommunication service.

2. Verify the qualifications of an applicant who requests support from the ~~[Fund for Universal Service.]~~ *fund to maintain the availability of telephone service.*

3. Collect assessments from each provider of telecommunication service and deposit that money into the ~~[[Fund for Universal Service.]]~~ *fund to maintain the availability of telephone service.*

4. Disburse money from the ~~[[Fund for Universal Service]]~~ *fund to maintain the availability of telephone service* to providers of telecommunication service who qualify for funding in accordance with NAC 704.6804 to 704.68056, inclusive, and with applicable orders of the Commission.

5. Prepare ~~[[an annual]]~~ *a quarterly* report of all activities of the ~~[[Fund for Universal Service]]~~ *fund to maintain the availability of telephone service*, including:

(a) The total annual payments into the ~~[[Fund]]~~ *fund* from each provider of telecommunication service; and

(b) An itemization of all disbursements from the ~~[[Fund]]~~ *fund* to each qualified provider of telecommunication service.

6. Prepare and submit a request to the Commission to collect money for and disburse money from the ~~[[Fund for Universal Service.]]~~ *fund to maintain the availability of telephone service*, which includes:

(a) The estimated amount of money required to support the ~~[[Fund]]~~ *fund* for the following year; and

(b) The percentage rate which must be applied to the intrastate retail revenues of all of the providers of telecommunication service, to raise the estimated amount of money required, as reported in paragraph (a).

**Sec. 2.** NAC 704.680478 is hereby amended to read as follows:

704.680478 1. A provider of telecommunication service who is designated as an eligible telecommunications carrier may file ~~[an application requesting]~~ *directly with the Administrator a request for* a disbursement of money from the ~~[Fund for Universal Service]~~ *fund to maintain the availability of telephone service* for reimbursement of the costs of providing a discount in the rate for Lifeline service pursuant to NAC 704.680475. The amount of reimbursement requested per line per month must not exceed *\$3.50 or* the difference between the amount of the Lifeline discount offered by the provider pursuant to NAC 704.680475 and the amount of federal universal service support available for the discount pursuant to 47 C.F.R. § 54.403(a) ~~[ ]~~, *whichever is less.*

2. An eligible telecommunications carrier may seek reimbursement from the ~~[Fund for Universal Service]~~ *fund to maintain the availability of telephone service* for only *\$3.50 per line per month or* the portion of the discount in the rate for Lifeline service for which federal universal service support is not available ~~[ ]~~, *whichever is less.*

3. ~~[The Commission will issue an order approving, denying or modifying an application filed pursuant to subsection 1 within 90 days after receipt of the application.]~~ *Not later than 180 days before the beginning of the first period for which the eligible telecommunications carrier may seek reimbursement pursuant to this section, an eligible telecommunications carrier must submit directly to the Administrator a report which provides:*

*(a) An estimate of the amount of the reimbursement the eligible telecommunications carrier expects to request for the forecasted calendar year;*

*(b) The expected number of subscribers to the Lifeline service of the eligible telecommunications carrier for each month of the forecasted calendar year; and*

*(c) The amount of the Lifeline discount per line per month.*

*4. An eligible telecommunications carrier must file directly with the Administrator, not later than 30 days after the close of each calendar quarter, a request for a disbursement from the fund to maintain the availability of telephone service in the amount of \$3.50 per line per month or the difference between the total amount of the Lifeline discount provided by the eligible telecommunications carrier and the total amount of federal universal service support available to the eligible telecommunications carrier pursuant to 47 C.F.R. § 54.403(a), whichever is less. The request must include a statement of:*

*(a) The average number of subscribers to the Lifeline service provided by the eligible telecommunications carrier in each full month of the quarter;*

*(b) The amount of the Lifeline discount per line per month; and*

*(c) The amount of the reimbursement per line per month that the eligible telecommunications carrier will seek beginning with the quarter following the quarter for which the request was filed.*

*5. An eligible telecommunications carrier must charge a customer who subscribes to Lifeline service and who is not an eligible resident of Tribal lands a rate of not less than \$3.50 per line per month for basic network service or basic network service provided by an alternative technology pursuant to NRS 704.68881.*

*6. The Administrator must disburse quarterly to eligible telecommunications carriers that satisfy the requirements of this section the reimbursement from the fund to maintain the availability of telephone service for the cost of providing a Lifeline discount. The reimbursement to each eligible telecommunications carrier may not exceed \$3.50 per line per month.*

*7. This section applies only to the request of an eligible telecommunications carrier for a disbursement of money from the fund to maintain the availability of telephone service to reimburse the eligible telecommunications carrier for the cost of providing a Lifeline discount.*

*8. As used in this section, “eligible resident of Tribal lands” has the meaning ascribed to it in 47 C.F.R. §54.400.*