#### STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its Office in Jefferson City, Missouri on the 3<sup>rd</sup> day of November, 2021.

In the Matter of Proposed Modifications to the Missouri Universal Service Fund

) File No. TO-2019-0346

# ORDER CONTINUING SUSPENSION OF ASSESSMENT RATE AND INCREASING MONTHLY SUPPORT RATE

Issue Date: November 3, 2021 Effective Date: December 1, 2021

## Procedural History

On May 10, 2019, the Staff of the Commission (Staff), acting at the request of the Missouri Universal Service Board (Board), filed a motion asking the Commission to consider altering the Missouri Universal Service Fund (MoUSF) assessment rate. That same motion asked the Commission to increase the support amount provided to landline subscribers in the Lifeline program.

On November 21, 2019, the Commission granted Staff's request. That same order required Staff to file annual updates related to its MoUSF position. On September 2, 2021, Staff filed a Notice.

In the Notice, Staff recommends that the Commission continue its suspension of the MoUSF assessment through September 30, 2022. Additionally, Staff proposes that the MoUSF support amount for Lifeline voice-only service be increased from \$18.75 to \$24.00 if the Federal Communications Commission (FCC) continues with its plan to eliminate support on December 1, 2021.

Staff also proposes that the companies should be given flexibility to implement this support level change any time from December 1, 2021 through February 1, 2022. Staff also

asks that the Commission direct Staff to review and provide updated financial information and a finalized assessment recommendation by June 1, 2022.

The Commission solicited comments, and received them from the Missouri Small Telephone Company Group (STCG), the Missouri Independent Telephone Company Group (MITG), and The Missouri Internet and Television Association (MCTA). The STCCG and MITG comments supported Staff's request. MCTA also supports suspending the MoUSF assessment until September 30, 2022. But MCTA asks the Commission to consider alternatives to Staff's recommendation to increase the MoUSF support amount by \$5.75 per month.

Staff responded on October 14, 2021. Staff states that MCTA's request for clarification is unnecessary because Commission rules already prevent total monthly support from exceeding total monthly charges.

On October 29, 2021, Staff filed a notice regarding the October, 2021 Board meeting. The Board voted to approve of Staff's September 2, 2021 recommendations. Staff also requests the Commission to order Staff to provide updated fund financial information and an assessment recommendation no later than June 1, 2022.

#### <u>Decision</u>

Section 392.248.1, RSMo 2016 creates the Board and charges it with the duty to "ensure just, reasonable, and affordable rates for reasonably comparable essential local telecommunications services throughout the state." That statute also creates a state Universal Service Fund that is funded through an assessment on all telecommunications companies in the state. The Commission is required to establish the level of funding needed to accomplish the purposes of the Universal Service Fund.

The Commission finds that the Board's recommendation is reasonable. The Commission will suspend the assessment rate, and will further increase the amount of MoUSF support in the amount that Staff requested.

#### THE COMMISSION ORDERS THAT:

- 1. The assessment for the MoUSF is suspended, effective December 3, 2021, until September 30, 2022.
- 2. The MoUSF support amount for Lifeline voice-only service shall be increased from \$18.75 to \$24.00 if the FCC continues with its plan to eliminate support on December 1, 2021. Companies have the flexibility to implement this increased MoUSF support any time between December 1, 2021 and February 1, 2022.
- 3. Staff shall file updated fund financial information and an assessment recommendation no later than June 1, 2022.
- 4. The Commission's Data Center shall send a copy of this order to all interexchange carriers, competitive local exchange carriers, incumbent local exchange carriers and IVoIP providers doing business in Missouri.
  - 5. This order shall become effective on December 1, 2021.

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BY THE COMMISSION

Morris L. Woodruff

Secretary

Silvey, Chm., Rupp, Coleman, Holsman, and Kolkmeyer CC., concur.

Pridgin, Regulatory Law Judge

# STATE OF MISSOURI

### OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 3<sup>rd</sup> day of November, 2021.

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Morris L. Woodruff Secretary

# MISSOURI PUBLIC SERVICE COMMISSION November 3, 2021

File/Case No. TO-2019-0346

Missouri Public Service Commission

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

Morris L. Woodruff Secretary

Distributed to all Interexchange, Competitive Local Exchange, Incumbent Local Exchange and IVoIP Providers doing business in Missouri.

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.