

**STATE OF NEW YORK
PUBLIC SERVICE COMMISSION**

Notice of Proposed Rule Making)	
)	
)	Case # _____
Lifeline Service That Offers a Discounted Rate to Service to)	
Qualifying Low Income Consumers)	
)	

COMMENTS OF FRONTIER COMMUNICATIONS

I. INTRODUCTION:

Frontier Communications (“Frontier”)¹ is a provider of Lifeline service in various counties across the state of New York. On September 13, 2017, the New York State Public Service Commission (the “Commission”) issued a Notice of Proposed Rule Making (the “Notice”) relating to eligibility for the supplemental New York Lifeline discount in connection with recent changes by the Federal Communications Commission to the federal Lifeline Service eligibility rules. The Notice presented a number of questions for consideration. Frontier’s responses are set forth below.

II. RESPONSES TO QUESTIONS PRESENTED IN THE NOTICE:

In the Notice, the Commission requested comments on various questions in connection with the lifeline program in NYS. In general, Frontier urges the Commission to align the New York Lifeline rules with the federal Lifeline rules to the greatest extent possible. Frontier’s responses to the questions presented in the Notice are set forth below.

Question 1. Should New York follow the federal lead and eliminate Low Income Home Energy Assistance Program (LIHEAP), National School Lunch Program (NSLP), and Temporary Assistance to Needy Families (TANF) as qualifying programs for the New York supplemental Lifeline discount?

Frontier Response: Yes. Lifeline is a program aimed at helping low income consumers gain access to telephone services through a discounted basic service rate. To help ensure consumer-friendly operation of the program, easy-to-understand rules and processes

¹ For the purposes of this proceeding, Frontier Communications (“Frontier”) is comprised of Frontier Telephone of Rochester, Inc., Citizens Telecommunications Company of New York, Inc., Frontier Communications of New York, Inc., Frontier Communications of Sylvan Lake, Inc., Frontier Communications of AuSable Valley, Inc., Frontier Communications of Seneca-Gorham, Inc. and Ogden Telephone Company.

should continue to be a top priority in the administration of the Lifeline program in NYS. As with any program that has both federal and state components, customer confusion and difficulty can become exacerbated in situations where federal and state rules are not in alignment. To reduce the possibility of heightened confusion among customers, NYS should make its program fully consistent with the federal program and rules. If it is not possible to achieve full alignment with the federal program rules, then certainly the state rules should be aligned with federal rules to the greatest extent possible. Such a measure will have the effect of increasing comfort and comprehension among Lifeline customers and will also create the ancillary benefit of streamlining the Lifeline process generally.

In Frontier's experience in other states, where the state Lifeline rules are not sufficiently aligned with federal Lifeline rules, the result is a duplicative and cumbersome application process that is confusing for customers. The administrative efficiency gained by greater alignment with federal rules will allow providers to focus more keenly on seamless implementation of uniform rules which will improve the customer experience.

Further, it is important to note that the three programs identified in Question 1 (LIHEAP, NSLP, and TANF) were removed from the federal Lifeline program based on (a) the low level of customers that qualify for Lifeline under those programs, and (b) the likelihood that those customers could qualify for Lifeline based on income or one of the other remaining programs. Indeed, according to the FCC's April 2016 Lifeline Modernization Order, LIHEAP accounts for 1.23%, TANF 1.20% and NSLP .31% of total Lifeline participation.

Question 2. Should the Commission continue to authorize state support for customers only eligible under programs that have been eliminated by the FCC?

Frontier Response: No, such an approach would make the NYS Lifeline program inherently different from the federal program. This will cause customer confusion in connection with receipt of the credit (i.e. customers will need clarification and understanding on why he/she is receiving only a state credit) and will also increase the likelihood of processing errors – which would further confuse and frustrate customers. With respect to the benefits of greater alignment between the state and federal programs, please see the response to Question 1 above.

Question 3. Should the Commission authorize additional funding from the TAF to offset the loss in federal funding (currently \$9.25) that the providers would no longer receive due to the subscribers' loss of Federal Lifeline eligibility.

Frontier Response: No. As discussed in Questions 1 and 2 above, customer ease and comprehension are top priorities in the Lifeline program that must remain paramount. A state program that is fully consistent with federal rules will streamline processes and make the program less confusing and more “user-friendly” for customers, thereby

enhancing the customer experience. Customers in the three eliminated federal programs likely will qualify for Lifeline based on income or one of the other remaining programs.

III. CONCLUSION

For the reasons set forth above, Frontier urges the Commission to align the New York Lifeline rules with the federal Lifeline rules to the greatest extent possible.