BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Proposed Modifications to)
the Missouri Universal Service Fund) File No. TO-2019-0346

COMMENTS OF THE MISSOURI CABLE TELECOMMUNICATIONS ASSOCIATION

Pursuant to the September 7, 2021 "Order Directing Filing," any party wishing to file comments to the Missouri Public Service Commission (the Commission) is invited to file such comments on or before October 1, 2021. MCTA – The Missouri Internet & Television Association (MCTA) respectfully submits these Comments, which are a reaffirmation of its prior Comments filed on June 4, 2019, July 15, 2019, and November 7, 2019, with supplemental recommendations.

- 1. MCTA is the statewide organization representing the cable telecommunications industry within the State of Missouri.
- 2. The "Staff's Motion to Open Docket and Recommendations" ("Staff's Motion") filed September 7, 2021, recommends increasing Universal Service Fund ("USF") support amounts to \$24.00 per Lifeline program subscriber. MCTA believes that this increase is not warranted and could potentially generate improper incentives for the program, ultimately making it more difficult to curtail or suspend that support if necessary. MCTA respectfully recommends that the Commission initiate a more careful analysis of any potential future increases and determine whether any proposed increase to these programs are in the public interest.
- 3. MCTA also respectfully suggests that alternatives to raising the levels of support be considered. Among these are leaving support at or near current levels to ensure that such support continues without need for additional contribution. Another option is to offer refunds to those companies that have contributed to the fund given the existing surplus in the fund. Dramatically raising the support levels for the Lifeline program is not the only way nor is it the best way to resolve the problem of decreasing demand for the support and an over-funded Missouri USF. MCTA submits that the Commission should carefully evaluate alternatives to those recommended by Staff.
- 4. In any event, the Commission should clarify that under no circumstance should any increase in the Missouri TAP discount be used to offset the loss of the \$5.25 federal Lifeline discount for voice-only service beyond the federal discount, where the latter discount remains available. This would be the case even under the current transition plan

in areas where the FCC has identified there is a single Lifeline provider and the \$5.25 federal Lifeline voice discount will remain and may also be the case if the FCC adopts changes to the currently contemplated transition plan between now and December 1, 2021.

- 5. In "Staff's Notice" dated September 2, 2021, wherein Staff correctly notes that Federal Lifeline program support terminates on December 2, 2021, Attachment A suggests that, should the Commission increase program support for the Lifeline program to the level recommended in "Staff's Notice" filed September 2, 2021, the program has sufficient reserves to operate until September 30, 2022, notwithstanding any changes in program population. If the Commission were to reject increasing program support to the level recommended in "Staff's Notice" filed September 2, 2021, the program has sufficient reserves to operate until December 31, 2022. Rejection of increased program support to the level recommended in "Staff's Notice" filed September 2, 2021, would enable program assessments to begin on January 1, 2023 without requiring an increase in assessments.
- 6. Rather than increase payments as Staff recommends, MCTA respectfully urges the Commission is to phase down payments for fixed voice-only service under the Lifeline program, as the Federal Communications Commission (FCC) is doing pursuant to 2016 *Lifeline Modernization Order and following* a similar trajectory. This phase-down period will allow time for the Commission and the Legislature to consider alternatives to the current outdated Lifeline program.
- 7. Staff's motion also recommends that assessments funding the USF be suspended through September 30, 2022. MCTA supports this recommendation.
- 8. MCTA appreciates the opportunity to comment on Staff's Motion.

September 30, 2021

Respectfully submitted,

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