

What is a Universal Service Fund?

A Universal Service Fund (USF) is intended to assist customers in areas where telephone bills might otherwise be unaffordable. In Wyoming, there are two USF mechanisms at work. One is a federal USF which was set up by Congress in the federal Telecommunications Act of 1996. It is administered by the Federal Communications Commission (FCC). The other is the Wyoming state USF established by the Wyoming Legislature in the Wyoming Telecommunications Act of 1995. It is administered by the Wyoming Public Service Commission (PSC).

Why do we need Universal Service Funds?

Prices for local telecommunications service have been held artificially low for years, while the price of long distance and business service has been priced much higher than its underlying cost. This has resulted in subsidies to local service which the Wyoming Telecommunications Act requires be eliminated so that each service is

priced to cover its own underlying costs. In addition, the federal Telecommunications Act requires that the FCC and the states ensure that affordable, quality telecommunications services are available to all Americans by establishing a policy, like that of the Wyoming Act, of fostering universal service. The PSC is currently working with



Wyoming telephone service providers to realign rates and eliminate subsidies. For some telephone customers, especially those who live in rural and remote areas of the state and far from a city or town, local service price increases could be dramatic. The Wyoming and federal USFs will help to keep telecommunications service rates affordable. Wyoming USF disbursements will assist customers through direct credits on their local bills. These credits will ensure that individual customers will not be required to pay more than 30% above the statewide average price for basic local telecommunications services.

Where does the money for the USF come from?

The federal USF is primarily funded by interstate long distance carriers and it is included as a cost of doing business when the FCC determines prices for these companies. The Wyoming USF is funded through a surcharge on all retail intrastate telecommunications services in Wyoming and it is identified specifically on the customer's bill. The surcharge is currently established at zero % of gross intrastate retail revenues.

How will the Wyoming Universal Service Fund Work?

The Wyoming Telecommunications Act of 1995 requires that no customer pay local rates which are more than 30% above the statewide weighted average rate, after the elimination of certain subsidies. For example, if the statewide average price of local monthly phone service is \$25, then no customer would be expected to

pay more than \$32.50 per month regardless of the cost of providing that service. The details of the system are finalized and payments from the Wyoming USF are set to begin in January of 1998. As more rate subsidy reduction cases are completed, the statewide average price which customers pay for local telephone service will change and payments made into and out of the USF will also be adjusted.

Do I have to do anything to receive USF funds?

Customers who are eligible to receive assistance from the fund will not have to fill out forms or call anyone to qualify for payments. Payments will automatically be made to eligible local exchange providers based on the difference between their local service rate and the statewide average rate as calculated by the fund manager. The USF benefits will show on the customer's bill as a credit against the monthly price of local phone service.

What are the benefits of the USF?

Wyoming customers who experience rate increases as a result of subsidy reduction will be assured that they will have to pay no more than 30% over the statewide average local rate. In addition, Congress recognized that the provision of health care in rural areas like Wyoming could be improved by better remote access to medical specialists and information. The federal USF helps fund tele-health services for public and non-profit rural health care providers. In addition, USF moneys may assist low-income customers and emergency services like 911. It also encourages better technology for schools and libraries with discounts on all commercially available telecommunications services.

Do I have the option of not paying for the USF?

No. These funds are established by state and federal law to make sure that telephone service is as widely available as possible. We invite you, however, to offer your input at rule making or other proceedings concerning USF. The Wyoming USF assessment level is set annually on a notice and order basis with a defined comment period. If you are interested in contributing to the rule making process, you may call the PSC or the FCC for information about hearing schedules or check the calendars on the Internet web sites for scheduled events.

When should I file a complaint?

If you believe that you have been billed incorrectly or are not receiving the appropriate assistance from the USF, you should try to resolve your problem informally with your local telephone company. If your concerns are not adequately addressed, you should file a written complaint with the PSC for issues related to the Wyoming USF, or with the FCC for issues related to the federal USF.

What to include: No special complaint forms are required by either the PSC or the FCC. Send your complaint to the PSC or the FCC address listed below. All you need to do is prepare a letter in your own words and include the following items:

- ✎ Your name and address.
- ✎ Your daytime telephone number.
- ✎ The names of your local and long distance carriers.
- ✎ The names and telephone numbers of telephone company employees with whom you spoke in an effort to resolve your problem and the dates and times of the calls.
- ✎ A copy of your bill showing the charges which you dispute or do not understand.
- ✎ A complete explanation of the nature of your dispute or problem.
- ✎ Any other information which you think would help in resolving your complaint.

Where to get more information:

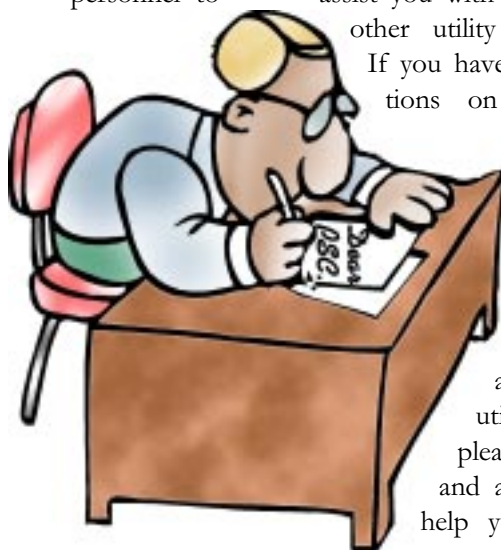
Federal Communications Commission
Common Carrier Bureau
Enforcement Division, MSC 1600A2
Consumer Protection Branch
2025 M Street, N.W.
Washington, D.C. 20554
FCC National Call Center
1-888-CALL FCC (1-888-225-5322)
TTY: 1-888-TELL FCC (1-888-835-5322)
<http://www.fcc.gov>

or

Wyoming Public Service Commission
Consumer Complaint Section
Hansen Building, Suite 300
2515 Warren Avenue
Cheyenne, WY 82002
1-307-777-7427 (voice)
1-307-777-7427 (TTY)
<http://psc.state.wy.us>

Let Us Help You! The PSC has a staff of trained and experienced utility complaint personnel to assist you with billing and other utility problems.

If you have any questions on the surcharge for USF, the receipt of USF assistance, or if you need help on any other utility issue, please call us and allow us to help you.



Universal Service Funds



To assist customers in need.