

## Federal Communications Commission

## § 36.711

working loops reported in § 36.611(h) for the study area;

(2) Thirty percent of the study area average unseparated loop cost per working loop as calculated pursuant to § 36.622(b) in excess of 160 percent of the national average for this cost but not greater than 200 percent of the national average for this cost as calculated pursuant to § 36.622(a) multiplied by the number of working loops reported in § 36.611(h) for the study area;

(3) Sixty percent of the study area average unseparated loop cost per working loop as calculated pursuant to § 36.622(b) in excess of 200 percent of the national average for this cost but not greater than 250 percent of the national average for this cost as calculated pursuant to § 36.622(a) multiplied by the number of working loops reported in § 36.611(h) for the study area; and

(4) Seventy-five percent of the study area average unseparated loop cost per working loop as calculated pursuant to § 36.622(b) in excess of 250 percent of the national average for this cost as calculated pursuant to § 36.622(a) multiplied by the number of working loops reported in § 36.611(h) for the study area.

(e) Beginning April 1, 1989, the expense adjustment calculated pursuant to § 36.631 (c) and (d) shall be adjusted each year to reflect changes in the size of the Universal Service Fund resulting from adjustments calculated pursuant to § 36.612(a) made during the previous year. If the resulting amount exceeds the previous year's fund size, the difference will be added to the amount calculated pursuant to § 36.631 (c) and (d) for the following year. If the adjustments made during the previous year result in a decrease in the size of the funding requirement, the difference will be subtracted from the amount calculated pursuant to § 36.631 (c) and (d) for the following year.

[52 FR 17229, May 6, 1987, as amended at 53 FR 33011 and 33012, Aug. 29, 1988; 63 FR 2125, Jan. 13, 1998; 64 FR 67430, Dec. 1, 1999; 64 FR 73428, Dec. 30, 1999]

### TRANSITIONAL EXPENSE ADJUSTMENT

#### § 36.641 Transition.

(a) The expense adjustment for 1993 and subsequent years shall be the

amount computed in accordance with § 36.631.

(b) The expense adjustments for 1988 through 1992 shall be as follows:

(1) Three-eighths of the amount computed in accordance with § 36.631 in 1988;

(2) One-half of the amount computed in accordance with § 36.631 in 1989;

(3) Five-eighths of the amount computed in accordance with § 36.631 in 1990;

(4) Three-quarters of the amount computed in accordance with § 36.631 in 1991; and

(5) Seven-eighths of the amount computed in accordance with § 36.631 in 1992.

### Subpart G—Lifeline Connection Assistance Expense Allocation

#### § 36.701 General.

(a) The Lifeline Connection Assistance Expense portion of the interstate apportionment shall consist of an expense adjustment computed in accordance with this subpart. The expense adjustment will be added to interstate expenses and deducted from state expenses for eligible study areas as defined in this subpart after all other steps required by this part have been completed.

(b) The expense adjustment will be computed as provided in § 36.741.

(c) This subpart shall be effective through December 31, 1997. On January 1, 1998, Lifeline Connection Assistance shall be provided in accordance with part 54, subpart E of this chapter.

[52 FR 17229, May 6, 1987, as amended at 62 FR 32948, June 17, 1997]

### DEFINITIONS

#### § 36.711 Lifeline connection assistance.

(a) For purposes of this subpart, Lifeline Connection Assistance shall describe the following lifeline telephone assistance for eligible residential subscribers as defined in § 36.711 (b) and (c):

(1) A reduction in the charges for commencing telephone service assessed for a single telephone line per household at the principal place of residence; and/or

(2) A deferred schedule for payment of the charges assessed for commencing

**§ 36.721**

service, for which the telephone company does not charge interest.

(b) In order to be eligible for assistance when income is verified, a residential subscriber must:

(1) Meet the requirements of a state established income test; and

(2) Not be a dependent for federal income tax purposes as defined in 26 U.S.C. Section 152 (1986) unless the subscriber is more than 60 years of age.

(c) In order to be eligible for assistance when income is not verified, a residential subscriber must meet the eligibility criteria in §36.711 (b)(1) and (b)(2) and:

(1) Have lived at an address where there has been no telephone service for at least three months immediately prior to the date that the assistance described in § 36.711 (a)(1) and/or (a)(2) is requested from the telephone company; and

(2) Not have received assistance pursuant to §36.711 (a)(1) and/or (a)(2) within the last two years, with receipt of such assistance to be measured from the date of initiation of the telephone service for which assistance was provided.

(d) Charges assessed for commencing service include any state tariffed charges levied for connecting a subscriber to the network. These charges do not include security deposit requirements.

[52 FR 17229, May 6, 1987, as amended at 54 FR 16111, Apr. 21, 1989]

TELEPHONE COMPANY ELIGIBILITY

**§36.721 Telephone company eligibility for lifeline connection assistance expense allocation.**

(a) In order to be entitled to the additional interstate expense adjustment described in this subpart a telephone company:

(1) Must provide Lifeline Connection Assistance as defined in §36.711 (a)(1) and/or (a)(2) to eligible subscribers as defined in §36.711 (b) or (c);

(2) Shall verify that subscribers meet the eligibility criteria set out in §36.711(b) or (c) provided that:

(i) Verification of subscriber eligibility by designated State officials may be substituted for verification by the telephone company;

(ii) If the eligibility criterion in §36.711(b)(1) is verified, then the criteria in §36.711(c) shall not apply;

(iii) If the eligibility criterion in §36.711(b)(1) is self-certified, then the eligibility criteria in §36.711(c)(1) and (c)(2) shall apply and must be verified;

(iv) In all cases, the eligibility criterion in §36.711(b)(2) may be self-certified.

(3) Shall file information with the Commission Secretary demonstrating that it is eligible for the additional interstate expense adjustment.

(4) Shall file information with the Commission Secretary demonstrating that it is eligible for the additional interstate expense adjustment.

(b) The additional interstate expense adjustment shall be effective as soon as the Commission certifies that the State or local telephone company is eligible for the additional interstate expense adjustment, the local exchange company files the data required by §36.731 with the National Exchange Carrier Association, and the relevant tariff provisions become effective.

[52 FR 17229, May 6, 1987, as amended at 54 FR 16111, Apr. 21, 1989]

DATA COLLECTION

**§36.731 Submission of information to the National Exchange Carrier Association.**

(a) In order to allow calculation of the lifeline expense adjustment each local telephone company wishing to receive the additional interstate expense allocation provided for in this subpart shall provide the National Exchange Carrier Association established pursuant to Part 69 of the Commission's rules with the information listed below for each of its study areas. The information for the succeeding calendar year is to be filed with the Association on June 30th of each year after certification of the plan by the Commission pursuant to §36.721(b). The information filed on June 30th of each year will be used in the jurisdictional allocations underlying the cost support data for the access tariffs to be filed the following October.

(1) An estimate of the number of eligible households which will receive the lifeline assistance described in

§36.711(a)(1) pursuant to a lifeline assistance program which has received Commission certification.

(2) An estimate of the average discount on service commencement charges to be provided to each subscriber, not to exceed 50 percent of the charges for commencement of the same service applicable to non-lifeline customers or \$30.00, whichever is less;

(3) An estimate of the number of eligible subscribers which will receive the lifeline assistance described in §36.711(a)(2).

(4) An estimate of the average deferred interest cost for each subscriber, *Provided That*:

(i) The deferred amount on which the cost of interest shall be calculated is not to exceed \$200.00; and

(ii) Interest shall be applied only to amounts actually outstanding, at the rate for 10-year Treasury Bills on January 1 of each year, with the interest rate adjusted only with each filing.

(b) In the event that this additional interstate expense allocation is to be in effect for a given study area for less than a full calendar year, the carrier is to submit the information described in §36.731(a) (1) through (4) adjusted to reflect the number of subscribers and the relevant costs for the portion of the year during which this expense adjustment will be in effect as part of its §36.721(a)(4) submission to the Commission. These data shall be filed with NECA at the same time they are filed with the Commission.

CALCULATION OF LIFELINE CONNECTION  
ASSISTANCE EXPENSE ADJUSTMENT

**§36.741 Expense adjustment.**

(a) The additional interstate expense allocation shall be calculated by adding the following:

(1) The number of households provided pursuant to §36.731(a)(1) times the dollar amount provided pursuant to §36.731(a)(2); and

(2) The number of households provided pursuant to §36.731(a)(3) times the dollar amount provided pursuant to §36.731(a)(4).

(b) The expense adjustment calculated pursuant to §36.741(a) shall be adjusted each year to reflect the actual number of lifeline recipients and the

actual dollar amount of the benefits provided to them in the previous year. If the actual benefits provided in a given calendar year exceed the estimated benefits for that year calculated pursuant to §36.741(a), this difference shall be added to the amount calculated pursuant to §36.741(a) for the following year. If the actual benefits provided in a given year are less than the estimated amount for that year calculated pursuant to §36.741(a), this difference shall be subtracted from the amount calculated pursuant to §36.741(a) for the following year.

(c) The expense adjustment calculated pursuant to §36.741 (a) and (b) shall be subtracted from total intrastate expenses and added to total interstate expenses.

[52 FR 17229, May 6, 1987, as amended at 53 FR 33012, Aug. 29, 1988]

APPENDIX—GLOSSARY

The descriptions of terms in this glossary are broad and have been prepared to assist in understanding the use of such terms in the separation procedures. Terms which are defined in the text of this part are not included in this glossary.

*Access Line*

A communications facility extending from a customer's premises to a serving central office comprising a subscriber line and, if necessary, a trunk facility, e.g., a WATS access line, TWX access line.

*Book Cost*

The cost of property as recorded on the books of a company.

*Cable Fill Factor*

The ratio of cable conductor or cable pair kilometers in use to total cable conductor or cable pair kilometers available in the plant, e.g., the ratio of revenue producing cable pair kilometers in use to total cable pair kilometers in plant.

*Category*

A grouping of items of property or expense to facilitate the apportionment of their costs among the operations and to which, ordinarily, a common measure of use is applicable.

*Central Office*

A switching unit, in a telephone system which provides service to the general public, having the necessary equipment and operations arrangements for terminating and

**Pt. 36, App.**

interconnecting subscriber lines and trunks or trunks only. There may be more than one central office in a building.

*Channel*

An electrical path suitable for the transmission of communications between two or more points, ordinarily between two or more stations or between channel terminations in Telecommunication Company central offices. A channel may be furnished by wire, fiberoptics, radio or a combination thereof.

*Circuit*

A fully operative communications path established in the normal circuit layout and currently used for message, WATS access, TWX, or private line services.

*Circuit Kilometers*

The route kilometers or revenue producing circuits in service, determined by measuring the length in terms of kilometers, of the actual path followed by the transmission medium.

*Common Channel Network Signaling*

Channels between switching offices used to transmit signaling information independent of the subscribers' communication paths or transmission channels.

*Complement (of cable)*

A group of conductors of the same general type (e.g., quadded, paired) within a single cable sheath.

*Complex*

All groups of operator positions, wherever located, associated with the same call distribution and/or stored program control unit.

*Concentrating Unit (TWX)*

An arrangement of central office equipment wherein traffic over a number of TWX circuits is automatically concentrated onto a lesser number of circuits between the concentrating unit and its associated TWX switching office.

*Concentration Equipment*

Central office equipment whose function is to concentrate traffic from subscriber lines onto a lesser number of circuits between the remotely located concentration equipment and the serving central office concentration equipment. This concentration equipment is connected to the serving central office line equipment.

*Connection—Minute*

The product of (a) the number of messages and, (b) the average minutes of connection per message.

**47 CFR Ch. I (10–1–00 Edition)**

*Conversation—Minute*

The product of (a) the number of messages and, (b) the average minutes of conversation per message.

*Conversation-Minute-Kilometers*

The product of (a) the number of messages, (b) the average minutes of conversation per message and (c) the average route kilometers of circuits involved.

*Cost*

The cost of property owned by the Telephone Company whose property is to be apportioned among the operations. This term applies either to property costs recorded on the books of the company or property costs determined by other evaluation methods.

*Current Billing*

The combined amount of charges billed, excluding arrears.

*Customer Dialed Charge Traffic*

Traffic which is both (a) handled to completion through pulses generated by the customer and (b) for which either a message unit charge, bulk charge or message toll charge is except for that traffic recorded by means of message registers.

*Customer Premises Equipment*

Items of telecommunications terminal equipment in Accounts 2310 referred to as CPE in §64.702 of the Federal Communication Commission's Rules adopted in the *Second Computer Inquiry* such as telephone instruments, data sets, dialers and other supplemental equipment, and PBX's which are provided by common carriers and located on customer premises and inventory included in these accounts to be used for such purposes. Excluded from this classification are similar items of equipment located on telephone company premises and used by the company in the normal course of business as well as over voltage protection equipment, customer premises wiring, coin operated public or pay telephones, multiplexing equipment to deliver multiple channels to the customer, mobile radio equipment and transmit earth stations.

*Customer Premises Wire*

The segment of wiring from the customer's side of the protector to the customer premises equipment.

*DSA Board*

A local dial office switchboard at which are handled assistance calls, intercepted calls and calls from miscellaneous lines and trunks. It may also be employed for handling certain toll calls.

## Federal Communications Commission

Pt. 36, App.

### *DSB Board*

A switchboard of a dial system for completing incoming calls received from manual offices.

### *Data Processing Equipment*

Office equipment such as that using punched cards, punched tape, magnetic or other comparable storage media as an operating vehicle for recording and processing information. Includes machines for transcribing raw data into punched cards, etc., but does not include such items as key-operated, manually or electrically driven adding, calculating, bookkeeping or billing machines, typewriters or similar equipment.

### *Dial Switching Equipment*

Switching equipment actuated by electrical impulses generated by a dial or key pulsing arrangement.

### *Equal Access Costs*

Include only initial incremental presubscription costs and initial incremental expenditures for hardware and software related directly to the provision of equal access which would not be required to upgrade the switching capabilities of the office involved absent the provisions of equal access.

### *Equivalent Gauge*

A standard cross section of cable conductors for use in equating the metallic content of cable conductors of all gauge to a common base.

### *Equivalent Kilometers of 104 Wire*

The basic units employed in the allocation of pole lines costs for determining the relative use made of poles by aerial cables and by aerial wire conductors of various sizes. This unit reflects the relative loads of such cable and wire carried on poles.

### *Equivalent Pair Kilometers*

The product of sheath Kilometers and the number of equivalent gauge pairs of conductors in a cable.

### *Equivalent Sheath Kilometers*

The product of (a) the length of a section of cable in kilometers (sheath kilometers) and (b) the ratio of the metallic content applicable to a particular group of conductors in the cable (e.g., conductors assigned to a category) to the metallic content of all conductors in the cable.

### *Exchange Transmission Plant*

This is a combination of (a) exchange cable and wire facilities (b) exchange central office circuit equipment, including associated land and buildings and (c) information origina-

tion/termination equipment which forms a complete channel.

### *Holding Time*

The time in which an item of telephone plant is in actual use either by a customer or an operator. For example, on a completed telephone call, holding time includes conversation time as well as other time in use. At local dial offices any measured minutes which result from other than customer attempts to place calls (as evidenced by the dialing of at least one digit) are not treated as holding time.

### *Host Central Office*

An electronic analog or digital base switching unit containing the central call processing functions which service the host office and its remote locations.

### *Information Origination/Termination Equipment*

Equipment used to input into or receive output from the telecommunications network.

### *Interexchange Channel*

A circuit which is included in the interexchange transmission equipment.

### *Interexchange Transmission Equipment*

The combination of (a) interexchange cable and wire facilities, (b) interexchange circuit equipment and, (c) associated land and buildings.

### *Interlocal Trunk*

A circuit between two local central office units, either manual or dial. Interlocal trunks may be used for either exchange or toll traffic or both.

### *Intertoll Circuits*

Circuits between toll centers and circuits between a toll center and a tandem system in a different toll center area.

### *Local Channel*

The portion of a private line circuit which is included in the exchange transmission plant. However, common usage of this term usually excludes information origination/termination equipment.

### *Local Office*

A central office serving primarily as a place of termination for subscriber lines and for providing telephone service to the subscribers on these lines.

### *Loop*

A pair of wires, or its equivalent, between a customer's station and the central office from which the station is served.

*Message*

A completed call, i.e., a communication in which a conversation or exchange of information took place between the calling and called parties.

*Message Service or Message Toll Service*

Switched service furnished to the general public (as distinguished from private line service). Except as otherwise provided, this includes exchange switched services and all switched services provided by interexchange carriers and completed by a local telephone company's access services, e.g., MTS, WATS, Execunet, open-end FX and CCSA/ONALS.

*Message Units*

Unit of measurement used for charging for measured message telephone exchange traffic within a specified area.

*Metropolitan Service Area*

The area around and including a relatively large city and in which substantially all of the message telephone traffic between the city and the suburban points within the area is classified as exchange in one or both directions.

*Minutes-of-Use*

A unit of measurement expressed as either holding time or conversation time.

*Minutes-of-Use-Kilometers*

The product of (a) the number of minutes-of-use and (b) the average route kilometers of circuits involved.

*Multi-Center Exchange*

An exchange area in which are located two or more local central office buildings or wire centers.

*Operations*

The term denoting the general classifications of services rendered to the public for which separate tariffs are filed, namely exchange, state toll and interstate toll.

*Operator Trunks*

A general term, ordinarily applied to trunks between manually operated switchboard positions and local dial central offices in the same wire center.

*Private Line Service*

A service for communications between specified locations for a continuous period or for regularly recurring periods at stated hours.

*Remote Access Line*

An access line (e.g., for WATS or TWX service) between a subscriber's premises in

one toll rate center and a serving central office located in a different toll rate center.

*Remote Line Location*

A remotely located subscriber line access unit which is normally dependent upon the central processor of the host office for call processing functions.

*Remote Trunk Arrangement (RTA)*

Arrangement that permits the extension of TSPS functions to remote locations.

*Reservation*

That amount or quantity of property kept or set apart for a specific use.

*Reserved*

Kept or set apart for a specific use.

*Separations*

The process by which telecommunication property costs, revenues, expenses, taxes and reserves are apportioned among the operations.

*Service Observing Unit*

A unit of work measurement which is used as the common denominator to express the relative time required for handling the various work functions at service observing boards.

*Sheath Kilometers*

The actual length of cable in route kilometers.

*Special Services*

All services other than message telephones, e.g., teletypewriter exchange service (TWX), private line services.

*Station-to-Station Basis*

The term applied to the basis of toll rate making which contemplates that the message toll service charge (telephone or TWX) covers the use made of all facilities between the originating station and the terminating station, including the stations, and the services rendered in connection therewith.

*Study Area*

Study area boundaries shall be frozen as they are on November 15, 1984

*Subscriber Line or Exchange Line*

A communication channel between a telephone station, PBX or TWX station and the central office which serves it.

*Subtributary Office*

A class of tributary office which does not have direct access to its toll center, but which is connected to its toll center office by

## Federal Communications Commission

Pt. 36, App.

means of circuits which are switched through to the toll center at another tributary office.

### *Tandem Area*

The general areas served by the local offices having direct trunks to or from the tandem office. This area may consist of one or more communities or may include only a portion of a relatively large city.

### *Tandem Circuit or Trunk*

A general classification of circuits or trunks between a tandem central office unit and any other central office or switchboard.

### *Tandem Connection*

A call switched at a tandem office.

### *Tandem Office*

A central office unit used primarily as an intermediate switching point for traffic between local central offices within the tandem area. Where qualified by a modifying expression, or other explanation, this term may be applied to an office employed for both the interconnection of local central offices within the tandem area and for the interconnection of these local offices with other central offices, e.g., long haul tandem office.

### *Toll Center*

An office (or group of offices) within a city which generally handles the originating and incoming toll traffic for that city to or from other toll center areas and which handles through switched traffic. The toll center normally handles the inward toll traffic for its tributary exchanges and, in general, either handles the outward traffic originating at its tributaries or serves as the outlet to interexchange circuits for outward traffic ticketed and timed at its tributaries. Toll centers are listed as such in the Toll Rate and Route Guide.

### *Toll Center Area*

The areas served by a toll center, including the toll center city and the communities served by tributaries of the toll center.

### *Toll Center Toll Office*

A toll office (as contrasted to a local office) in a toll center city.

### *Toll Circuit*

A general term applied to interexchange trunks used primarily for toll traffic.

### *Toll Connecting Trunk*

A general classification of trunks carrying toll traffic and ordinarily extending between a local office and a toll office, except trunks classified as tributary circuits. Examples of

toll connecting trunks include toll switching trunks, recording trunks and recording-completing trunks.

### *Toll Office*

A central office used primarily for supervising and switching toll traffic.

### *Traffic Over First Routes*

A term applied to the routing of traffic and denoting routing via principal route for traffic between any two points as distinguished from alternate routes for such traffic.

### *Operator System*

A stored program electronic system associated with one or more toll switching systems which provides centralized traffic service position functions for several local offices at one location.

### *Tributary Circuit*

A circuit between a tributary office and a toll switchboard or intertoll dialing equipment in a toll center city.

### *Tributary Office*

A local office which is located outside the exchange in which a toll center is located, which has a different rate center from its toll center and which usually tickets and times only a part of its originating toll traffic, but which may ticket or time all or none, of such traffic. The toll center handles all outward traffic not ticketed and timed at the tributary and normally switches all inward toll traffic from outside the tributary's toll center to the tributary. Tributary offices are indicated as such in the Toll Rate and Route Guide.

### *Trunks*

Circuit between switchboards or other switching equipment, as distinguished from circuits which extend between central office switching equipment and information origination/termination equipment.

### *TSPS Complex*

All groups of operator positions, wherever located, associated with the same TSPS stored program control units.

### *TWX*

Teletypewriter Exchange Service.

### *TWX Connection*

A completed TWX call, i.e., a call on which a TWX communication was passed between the calling and called stations.

### *TWX Connection-Minute-Kilometers*

The product of (a) the number of TWX connections, (b) the average minutes per TWX

**Pt. 36, App.**

connection and (c) the average route kilometers of circuits involved.

*TWX Switching Plant Trunks*

Interexchange circuits, excluding remote access lines, which handle 100 word per minute TWX traffic only.

*Weighted Standard Work Second*

A measurement of traffic operating work which is used to express the relative time required to handle the various kinds of calls or work functions, and which is weighted to reflect appropriate degrees of waiting to serve time.

*Wide Area Telephone Service WATS*

A toll service offering for customer dial type telecommunications between a given customer station and stations within specified geographic rate areas employing a single access line between the customer location

**47 CFR Ch. I (10-1-00 Edition)**

and the serving central office. Each access line may be arranged for either outward (OUT-WATS) or inward (IN-WATS) service or both.

*Wideband Channel*

A communication channel of a bandwidth equivalent to twelve or more voice grade channels.

*Working Loop*

A revenue producing pair of wires, or its equivalent, between a customer's station and the central office from which the station is served.

[52 FR 17229, May 6, 1987, as amended at 53 FR 33012, Aug. 29, 1988; 53 FR 39095, Oct. 5, 1989; 58 FR 44905, Aug. 25, 1993]

**Parts 37-39 [Reserved]**