



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE UNIVERSAL SERVICE
FUND - SCREENING THROUGH OTHER)
PROGRAMS FOR USF ELIGIBILITY; AND)

ORDER ADOPTING
STIPULATION OF
SETTLEMENT

IN THE MATTER OF THE ESTABLISHMENT
OF A UNIVERSAL SERVICE FUND PURSUANT)
TO SECTION 12 OF THE ELECTRIC)
DISCOUNT AND ENERGY COMPETITION)
ACT

Docket Nos. EO07110888
EX00020091

(SERVICE LIST ATTACHED)

BY THE BOARD:

BACKGROUND

On December 14, 2007, the New Jersey Department of the Public Advocate, Division of Rate Counsel (Rate Counsel) filed a Notice of Appeal (Appeal) with the Superior Court of New Jersey, Appellate Division (Court), Appellate Division Dkt. No. A-1810-07T2, contesting alleged inaction of the New Jersey Board of Public Utilities (Board) to screen participants in the New Jersey Lifeline Credit (Lifeline) program for eligibility to receive benefits under the Board's Universal Service Fund (USF) program. On March 13, 2007, Rate Counsel filed a motion for summary disposition. On April 23, 2008, the Board filed a cross-motion with the Court to dismiss Rate Counsel's appeal.

On May 23, 2008, the Court denied Rate Counsel's motion for summary disposition and the Board's cross-motion to dismiss the appeal. The Court permitted Rate Counsel to amend its Appeal within 14 days of the issuance of a Board Order that implemented the Board's May 8, 2008 findings.

On August 7, 2008, the Board issued an Order, Docket No. EX00020091 and EO07110888, which directed Board Staff to work with the Department of Community Affairs (DCA), the Department of Health and Senior Services (DHSS) and the Office of Information Technology (OIT) to implement a process that would screen Lifeline recipients, who submitted a renewal Lifeline application, for USF eligibility.

On August 20, 2008, Rate Counsel filed an amended appeal reasserting its initial claims and further appealing portions of the Board's August 7, 2008 Order: (a) seeking to clarify its April 30, 2003 Order, and (b) limiting the availability of the Lifeline screening process to persons whose total reported household size and income matched either the primary Lifeline applicant or the applicant and his or her spouse.

The Parties subsequently engaged in negotiations and agreed to a Stipulation of Settlement (Stipulation). The Stipulation provides that:

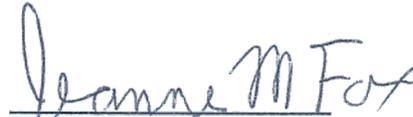
1. The Board will implement an application process, no later than November 1, 2009, that will allow people who complete an application for Pharmaceutical Assistance to the Aged and Disable (PAAD) and Lifeline benefits and are admitted into Lifeline to be screened for eligibility to the USF program without the need to submit the full USF/LIHEAP application currently used to determine eligibility for LIHEAP and USF benefits;
2. The application process that was established by the Board in its August 7, 2008 Order will remain in effect until the new application process described above takes effect on November 1, 2009;
3. Until the new application process takes effect on November 1, 2009, Lifeline recipients who are not eligible to be screened for USF eligibility under the process established by the Board in its August 7, 2008 Order will be notified that they must submit additional information via the full USF/LIHEAP application in order to be screened for USF eligibility;
4. The parties acknowledge that DCA has indicated it will implement a similar process to screen PAAD/Lifeline applicants for LIHEAP ;
5. No provision of the Stipulation shall modify the Board's general authority to administer or modify the USF program; and
6. Within 5 business days of a Board Order adopting the Stipulation, Rate Counsel will move for dismissal of its appeal.

After review, the Board FINDS that the terms of the settlement are fair and reasonable. Therefore, the Board HEREBY ADOPTS the Stipulation of Settlement in its entirety, incorporating the terms thereof into this Order as if fully set forth at length herein.

The Board ORDERS Board Staff, to work with DHSS, DCA and OIT to implement the modifications to the USF program set forth in the stipulation, including any modifications to the USF database.

DATED: 2/11/09

BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

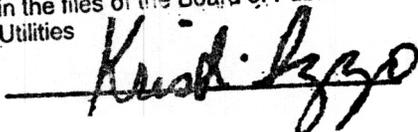

NICHOLAS ASSELTA
COMMISSIONER


ELIZABETH RANDALL
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



I/M/O THE UNIVERSAL SERVICE FUND SCREENING
THROUGH OTHER PROGRAMS FOR USF ELIGIBILITY; And
I/M/O THE ESTABLISHMENT OF A UNIVERSAL SERVICE FUND
PURSUANT TO SECTION 12 OF THE ELECTRIC DISCOUNT
AND ENERGY COMPETITION ACT
Docket Nos. EO07110888 and EX00020091

SERVICE LIST

BPU

Peter Hilerio
Office of the Secretary
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102

DAG

Geoffrey Gersten, DAG
Division of Law
Department of Law & Public Safety
124 Halsey Street
PO Box 45029
Newark, NJ 07102

Advocate

Stefanie Brand, Esq.
Director
Division of Rate Counsel
31 Clinton Street, 11th floor
PO Box 46005
Newark, NJ 07102

Sarah Steindel, Esq.
Division of Rate Counsel
31 Clinton Street, 11th floor
PO Box 46005
Newark, NJ 07102

2. At the Board's May 8, 2008 Open Public Meeting, following a public hearing and the receipt of written comments, the Board determined to initiate an application process by which some Lifeline applicants would be permitted to apply for USF benefits through a revised Lifeline application.

3. On May 23, 2008, the Court issued Orders denying a motion for summary disposition filed by Rate Counsel and a cross-motion to dismiss this appeal filed by the Board. The Order denying Rate Counsel's motion provided that Rate Counsel could amend its Notice of Appeal within 14 days of the issuance of a Board Order implementing the determinations approved at the May 8, 2008 Board meeting.

4. On August 7, 2008 the Board issued an Order in the Board's Docket Nos. EX00020091 and EO07110888, which Order implemented the determinations made by the Board at its May 8, 2008 Open Public Meeting. On August 20, 2008, Rate Counsel filed an Amended Notice of Appeal continuing the previously stated grounds for appeal, and, in addition appealing portions of the August 7, 2008 Order in which the Board (a) purported to "clarify" its April 30, 2003 Order, and (b) limited the availability of the application process established in the August 7, 2008 Order to Lifeline applicants whose total reported household size matched either the primary Lifeline applicant or the applicant and his or her spouse.

5. The undersigned parties have discussed the matters at issue in this appeal, and have reached the following agreement.

II. STIPULATION TERMS

6. No later than November 1, 2009, the Board will initiate an application process, as set forth below, that will allow all persons who complete an application for Pharmaceutical Assistance to the Aged and Disabled (“PAAD”) and Lifeline benefits to be screened for eligibility for the USF program without the need to submit the full application currently used to determine eligibility for Low-Income Home Energy Assistance Program (“LIHEAP”) and USF benefits:

a. The Board has worked with the Department of Health and Senior Services (DHSS), the Department of Community Affairs (DCA) and the Office of Information Technology (OIT) to develop an application process for PAAD and Lifeline benefits that will allow applicants to answer additional questions relating to the USF and LIHEAP programs to be used for purposes of screening Lifeline recipients for eligibility in USF. No later than November 1, 2009, the updated renewal applications will be distributed to PAAD/Lifeline renewal applicants, on a rolling basis, as each applicant is required to reapply for PAAD/Lifeline. The Parties understand that DHSS will thereafter update its application for new applicants to allow them to be screened for USF by virtue of their answers to the questions related to each of these programs.

b. Those applicants supplying the additional information by responding to the questions pertaining to the USF program will be screened for eligibility for USF benefits based on the information provided through the PAAD/Lifeline process.

c. The screening process will be implemented by means of a data “feed” to be provided to the State’s USF/LIHEAP database no less frequently than annually. The first data “feed” will occur no later than January 15, 2010.

d. In the event the data "feed" does not include sufficient information to determine eligibility for USF benefits for applicants who have completed the updated application and answered the USF questions the applicant(s) will receive a supplemental form requesting only the additional information needed to determine eligibility. Those applicants will not be required to submit the full USF/LIHEAP application in order to be screened for eligibility for USF benefits.

7. With regard to the LIHEAP program, the Parties understand that DCA intends to implement a process to screen PAAD/Lifeline applicants for LIHEAP eligibility. Applicants will be required to answer LIHEAP specific questions on the PAAD/Lifeline application, and will be screened for LIHEAP benefits using the timeline and process described in paragraph 6. The Board will continue to work with DHSS, DCA and OIT to coordinate the agencies' efforts to streamline the screening processes.

8. The application process established in the Board's August 7, 2008 Order will remain in effect until November 1, 2009. Thereafter, that process will be incorporated into the PAAD/Lifeline application process described in paragraph 6 above.

9. Until the process described in paragraph 6 above is initiated on or before November 1, 2009, Lifeline recipients who are not eligible to be screened for USF benefits under the process established in the Board's August 7, 2008 Order will be notified in writing that additional information is needed to determine their eligibility, and that they must submit a separate USF/LIHEAP application in order to be considered for participation in the USF and LIHEAP programs. Those persons will be directed to contact the appropriate local Community Based Organization for assistance with the USF/LIHEAP application.

Within business days Board Order adopting this Stipulation, which shall
order that forth above which commit me to implement the
application process described paragraph above late than Number 009 Rate
Counsel for issuance its appeal the Court Docket Number A 0-07T2
I am confident that the balance of the matter, the information
intended to be accepted and approved its review the relevant particular aspect of the
that not adopted by the Board, Rate Counsel shall be obligated to dismiss the
appeal and shall be free thereafter to litigate the matter to issue
raised the appeal as though this Stipulation had not been signed. Additionally, if Rate Counsel
at the appeal the Board shall not be bound to an agreed upon program
change specifically forth an Order adopted the
No provision of this stipulation intended modify the Board general
authority and modify the UI program, including requirements
Additional this stipulation does prevent the Board from working with state agencies to
modify and improve the application process, including development of an integrated application
tip energy assistance program



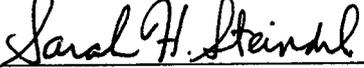
13. The Effective Date of this Stipulation shall be the date of a final Board order approving this Stipulation without modifications.

ANNE MILGRAM, ATTORNEY GENERAL OF THE STATE OF NEW JERSEY FOR THE NEW JERSEY BOARD OF PUBLIC UTILITIES

By: 
Geoffrey R. Gersten
Deputy Attorney General

RONALD K. CHEN
PUBLIC ADVOCATE OF NEW JERSEY

STEFANIE A. BRAND, DIRECTOR
DIVISION OF RATE COUNSEL

By: 
Sarah H. Steindel
Assistant Deputy Public Advocate

Dated: 2/11/09