

**July 2012**

---



## **Report to the Legislature**

- **Universal Service Fund**
  - **Update on Broadband Issues**

5-ST-116

---

**PUBLIC SERVICE COMMISSION OF WISCONSIN**

**Universal Service Fund**  
**Fiscal Years 2010 - 2012**

---

Public Service Commission of Wisconsin  
610 North Whitney Way  
P.O. Box 7854  
Madison, Wisconsin 53707-7854  
Phone 608/266-5481 • Fax 608/266-3957 • TTY 608/267-1479  
E-mail: [pcsrecs@wisconsin.gov](mailto:pcsrecs@wisconsin.gov)  
Home Page: <http://psc.wi.gov>

July 2012

---

# Forward

July 2012

The telecommunications industry is in a time of rapid change. The introduction of new technologies means that consumers now have more choices than ever for their communications needs. Consumers now choose from a variety of ways to communicate including using fixed and mobile services, voice, video, data and text. As technologies have changed, policies and regulation have attempted to keep up. Recent history has provided a rapidly changing telecommunications policy. In spring of 2011, the Wisconsin Legislature took action to update and revise Wisconsin's telecommunications statutes by enacting 2011 Wisconsin Act 22. Additionally, in November of 2011, the Federal Communications Commission (FCC) took action to revise its rules relating to intercarrier compensation and universal service, including a changing focus to promote and support broadband deployment. The FCC took additional action in the spring of 2012 to reduce the potential for fraud and abuse of the Universal Service Fund (USF).

These changes have a significant impact on telecommunications services and universal service in Wisconsin. This report will identify these changes and their impact on Wisconsin's USF. In addition to providing information on these changes, this report also fulfills the Commission's statutory duties to report on the Wisconsin USF. Specifically, we present the following reports:

- A report on the Universal Service Fund (USF) is provided under Wis. Stat. § 196.218(5r). The report contains information on programs funded by the USF as well as information about the following:
  - the affordability of and accessibility to a basic set of essential telecommunications services throughout this State;
  - the affordability of and accessibility to high-quality education, library and health care information services;
  - financial assistance provided under the universal service fund; and
  - An assessment of how assistance provided by the universal service fund and other alternative incentive regulations of telecommunications utilities designed to promote competition have advanced the public interest goals identified under Wis. Stat. § 196.03 (6), and recommendations for further advancing those goals.

Wis. Stat. § 196.218(5r)(1-4).

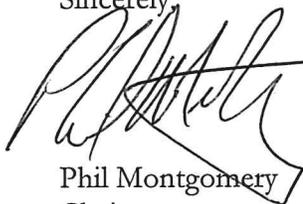
The USF portion of this report will also provide updates on the Federal USF. The Federal USF programs are becoming increasingly relevant, and the Commission's role in certifying providers to gain access to Federal USF dollars is increasing in importance. This report identifies a number of significant changes to the Federal USF and the impacts these changes have on Wisconsin, the State USF and the Commission's procedures.

- This report also includes an update of the Commission's broadband planning and mapping efforts. The Commission obtained a Federal grant for broadband mapping in the fall of 2009 to undertake broadband data collection, mapping and planning. This report contains a brief summary of the status of that broadband mapping and planning process.

In the past, this report has been provided in conjunction with a report on the status of advanced infrastructure development and the telecommunications network within the State. While 2011 Wisconsin Act 22 removed these specific reporting requirements, Wisconsin is still engaged on many levels in monitoring and helping to incent the development of broadband in Wisconsin. The final section of this report is dedicated to the current activities on which Wisconsin is engaged with regard to broadband.

Although this report is primarily targeted to the FY 2010-11 biennium, we have also included more up to-date information and include some available information relating to FY 2102.

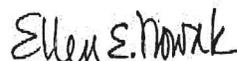
Sincerely,



Phil Montgomery  
Chairperson



Eric Callisto  
Commissioner



Ellen Nowak  
Commissioner

## Universal Service Fund

**Background and History:** The Wisconsin USF was established under 1993 Wisconsin Act 496 to ensure that all State residents have access to essential and advanced telecommunications services. As part of the change in telecommunications regulation, the 1993 Act included explicit requirements for universal service. Universal service, under the 1993 Act, could be described as getting and keeping people on the network and making certain that all customers, including customer groups with specific needs, have access to affordable telecommunications services. Act 496 required the Commission to establish a Universal Service Fund, appoint a USF Council, and promulgate rules on universal service including definitions of essential services and advanced service capabilities.<sup>1</sup>

The purpose of the USF is broad. Some USF programs are designed to assist customers in areas of the State that have relatively high costs of telecommunications services in order to make those services accessible. Other programs are designed to assist low-income customers obtain service throughout the State. The USF also provides assistance to disabled customers in obtaining affordable access to a basic set of essential telecommunications services.

The last several years have brought enormous change in the universal service arena. As is true in the greater market for telecommunications service, wireless subscriptions now outpace wireline services as the primary delivery method for USF supported Lifeline services. This has created some issues in administering programs that were developed in a wireline-era as the market transitions to a largely wireless one. USF programs and policies have been evolving to address these, and a variety of other issues. As an example of the issues surrounding this shifting use, the Commission has seen an increase in requests for wireless companies to gain Eligible Telecommunications Carrier (ETC) designation in the State. ETC designation allows the company to access Federal (and some State) USF dollars, allowing them to provide prepaid wireless services to eligible low-income customers in Wisconsin. While this service may be beneficial to many customers, some Commission rules that apply to all ETCs (like a requirement to provide a pay telephone in each municipality served) may not be feasible for a prepaid wireless company. In these cases, the company has sought and the Commission has granted a waiver of this requirement.<sup>2</sup> The Commission also has an ongoing rulemaking that should remove such outdated requirements.

The changing nature of the USF extends further. During the last year, the FCC made sweeping policy changes to the Federal USF to both reform the purposes of the Federal USF and to address the potential for waste and abuse of USF dollars. In particular, the FCC is revising the way it provides USF dollars for the expansion of networks – and specifically broadband networks. Additionally, the

---

<sup>1</sup> Under 2011 Wisconsin Act 22, “advance telecommunications,” formerly a USF targeted offering, was removed from the definition of essential telecommunications service.

<sup>2</sup> At both the Federal and State levels, there has been an effort to reduce waste, fraud and abuse that can be present in many programs; there has been specific concern about and efforts to police the prepaid wireless industry to identify and prevent such potential abuses. This is discussed further in later parts of this report.

FCC is focusing on some low-income programs on broadband rather than traditional voice services. The Commission is continuing to implement and react to these changes to ensure that new policies are carried out and new procedures are followed. These changes have brought both challenges and new opportunities for the Commission, the USF, and the populations served by USF dollars.

**Contributions to the Fund:** As provided in Wis. Stat. § 196.218(3), all telecommunications providers are required to contribute to the USF. Historically, the Commission had applied this requirement to landline and wireless communications. With the passage of 2011 Wisconsin Act 22, the contribution base was expanded to include other providers, including Voice over Internet Protocol (VoIP) providers. The Commission has started to collect information from providers (through an annual questionnaire) to expand the contribution base in 2012 to include VoIP revenues.

Assessments are based on the providers' gross intraState retail voice telecommunications revenues reported to the Commission and the budget appropriation approved in the State budget process. The assessment rate is a monthly rate and is adjusted annually. State general purpose revenue is not part of the USF.

In 2011, the Commission took action to modify the method for calculating the contributions to the fund. Some changes were the result of 2011 Wisconsin Act 22, and other changes were the result of a number of objections to assessments that were raised by wireless providers in Wisconsin. In response to these objections, the Commission sought information from the telecommunications industry and worked with industry representatives to develop and implement a new methodology for assessments.

In October of 2011, the Commission took action to shift the assessment methodology to address "retail" revenues only. In the past, the Commission had accounted for both retail and wholesale revenues and used a rather expansive list of services to assess for USF purposes. Over time, and as technologies changed, this methodology became increasingly difficult to apply in a fair and consistent way. The Commission decided to shift its assessment methodology to consider only revenue from retail services. The Commission found that "an assessment method that looks to retail end-user revenues will be easier to administer (and thus less costly) and produce an allocation of assessment obligations that is fair and equitable according to their success in the overall retail telecommunications marketplace served by both wireline and wireless providers."

In February of 2012, the Commission established an assessment methodology for services that are a mixture of voice and other services. For example, a telecommunications provider may sell a service to a business that is used for data transmission, as well as voice services. In these instances, it is difficult to determine how much of the revenue should be considered for assessment purposes, since the assessment would only apply to the voice portions. Where the services are not billed on a service by service basis, a general rule is necessary. Working with the industry through a series of stakeholder meetings, the Commission adopted a multi-part methodology to address these assessments.

**USF Programs:** Programs included under the broad umbrella of the USF consist of technology and consumer-oriented programs managed by the Commission and technology and education-oriented programs that direct funding to other State government entities. As noted by a

recent audit by the Legislative Audit Bureau, “most of the USF’s expenditures support programs that are managed by DOA, DPI, the PSC and UW System.”

The programs funded by the USF (and the appropriations for each) are in the following table:

<b>PROGRAM</b>	<b>FY 10 Appropriation</b>	<b>FY11 Appropriation</b>	<b>FY12 Appropriation</b>
PSC – Universal Service Programs	\$5,940,000	\$5,940,000	\$5,940,000
DPI – Badgerlink and Newsline for the Blind	\$2,344,900	\$2,560,000	\$2,560,000
DPI – Supplemental Aid to Public Library System	\$16,165,100	\$16,681,200	\$15,013,100
DPI – Library Aids and Contracts	\$1,134,300	\$1,169,800	\$1,144,500
UW Telecommunications Services	\$1,054,800	\$1,054,800	\$1,054,800
TEACH	\$17,069,100	\$17,069,100	\$16,984,200
<b>TOTAL</b>	<b>\$43,708,500</b>	<b>\$44,474,900</b>	<b>\$42,696,600</b>

**Table 1, Source: PSC Staff**

Each of these programs is described in more detail below. It is worth noting that two programs (TEACH and DPI- Supplemental Aid to Public Library Systems) represent 75 percent of the annual USF budget. A relatively small portion of the USF collections support the “classic” USF programs that are administered by the PSC. Of the approximately \$42 million annual USF collections, about \$6 million is used for these programs.

DPI – Badgerlink and Newsline for the Blind: BadgerLink funding is for contracts that provide electronic access to periodical and reference information including: literature journals, encyclopedias, specialized reference materials, and historical documents. The information is available at Wisconsin’s libraries. Badgerlink also connects users to WISCAT, the online catalog of Wisconsin library holdings. Newsline for the Blind funds a contract with the National Federation of the Blind that provides telephonic and online audio versions of national and some local daily newspapers.

DPI – Supplemental Aid to Public Library System: These funds go directly to public library systems and are intended to fund system services that are required by statute. Such services include interlibrary loans, reference referral, continuing education, services to users with special needs, resource library services, collection development, and multi-type library cooperation. State aids are distributed according to a statutory formula.

DPI – Library Aids and Contracts: These funds are used to pay for resource sharing and cooperative purchasing among member libraries. The funds are used to pay for staff to locate, ship, and shelve materials, and for postage to ship materials.

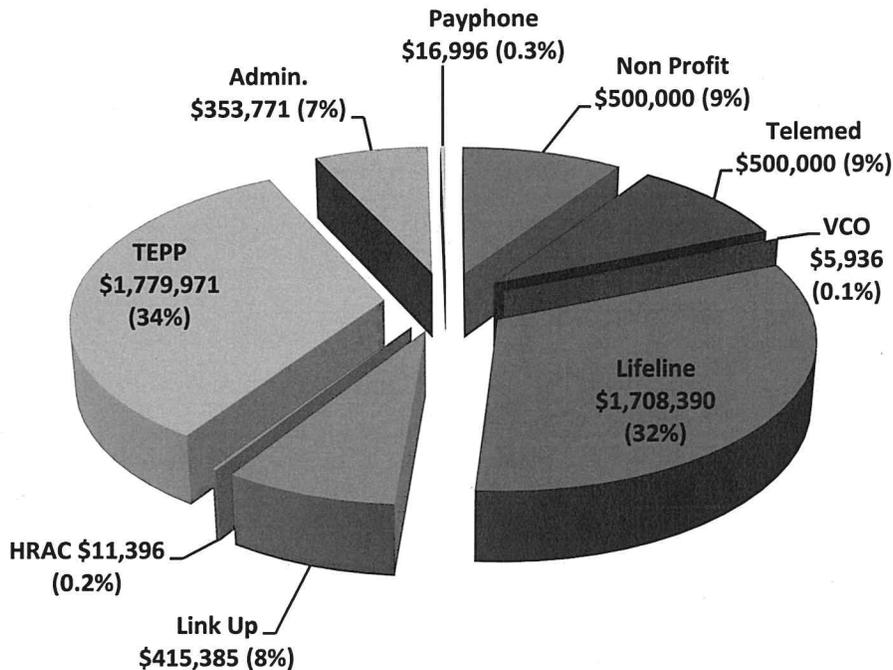
UW Telecommunications Services: The funds help to offset the costs associated with access to the BadgerNet Converged Network for all four-year UW campuses.

TEACH: These funds subsidize equipment purchases, installation, and a portion of the monthly service costs for access to the BadgerNet Converged Network for more than 900 K-12 schools, technical colleges, public libraries, Cooperative Educational Service Agencies (CESAs), and other public and private institutions statewide. The BadgerNet Converged Network is a broadband voice, video, and data network operated by a consortium of telecommunications providers under a contract with DOA.

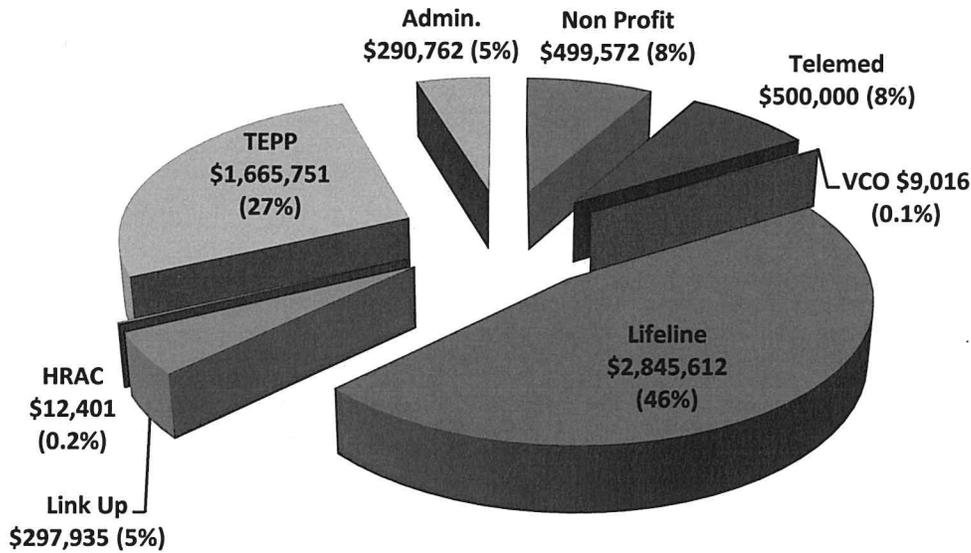
PSC – Universal Service Program: These programs are administered through the Commission, and include a variety of programs to enable or subsidize access to telecommunications services for certain populations in Wisconsin. The specific programs that are managed by the Commission are the focus of the remainder of this report and are further identified below.

Several Commission programs were funded by the USF to assist in providing telecommunications access to low-income households, disabled individuals and to households in high cost areas of the State and to provide grants to non-profit organizations’ efforts to further access to USF services and to hospitals and clinics for advanced telecommunications equipment. The expenditure amounts for various USF programs for FY 10 and FY 11 are depicted in the following figures:

**FY 2010 USF Expenditures - \$5,291,845**



### FY 2011 USF Expenditures - \$6,121,049



<b>TEPP:</b> Telecommunications Equipment Purchase Program	<b>Nonprofit:</b> Nonprofit Access Grants
<b>Lifeline:</b> Lifeline	<b>Payphone:</b> Public Interest Payphone*
<b>Link-Up:</b> Link-Up	<b>VCO:</b> Two Line Speech or Voice Carry Over
<b>HRAC:</b> High Rate Assistance Credit	<b>Admin:</b> Administration
<b>Telemed:</b> Telemedicine Equipment Grants	

- Public Interest Payphone funding was eliminated in the 2011 USF budget

Figure 1, Source: PSC Staff

The individual PSC Programs are:

Telecommunications Equipment Purchase Program (TEPP): TEPP assists persons with disabilities to purchase certain telecommunications equipment they need to use the telephone system. Examples of equipment that can be purchased with the vouchers include amplified phones, TTYs,<sup>3</sup> speech amplified phones, and signaling systems (such as flashing lights which replace audible rings). Vouchers are given to the qualifying individuals and these vouchers are used to pay approved vendors for a portion of the cost of the necessary telecommunications equipment. Voucher values vary for different types of disabilities because the typical equipment needs of persons in different disability categories varies in price. In most cases, the purchaser must make a \$100 co-payment when purchasing the equipment. If the co-payment and voucher are not sufficient to cover the equipment price, the purchaser pays the additional amount.

<sup>3</sup> TTYs are electronic typewriter devices that hearing impaired or speech impaired persons use to send or receive typed messages.

Low-income eligible individuals may qualify for funding to pay the \$100 co-payment.<sup>4</sup> Over the biennium, about \$3.3 million in vouchers were used by almost 20,000 individuals with disabilities to assist them in accessing basic telecommunications services.

Two-line Voice or Speech Carryover: Two-line voice or speech carryover is a service that some persons with hearing or speech impairments use to communicate over the telephone. With carryover service, a TTY or CapTel<sup>5</sup> telephone is used only in one direction for the call when the user is able to either speak or hear, but not both. This small program reimburses providers that have customers that use two-line voice or speech carryover and require a second line. USF rules allow a customer to get a second line without a service connection charge and without a monthly charge for most of the costs of that second line. Many CapTel phone users use the two-line voice feature which has resulted in increased expenditures for this program. Expenditures for this program have steadily increased from \$1,550 in FY 05 to \$8,562 in FY 11, although total program costs remain small when compared to other USF programs. Customers who use this carryover service report that it is very valuable. Given the increase in subscribership, the Commission anticipates increasing the budget for this program in 2013.

High Rate Assistance Credits: The high rate assistance credit program provides USF payments to local exchange service providers to reimburse them for credits given to customers to keep local rates at affordable levels. Monthly service rates are compared to median household incomes for each county. If the rate that a telecommunications company charges exceeds the threshold established in the rules, the customers only pay the threshold price and the USF pays the company the necessary increment it needs. Adjustments in funding levels for this program are dependent on changes in income levels for the county and changes in local service rates.

The expenditures for this program have varied drastically over the past ten years. The peak of expenditures over that period was \$1.3 million and the lowest level of expenditures was \$5,000. The trend for expenditures continues to be low with FY 10 expenditures totaling \$11,421 and FY 11 expenditures totaling \$10,467.

However, the implementation of major reforms of intercarrier compensation rates (the rates paid between telecommunications companies that exchange traffic) mandated by the FCC may result in additional expenditures from the HRAC. The FCC reforms will require reductions in certain rates for the exchange of intercarrier traffic, which will

---

<sup>4</sup> The Telecommunications Assistance Program (TAP) may be able to pay the \$100. TAP is a program of the Office for the Deaf and Hard of Hearing (Department of Health Services). TAP is only for persons in low-income households who are deaf or severely hard of hearing.

<sup>5</sup> A CapTel phone combines the functions of a traditional phone and TTY. Users can both hear the conversation and see the streaming text transcript of the call.

result in lower revenues for many local telephone companies. In turn, the reduction of this wholesale revenue may require an increase in local retail rates. Because of this uncertainty, the Commission anticipates increasing the budget for this program in 2013.

Lifeline and Link-Up: The Lifeline and Link-Up programs make telephone service more accessible for low-income Wisconsin residents. Lifeline provides a lower monthly rate for telephone service for low-income consumers. Link-Up requires telecommunications providers to waive service connection charges up to \$60 when low-income consumers establish or move their telephone service. The Lifeline and Link-Up programs are provided jointly by the FCC and the State of Wisconsin. Providers are reimbursed from the State and Federal USF for rate credits given to Lifeline customers and for the waived charges applicable to Link-Up customers. In April 2012, the FCC effectively eliminated the Federal Link-Up program and the Commission suspended the State program to evaluate whether a separate State program should exist in the absence of a Federal program.

State USF expenditures for the Lifeline program were \$1,846,449 in FY 10 and \$2,751,480 in FY 11. Expenditure for FY 12 will be reported in the next biennial report. Lifeline provided lower priced telephone service to approximately 200,000 low-income customers in Wisconsin, including customers supported by both State and Federal USF dollars. Link-Up expenditures from the State USF totaled \$392,825 in FY 10 and \$256,258 in FY 11. It is anticipated that Link-Up expenditures will be significantly less in 2012 and 2013 given the changes in policy.

Lifeline and Link-Up have experienced fluctuation in participation levels. The current trend appears to be toward lower participation levels for landline customers as customers drop their landline service. However, there have been significant increases in subscribership to wireless Lifeline services, many of which offer customers a set number of minutes with no up-front costs to the customers.

In addition, there have been a number of changes to the methods used to verify customer eligibility for these low-income programs. Wisconsin has been a leader in taking efforts to stop waste and abuse in the system (see section “Curbing Waste Fraud and Abuse,” below), which has included streamlining systems used for verification of customers. Working with the Department of Health Services, the Commission is continuing to refine these systems, making verification more efficient and effective.

Nonprofit Grant – Access Programs or Projects: The purpose of these grants is to develop or support programs or projects that facilitate the affordable access to telecommunications and information services. Applicants must be nonprofit organizations and must provide a 50 percent match for the total project cost. The projects must assist in providing telecommunications or information services to low-income or disabled customers, or must assist in deploying advanced telecommunications services.

Nonprofit organizations were awarded \$500,000 in USF grants in FY 2010, \$499,572 in FY 2011 and \$322,242 in FY 2012. In FY 2010, 31 applications were submitted requesting a total of \$798,270. The Commission approved 28 grants (in whole or in part) for a total of \$500,000. In FY 2011, 32 grant applications were submitted for a total of \$685,666 and the Commission-approved 29 applications (either partially or fully) for a total of \$499,572. In FY 2012, 18 applications were submitted and the Commission for a total request of \$421,808. The Commission approved 13 grants (in whole or in part) for a total of \$322,242. The drop off in requests and funding in FY 2012 may be due to a change made by 2011 Wisconsin Act 22, which limited the grants to voice telecommunications programs. It is anticipated that, as non-profit organizations become more familiar with this change, the requests will be in line with previous years. The Appendix to this Report provides specific information about the grants awarded under this program.

Examples of projects that have received funding include providing Internet access and training to low-income youth, seniors and unemployed adults, and providing outreach and assistance to individuals with disabilities in obtaining and installing telecommunications equipment. In FY 2012, grant awards reflected a change in law, which eliminated grants for advanced services or broadband based programs since they are no longer “telecommunications” services under the law.

Medical Telecommunications Equipment Program: Nonprofit medical clinics and public health agencies can receive grants from the USF to purchase telecommunications equipment. Purchase of medical telecommunications equipment under this grant program must promote technologically advanced medical services, enhance access to medical care in rural areas of the State, or enhance access to medical care to underserved populations or persons with disabilities in the State. Applicants for this program must be a nonprofit clinic serving Federally designated health professional shortage areas, medically underserved areas, medically underserved populations, or are a public health agency.

In FY 2010-11, a combined request for applications resulted in 37 applications submitted for and the Telemedicine Grant program for a total of \$3,877,031. The Commission awarded 27 grants totaling \$500,000 for FY 2010 and \$500,000 for FY 2011 (for a total of \$1,000,000). Examples of projects that received funding include teleradiology systems, home health care monitoring equipment, and video conferencing equipment used for consultations with remote specialists. The Appendix to this Report provides specific information about the grants awarded under this program.

The Appendix to this Report provides specific information about the grants awarded earlier under this program. FY 2012-13 grants are currently under consideration by the Commission. The Commission received 30 applications seeking a total of \$1,601,053 for those fiscal years.

**USF Rules:** The first universal service fund rules (Wis. Admin. Code ch. PSC 160) were approved in 1996. The rules were subsequently revised in 2000. Additional revisions to the rules had been stalled at various points in the process, and have not been implemented. Some attempts at revisions included both non-controversial changes to keep the rules current with changes in the industry. Other proposed rule changes were more controversial. The Commission has recently opened a rulemaking docket to pursue the non-controversial rule changes from the earlier rulemaking attempts.

**Administration:** While the Commission develops the overall policy and procedures for the USF and manages and operates several of the programs, it is required by statute to contract with a private firm to administer the fund. Responsibilities under that contract include sending USF assessment bills to providers, sending reimbursements to participants in the USF programs, and administering some of the USF programs under PSC direction. In 2011 the Commission issued a Request for Proposal for the administration of the USF. Wipfli, LLP was selected as the USF administrator. The current contract covers administrative services from July 1, 2011 to June 30, 2012 with three optional one-year extensions. The Commission plans to exercise a one-year extension with Wipfli as of June 30, 2012.

The USF Council advises the Commission on the administration of the USF and on proposed rule changes. Currently, the Council is comprised of 11 members with 5 representing the telecommunications industry and 6 representing consumer groups. By statute, the majority of the Council members must be representatives from consumer groups. The Council met several times over FY 2010, FY 2011 and FY 2012 to discuss budget issues, program direction, and draft rule changes.

**Budget:** The appropriation for the previous biennium and FY 2012 and FY 2013 was \$5.94 million for each year. The expenditures over the past three fiscal years have remained fairly steady—between \$4.9 million and \$6 million. Several changes at the State and Federal level may result in a slightly reduced expenditure amount for FY 2012, although the uncertain impact of the FCC's changes to intercarrier compensation, and the resulting potential impact on high cost programs makes predicting expenses especially difficult.

**Curbing Waste, Fraud and Abuse:** The Commission has a role in overseeing the prudent spending of USF dollars. This role includes overseeing the spending of State USF dollars as well as overseeing the providers that can gain access to Federal USF dollars. Under Federal law, the Commission designates the providers that are eligible to access Federal USF dollars<sup>6</sup>.

As an example of the Commission's proactive oversight of these funds, in 2011, the Commission engaged in an investigation of an ETC. During the investigation, the Commission found numerous potential violations of State and Federal requirements, which could constitute waste, fraud, and abuse of USF dollars. Specific concerns included examples of what appear to be forged

---

<sup>6</sup> Under the 1996 Telecommunications Act, States designate providers as Eligible Telecommunications Carriers (ETCs) subject to Federal rules, as promulgated by the FCC. States may apply additional requirements, which Wisconsin has done. The State requirements are under review in the current USF rulemaking.

applications, potential evidence of ineligible participants, and failed verification of eligibility. The Commission voted unanimously to provisionally revoke the company’s eligibility to receive funding from the USF program pending completion of a formal investigation. The FCC’s Office of Inspector General, acting on information received from this Commission, and other sources, opened a Federal investigation, and Federal USF payments were suspended. Ultimately, the company chose to exit the telecommunications market nationwide, and the Commission revoked its certificate of authority. The Commission was able to expedite a process under which legitimate customers of that provider were transferred to other providers without loss of service.

**Statutory Reports:** Pursuant to Wis. Stat. § 196.218, the Commission is required to report on the following items:

- **the affordability of and accessibility to a basic set of essential telecommunications services throughout this State**

The affordability and accessibility of basic telecommunications services can be assessed using data compiled by the FCC. In its most recent report on telecommunications competition, the FCC figures show an increasing amount of competition in the State. Between 2008 and 2010, the number of subscribers to telecommunications service has increased in Wisconsin, however the types of providers serving Wisconsin customers is changing, with an increasing number of customers using wireless or VoIP services. The FCC data (rounded) on subscribers in Wisconsin shows the following shifts:

Year	Landline Subscriptions	VoIP Subscriptions	Wireless Subscriptions
12/31/10	2.1 million	540 thousand	4.7 million
12/31/09	2.3 million	486 thousand	4.5 million
12/31/08	2.5 million	409 thousand	4.2 million

**Table 2, Source: FCC Reports**

FCC data suggests that competition for telecommunications service is significant throughout the State. Only 8 percent of zip codes report having zero competitive local exchange carriers or VoIP providers.<sup>7</sup>

- **the affordability of and accessibility to high-quality education, library and health care information services**

The affordability and accessibility of services to these institutions can be assessed through a variety of sources. First, as identified above, the TEACH portion of the USF budget goes to subsidize costs for the BadgerNet Converged Network, which provides service to K-12 schools, technical colleges, public libraries, Cooperative Educational Service Agencies (CESAs), and other public and private institutions statewide. BadgerNet extends to every one of the State’s 72 counties.

---

<sup>7</sup> Local Competition Report, Table 20 (December 2010).

Access to health facilities has been bolstered by the Commission's telemedicine grant program, which assists in the purchase of medical telecommunications equipment to promote technologically advanced medical services, enhances access to medical care in rural areas of the State, or enhances access to medical care to underserved populations or person with disabilities in the State. A variety of services throughout the state have received funding under the program.

Finally, the State broadband map (described further in the Update on Broadband Issues, below) provides an identification of the availability of broadband services throughout the State.

In sum, the Commission believes that affordability and access is generally good throughout Wisconsin. While there are areas of the State where concerns may arise on affordability or accessibility or both, these issues need to be addressed in a cost-effective and rational way.

- **financial assistance provided under the universal service fund**

The financial assistance provided under the State USF is outlined in other portions of this Report.

- **An assessment of how assistance provided by the universal service fund and other alternative incentive regulations of telecommunications utilities designed to promote competition have advanced the public interest goals identified under § 196.03 (6), and recommendations for further advancing those goals.**

Consumers continue to gain increased access to a wider array of telecommunications services every day. Competition in many areas of the State provides consumers with multiple choices and a variety of price points. Over the past year, the Commission has approved new regulatory requirements for a number of providers that have been recertified as competitive providers pursuant to 2011 Wisconsin Act 22. The Commission has removed regulations and closed dockets that are no longer necessary in light of changing policies. The Commission continues to review arrangements between carriers (referred to as interconnection agreements) to ensure consistency with Federal and State law, including consideration of the public interest factors of Wis. Stat. § 196.03(6). Measures and policies designed to encourage market entry and additional competition appear to be working, as evidenced by the increase in competition identified in Table 2, above.

The promotion of competition and the encouragement of economic development are not static. The Commission continues to pursue opportunities to assist in the promotion and preservation of competition and universal service throughout Wisconsin. Many of these efforts are outlined in this report. With respect to further recommendations, there have been a number of policy changes during the last year that impact competition and universal service. Additional changes may occur as the result of administrative code revisions to the Commission's USF rule that are currently under consideration. The Commission needs time under the new policies to assess whether additional changes are necessary. The Commission will gather information on the impacts of these changes and present recommendations (if any) in the next biennial report.

**Federal USF Programs:** The information above relates to the State created and funded Wisconsin universal service program. The Federal government also has a USF that provides funding through some Federal programs to support universal service objectives. Per the Federal Telecommunications Act of 1996, preserving and advancing universal service is a function of both Federal and State universal service programs.<sup>8</sup> The previously described State specific programs are funded solely through assessments on Wisconsin intrastate telecommunications revenues. The Federal USF programs are funded through national assessments on telecommunications revenues. Funding universal service through national programs maintains the competitiveness of the State of Wisconsin as assessments are no higher in Wisconsin than any other state. In some cases, Federal USF programs complement State USF programs (i.e., for low-income customers), and in other instances, the federal USF addresses needs not duplicated by the Wisconsin USF. Many rural companies in Wisconsin have costs that are higher than national average costs and are eligible for federal support under the Federal USF programs.

The following is a description of the Federal universal service support programs and the funding from them that was provided to Wisconsin telecommunications companies in 2009 and 2010.

Federal Universal Service Programs	2009 Amount	2010 Amount
<p><b>Low Income</b> This support is commonly known as Lifeline and Link-Up. It provides discounts that make basic local telephone service affordable for low-income customers. Low income support is administered by the State in a partnership with the Federal government. The dollars shown here are the Federal contributions to this program.</p>	\$9,340,000	\$15,189,000
<p><b>Rural Health Care</b> This support provides reduced rates to rural health care providers for telecommunications and Internet services so they pay no more than their urban counterparts for the same or similar telecommunications services.</p>	\$5,281,000*	\$7,588,000
<p><b>Schools and Libraries</b> This support, referred to as E-rate support, provides affordable telecommunications and Internet access services to connect schools and libraries to the Internet. This support goes to service providers that provide discounts on eligible services to eligible schools, school districts, libraries, and consortia of these entities.</p>	\$22,569,000*	\$32,854,000*
<p><b>High Cost Loop</b> This support provides financial assistance to rural telephone companies for providing the “last mile of connection” when the cost of this service exceeds 115 percent of the national average cost per loop.</p>	\$37,962,000	\$37,256,000

---

<sup>8</sup> 47 U.S.C. § 254(b)(5)

<b>High Cost Model</b> This support provides carriers with support for all intrastate costs per line that exceed two standard deviations of the national average cost per loop.	\$0	\$0
<b>Interstate Access Support</b> This support helps price-cap telephone companies recover some of their fixed interstate access charges.	\$138,000	\$123,000
<b>Interstate Common Line Support</b> This support helps rate-of-return telephone companies recover some of their fixed interstate access charges.	\$80,877,000	\$75,248,000
<b>Local Switching Support</b> This support provides financial assistance designed to reduce the high fixed switching costs for carriers that serve 50,000 loops or fewer.	\$20,308,000	\$18,329,000
<b>Total 2009 and 2010 Federal USF Support to Wisconsin</b>	<b>\$176,475,000</b>	<b>\$186,587,000</b>

\*Includes only actual disbursements. Additional dollars have been committed but are not included.

**Table 3, Source: Universal Service Administrative Company 2009 and 2010 Annual Reports**

In November of 2011, the FCC released a major order relating to intercarrier compensation and universal service reform.<sup>9</sup> The FCC identified the following goals for the USF portions of the *USF/ICC Transformation Order*:

- (1) preserve and advance universal availability of voice service;
- (2) ensure universal availability of modern networks capable of providing voice and broadband service to homes, businesses, and community anchor institutions;
- (3) ensure universal availability of modern networks capable of providing advanced mobile voice and broadband service;
- (4) ensure that rates for broadband services and rates for voice services are reasonably comparable in all regions of the nation; and
- (5) minimize the universal service contribution burden on consumers and businesses.

To fulfill these goals, the *USF/ICC Transformation Order* set a budget of \$4.5 billion over the next six years. This funding will be dispersed through the Connect America Fund to provide financial support for companies to expand broadband into the area that does not and would not otherwise have broadband capabilities. Funding will be provided in phases to encourage expansion in both the short-term and to provide long-term support, and will be available for both fixed and mobile services. The funding mechanisms are being developed at the FCC and the Commission is following them closely.

<sup>9</sup> *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, paras. 210-26 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*).

The FCC also took steps to comprehensively reform the Federal Lifeline program, which provides assistance to eligible low-income customers to gain access to telecommunications services.<sup>10</sup> The goals of the *Lifeline Reform Order* include shifting the program to include support for modern networks (including broadband) and to eliminate opportunities for waste, fraud and abuse.

The reforms include the creation of more uniform eligibility requirements (though States, including Wisconsin, can have additional eligibility criteria), a “one-per-household” rule to eliminate duplication of benefits, new enrollment and certification procedures and a national database to avoid duplication of benefits. The *Lifeline Reform Order* also establishes a number of pilot programs to provide Lifeline benefits for broadband access services. Additionally, the *Lifeline Reform Order* largely eliminated the Federal Link-up program, which provides discounts on the up-front connection costs charges by providers. As identified above, the Commission is evaluating how (or if) the State Link-up program should continue in light of this change.

Finally, the FCC is currently looking at reforming the way providers contribute to the USF.<sup>11</sup> Currently, certain providers of interstate telecommunications service and a number of other providers contribute to the fund based on the assessable revenues reported to the FCC. In all, approximately 2,900 companies contribute to the fund, which is in excess of \$8.0 billion per year. The contribution factor (the percentage of assessable revenues that are remitted for the Federal USF) rose to 17.9 percent in the second quarter of 2012, a record high. The contribution system is complex, results in competitive distortions and is based on revenues that are shrinking. The FCC is currently investigating changes to the system to potentially reform who should contribute, how contributions should be assessed and how assessments should be recovered. The Commission is watching this docket at the FCC and will provide comment, if appropriate.

---

<sup>10</sup> *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, *Lifeline and Link Up*, WC Docket No. 03-109, Federal-State Joint Board on Universal Service, CC Docket No. 96-45, *Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (*Lifeline Reform Order*).

<sup>11</sup> *Universal Service Contribution Methodology; A National Broadband Plan For Our Future*, WC Docket No. 06-122, GN Docket No. 09-51, Further Notice of Proposed Rulemaking, FCC 12-46 (rel. Apr. 30, 2012) (*Contribution Methodology Reform and Modernization Further Notice*).

## Update on Broadband Issues

As identified above, Wisconsin's USF supports access to voice telecommunications services. Increasingly, consumers are seeking broadband services for a variety of reasons (predominantly, for using the Internet or for viewing video services.) Although, broadband is not formally part of universal service in Wisconsin, it is becoming more universally demanded and, in some regards, more universally available. This portion of the report discusses some aspects of broadband and the status of broadband activities in Wisconsin.

Historically, the aim of universal service programs has been oriented to support for traditional voice telecommunications services. Wis. Stat. § 196.218(5) specifies that the State universal service fund may be used to “assist customers located in areas of this State that have relatively high costs of telecommunications services, low-income customers and disabled customers in obtaining affordable access to a basic set of essential telecommunications services.”<sup>12</sup> Other parts of this report focus on how the State USF is being used toward those goals.

The FCC, as directed by Congress, continues to pursue its national broadband plan. This plan is directed at overhauling the nation's Internet infrastructure. Under the plan, a number of goals were set by the FCC including the establishment of a Connect America Fund (CAF) to drive broadband adoption using Federal funds from the Universal Service Fund. In late 2011, the FCC acted to expand the reach of Federal universal service programs. In a November 2011 Report and Order and Further Notice of Proposed Rulemaking, the FCC identified an additional principle for the preservation and advancement of universal service (per Section 254(b) of the Communications Act):

Support for Advanced Services – Universal Service support should be directed where possible to networks that provide advance services, as well as voice services.<sup>13</sup>

The FCC also found that:

Consistent with the Commission's long-standing practice, we continue to require all USF recipients to offer voice service. In addition, as a condition of receiving support, recipients must now offer broadband services.

---

<sup>12</sup> In Wisconsin, per 2011 Wisconsin Act 22, “‘Telecommunications service’ means the offering for sale of the conveyance of voice communication, including the sale of service for collection, storage, forwarding, switching, and delivery incidental to such communication, regardless of the technology or mode used to make such offering.” Wis. Stat. § 196.01(m). (Emphasis added.)

<sup>13</sup> Prior to 2011 Wisconsin Act 22, the State universal service program included elements of support and attention to advanced telecommunications services; that reference to advanced services in the universal service fund statute, Wis. Stat. § 196.218, was removed by Act 22.

On April 26, 2012, the FCC officially launched the new CAF as part of its effort to reform and modernize universal service to connect every American to high-speed Internet by the end of the decade. In the first phase of the CAF, the FCC targeted \$300,000,000 to extend high-speed Internet to thousands of previously unserved homes. This Federal attention to broadband stresses the importance of having a universal broadband infrastructure in place to serve the economic, educational, and social need of communities across the nation. The FCC actions in pursuit of the national broadband plan and in implementation of the CAF are intended to make broadband much more prevalent throughout the nation and, of course, across Wisconsin too.

Another Federal action that has implications for broadband is the American Recovery and Reinvestment Act (ARRA). That Act had made \$7.2 billion available for expanding broadband to unserved and underserved parts of the nation. A key piece of this ARRA effort was the provision of loans or grants through the Rural Utility Service (RUS) and the National Telecommunications and Information Administration (NTIA). Monies are being distributed by the NTIA through the Broadband Technology Opportunities Program (BTOP) and through the RUS's Broadband Initiatives Program (BIP). BIP provided loans and grants for "broadband infrastructure projects in rural areas," and BTOP awarded grants to fund broadband infrastructure, public computer centers and sustainable broadband adoption projects. Funding for broadband deployment and use has been awarded to many entities across the country, including in Wisconsin, where several projects are underway.

The PSC is the single entity eligible in Wisconsin to receive a broadband mapping and planning grant under the NTIA State Broadband Data and Development Program. With an awarded grant of about \$4.5 million, the PSC contracted with the LinkAMERICA Alliance and established the LinkWISCONSIN project. The first part of the project was devoted to creating an interactive broadband map. That map has been functional since early 2011 and is updated every six months. It can be viewed on the PSC website at <http://psc.wi.gov> or at <http://wi.linkamericadata.org>. In addition to producing and maintaining a statewide interactive map of broadband availability, the LinkWISCONSIN project<sup>14</sup> is addressing the demand-side assessment of broadband covering researching current and future broadband uses, mapping broadband demand scenarios and facilitating regional planning teams.

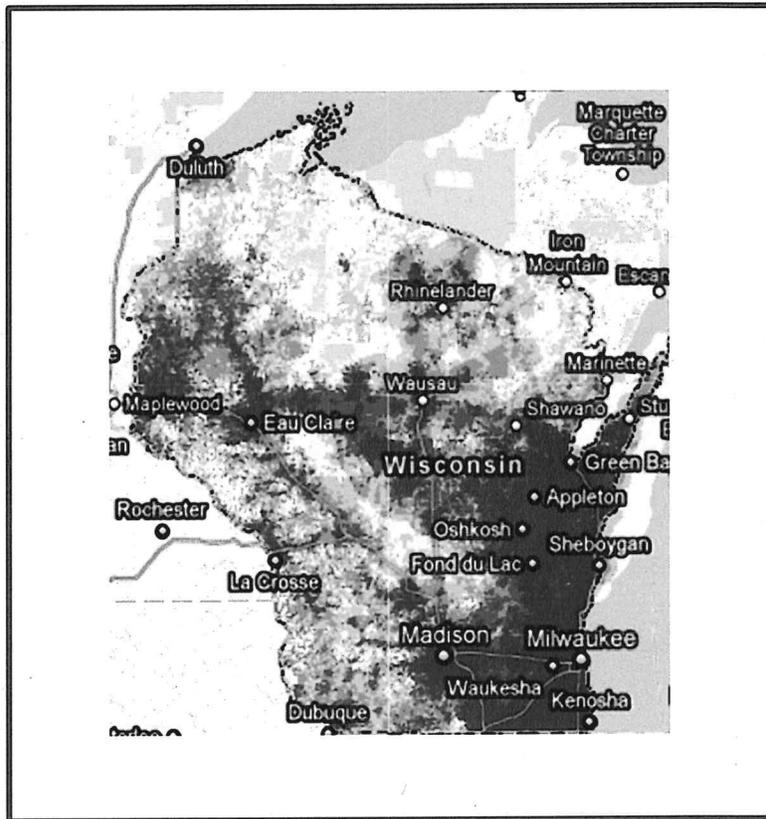
Broadband coverage in this State is widespread. In many areas, consumers have choices of broadband providers and technologies; in other areas, broadband options are not yet available. Further, even where broadband is available, the need to better inform and educate the public on what benefits the broadband technologies can provide and on how to more effectively use the offerings that exist remains.

---

<sup>14</sup> A LinkWISCONSIN web site has been established to make available a wide variety of broadband information for the State and links to many other broadband resources. The website is at <http://www.linkwisconsin.org>. The LinkWISCONSIN web site offers maps, strategy documents and FAQs for further information on broadband for the public and other interested parties. This work ties in with the Federal plan for broadband mapping and deployment.

There are many broadband success stories in Wisconsin. As can be seen from this screenshot of the map, much of State has reported broadband availability.<sup>15</sup> There are many local exchange providers in the State that have 100 percent broadband coverage in their service territories.

Wireless providers are expanding their 3G and 4G networks in many locations – in some cases, to areas where a landline option may not be feasible. With NTIA and RUS grants or loans, many companies are extending their broadband footprints. For instance, the City of Reedsburg has expanded its broadband offerings into the areas surrounding that community. The Marquette-Adams Telephone Cooperative is also expanding its network in central Wisconsin. Many operating affiliates of TDS Telecom are investing to expand broadband coverage into places in their exchanges that to this point have not had that service. AT&T, the largest provider in Wisconsin, has invested more than \$1 billion in its Wisconsin wireless and wireline networks from 2008 through 2011 with a focus on improving that company's mobile broadband coverage and overall performance of its networks.



The Commission is focusing its efforts towards building on these successes, while still recognizing instances where there can be further broadband improvements, through the LinkWISCONSIN project.

Over the past two years, extensive study of Wisconsin's broadband availability has been implemented. These results paint a mixed picture for Wisconsin. On one-hand, a basic broadband service is advertised as available for most locations throughout the State. However, many individual consumers, especially in rural areas, report there is no broadband service available and affordable to their homes or businesses. Others may have access to a basic level of broadband, but indicate they need a higher capacity service to enable them to successfully operate a business, work from home,

---

<sup>15</sup> In the red areas, customers can choose among 5 or more broadband providers. Lighter colors represent areas with fewer, or no, broadband providers. This is much more clearly seen when viewed at the website (<http://wi.linkamericadata.org/>).

manage a farm enterprise, remotely access health services and protect the safety of citizens. The level of current access for Wisconsin's critical facilities (schools, industrial parks, medical institutions, etc.) is mixed.

Many businesses, including traditional manufacturing and new technology sectors, cannot compete without the ability to rapidly process and manage data and communications. The ability to leverage web-based teaching and learning resources is essential for educators and students at all levels and increasingly at home and in other locations beyond traditional classrooms in order to adequately prepare the State's workforce and promote individual opportunity. New Federal requirements mandate that the State's hospitals and clinics must be capable of receiving and transmitting large amounts of health care data or risk a loss of reimbursement for Medicare and Medicaid payments. A fully integrated mobile and high-speed fixed-wire communication network is needed to implement timely disaster alerts and effectively respond to individual emergencies.

In short, broadband communications is among the most important infrastructure of our time. Some rural communities, such as Three Lakes in Oneida County (<http://www.townofthreelakes.com/broadband-availability>), have proactively brought leaders together to make broadband availability an economic and quality of life centerpiece. The City of Milwaukee has received a significant Federal grant (<http://www2.ntia.doc.gov/grantee/city-of-milwaukee>) to promote broadband access for all citizens. These are just two of many examples of the importance communities place on broadband.

The authority of the State of Wisconsin to directly incent broadband investment is limited. However, partnerships composed of State and local government, the broadband provider industry, the non-profit sector, large and small business and other stakeholders can collaborate to bridge the gaps in broadband availability, adequacy, and adoption in order to meet the economic development, health care, education, public safety and other needs of the State. Under the auspices of the Commission, a State broadband play book is being developed. It will incorporate several key strategies to be advanced through public and private sector collaboration at the local, regional and State levels.

To move forward in developing this play book, in March of 2012, the Commission formed a Statewide Broadband Investment Plan Steering Committee with public sector and private sector representatives from nine Regional Planning Teams. The Steering Committee identified two top priorities: (1) the need to incent additional broadband investment to fill gaps where no service is available, and (2) the need to expand current broadband service where it is not adequate to meet local needs. Three specific tactics were identified to meet these top priorities:

- Reduce barriers to broadband investment and expansion;
- Leverage existing Federal and State dollars; and
- Support local-based initiatives.

**Reduce Barriers to Broadband Investment.** Especially for more rural areas of Wisconsin, the lack of a sufficient business case is a significant barrier to expanded broadband investment. The rates, terms and conditions for access to "rights-of-way" (for example: pole attachments, tower sites, and conduits) can significantly impact the cost of broadband deployment. Consequently, cooperation to

reduce the time and money required to access rights-of-way will address a current major barrier to deployment and provide more incentive to deploy needed infrastructure. Specific tactics include such things as rules or incentives that promote notification and sharing of facilities and open trenches; proactive communication between providers and permitting authorities to work out practical solutions that reduce time and money required to gain permits; and other streamlining actions.

**Leverage Federal and State Dollars.** Even in times of fiscal austerity, Federal and State programs continue to be available to subsidize broadband deployment in unserved areas, promote digital literacy, or expand the adoption of broadband for purposes such as telehealth, public safety, public education and business innovation. The cooperative engagement of public sector and private sector leadership can be an important step forward to prepare Wisconsin to take the fullest advantage of Federal dollars as well as effectively purposing existing State program dollars to accomplish the State's broadband goals and objectives.

**Support Local-Based Initiatives.** Many State-level and regional initiatives to advance broadband must be executed at a local level and those local leaders require assistance in their efforts to increase education and awareness, document demand, and leverage assets. Local execution of actions to advance broadband availability, adoption and application can be enhanced through information sharing and targeted matching funds for key personnel and other resources. Examples of tactics that can be deployed include supporting leadership at the local level with information on best practices, encouraging regional collaboration, identify matching funds to help support paid positions to advocate and coordinate collaborative initiatives, or encouraging public access, training and awareness at libraries and other locations.

The Commission anticipates that the broadband playbook will be released later in 2012.

# Appendices

## SUMMARIES OF UNIVERSAL SERVICE FUND GRANT APPLICATIONS

### NONPROFIT ACCESS PROGRAMS OR PROJECTS FOR FY 2012

05-GF-107

Organization	City	Grant Award	Project Summary
Access to Independence, Inc.	Madison	\$23,260	Provide a telephone outreach and access program to individuals in four southern WI counties to obtain equipment and equal access to essential telecommunications services.
Center for Communication Hearing and Deafness	West Allis	\$9,000	Provide co-pay as well as in-home assistance to low-income, disabled individuals requiring assistance installing and using specialized telecommunications equipment.
Center for Independent Living for Western Wisconsin	Menomonie	\$20,000	Provide TEPP to serve and assist individuals with disabilities in access essential telecommunications services through marketing and assistance with application and increase consumer acquisition of appropriate telecommunications equipment.
Community Action Coalition for South Central Wisconsin	Madison	\$13,000	Assist low-income clients in obtaining or maintaining basic telephone service by providing counseling on financial literacy, financial assistance and available telecommunications resources.
Community Advocates	Milwaukee	\$75,000	Assist low-income households establish and maintain basic telephone service.

Organization	City	Grant Award	Project Summary
Independence First	Milwaukee	\$24,305	Independence First will purchase assistive telecommunication equipment, conduct outreach, increase awareness and provide trials, co-pays, application and Installation assistance for Low-income individuals with disabilities in Milwaukee, Waukesha, Ozaukee and Washington counties.
Independent Living Resources, Inc.	La Crosse	\$20,000	Provide outreach, information, technical assistance and skill training to low-income individuals with disabilities needing telecommunication service and devices in Buffalo, Trempealeau, Monroe, Jackson, La Crosse, Crawford, Vernon, Sauk, Juneau, Richland, Grant, Iowa and Lafayette counties.
Midstate Independent Living Consultants	Stevens Point	\$15,000	Provide outreach, training and demonstrations on availability of specialized telecommunications equipment at the demonstration model accessible home. Serving Adams, Wood, Portage, Marathon, Lincoln, Langlade, Vilas, Oneida, Forest, Taylor and Florence Counties.
North Country Independent Living	Superior	\$27,500	Provide outreach and assistance to consumers and providers on specialized telecommunications equipment and TEPP funding in Douglas, Bayfield, Ashland, Iron, Price, Sawyer, Washburn and Burnett counties as well as 4 tribes (Lac Courte Orielles, St Croix, Bad River and Red Cliff).
Options for Independent Living	Green Bay	\$20,000	Provide outreach and assistance to consumers and providers in seventeen counties and four tribes on specialized telecommunications equipment to obtain affordable access to an essential set of telecommunications services.
Porchlight	Madison	\$4,977	Providing wiring in affordable housing units to facilitate access to affordable essential telecommunications service.

Society's Assets	Racine	\$55,200	Program will provide outreach to individuals with disabilities, assessment of telecommunication needs, assistance with TEPP applications, co-pay for people with physical disabilities, training, and expanded outreach to the community.
Wisconsin Council of the Blind	Madison	\$5,000	"Resource Helpline for Vision" will help people who are blind or visually impaired in Wisconsin access information and referral resources on vision loss through a telecommunications helpline.
Total		\$312,242	

## NONPROFIT ACCESS PROGRAMS OR PROJECTS FOR FY 2011

## 05-GF-107

Organization	City	Grant Award	Project Summary
Access to Independence, Inc.	Madison	\$22,325	Provide a telephone outreach and access program to individuals in four southern WI counties to obtain equipment and equal access to telecommunications.
Adult Learning Center	Milwaukee	\$13,945	Provide internet access, technical support and training for low-income individuals at the Online Learning Computer Lab for online job searches, housing searches and computer classes.
Agape Community Center	Milwaukee	\$17,194	Provide support for the Center's Technology Center with its afterschool and adult career readiness programs. Computers, educational software, literacy and adult educational software.
Badger Assoc. of the Blind and Visually Impaired	Milwaukee	\$7,234	Purchase equipment that enables visually-impaired and sighted technicians to remotely access and control an end user's computer.
Badger Assoc. of the Blind and Visually Impaired	Milwaukee	\$7,002	Purchase Apple devices (iPods, iPads) and software to train people that are blind and visually impaired in their use as telecommunications devices.
Boys & Girls Clubs of Greater Milwaukee	Milwaukee	\$28,310	Renovate the Teen technology center at the Mary Ryan Boys & Girls Club for under-served.
Boys & Girls Club of Washington County	West Bend	\$20,000	Purchase new computer and office equipment and software for the lab at the West Bend site for the afterschool program for low-income and at-risk youth.
Celebrate Children Foundation	Madison	\$27,000	Purchase high speed internet access to non-profit child care providers in Racine and Kenosha County.
Center for Communication Hearing and Deafness	West Allis	\$7,000	Provide in-home assistance to low-income, disabled individuals requiring assistance installing and using specialized telecommunications equipment.

Organization	City	Grant Award	Project Summary
Center for Deaf-Blind Persons	Milwaukee	\$15,750	Training for deaf-blind individuals who receive TEPP equipment.
Center for Independent Living for Western Wisconsin	Menomonie	\$15,000	Provide outreach to disabled individuals in west central WI by promoting the TEPP, increasing consumer knowledge of equipment, and increasing consumer acquisition of telecommunications equipment.
Community Action Coalition for South Central Wisconsin	Madison	\$10,000	Assist low-income clients in obtaining or maintaining basic telephone service by providing counseling on financial literacy, financial assistance and available telecommunications resources.
Community Advocates	Milwaukee	\$70,000	Assist low-income households regain and maintain basic telephone service.
DANenet	Madison	\$24,813	Provide upgrades and maintenance for public-access computer labs including six in the Madison area, provide staff training and share resources with MMSD.
Hunger Task Force	Milwaukee	\$15,040	Provide computer and internet access and technology classes to low-income youth, seniors and adults.
Independent Living, Inc.	Madison	\$9,315	Improve the computer labs at the two senior apartment complexes in Madison and Fitchburg to provide access to the internet, video-communication, e-mail and educational opportunities.
Independent Living Resources, Inc.	La Crosse	\$15,000	Provide outreach, information, technical assistance and skill training to low-income individuals with disabilities needing telecommunication service and devices.
Indianhead Community Action Agency	Ladysmith	\$32,267	Provide computer and internet access to low-income individuals and persons with disabilities in Rusk, Washburn and Sawyer Counties at participating adult literacy drop-in centers.

Midstate Independent Living Consultants	Stevens Point	\$5,574	Provide co-pay for speech and mobility TEPP recipients and provide outreach and demonstrations on availability of specialized telecommunications equipment at the demonstration model accessible home.
Neighborhood House of Milwaukee	Milwaukee	\$19,339	Purchase equipment and provide staff to offer instruction in the classroom and at the computer lab on accessing public benefits.
New Concept Self Development Center	Milwaukee	\$10,920	Provide access to the internet at the computer lab at the George Sanders Father's Resource Center for low-income fathers and their families for employment searches.
North Country Independent Living	Superior	\$25,390	Provide outreach and assistance to consumers and providers in eight counties and four tribes on specialized telecommunications equipment and TEPP funding.
Options for Independent Living	Green Bay	\$10,000	Provide outreach and access to specialized telecommunications equipment by promoting TEPP, providing in-home assistance for installing equipment and providing co-pay for eligible TEPP applicants.
St. Catherine Residence	Milwaukee	\$4,000	Provide support to a computer resource lab to enable low-income, disabled women to have access to computers and the internet and to upgrade their computer skills.
Society's Assets	Racine	\$20,000	Provide outreach and access to specialized telecommunications equipment to disabled individuals with expanded outreach to the Hispanic community and provide co-payment for low-income qualified TEPP recipients.
United Community Center	Milwaukee	\$600	Purchase telecommunications and audiovisual equipment to serve senior citizens and Spanish-speaking residents.
University of Wisconsin Stout	Menomonie	\$16,768	Train staff at independent living Centers on assistive equipment and technology.

Wis. Council of the Blind and Visually Impaired	Madison	\$19,786	Provide instruction on computer adaptive techniques to the elderly with low vision at senior centers in Madison and Eau Claire.
Wisconsin Women's Business Initiative Corp.	Milwaukee	\$10,000	Provide internet access and training about enterprise development education to women, people of color and individuals with disabilities.
Total		\$499,572	

## NONPROFIT ACCESS PROGRAMS OR PROJECTS FOR FY 2010

## 05-GF-107

Organization	City	Grant Award	Project Summary
ABC for Health, Inc.	Madison	\$10,818	Develop a webcast training program that will educate low-income families and service providers about available telecommunication services.
Access to Independence, Inc.	Madison	\$24,800	Provide a telephone outreach and access program to individuals in four southern WI counties to obtain equipment and equal access to telecommunications.
Adult Learning Center	Milwaukee	\$14,000	Provide internet access, technical support and training for low-income individuals at the Online Learning Computer Lab for online job searches, housing searches and computer classes.
Badger Assoc. of the Blind and Visually Impaired	Milwaukee	\$8,072	Purchase equipment that enables visually-impaired and sighted technicians to remotely access and control an end user's computer.
Boys & Girls Clubs of Greater Milwaukee	Milwaukee	\$16,891	Establish a new technology center at the Mary Ryan Boys & Girls Club for underserved youth and upgrade technology at other computer lab locations.
Center for the Deaf and Hard of Hearing	West Allis	\$1,850	Provide in-home assistance to low-income, disabled individuals requiring assistance installing and using specialized telecommunications equipment.
Center for Independent Living for Western Wisconsin	Menomonie	\$20,000	Provide outreach to disabled individuals in west central WI by promoting the TEPP, increasing consumer knowledge of equipment, and increasing consumer acquisition of telecommunications equipment.
Community Action Coalition for South Central Wisconsin	Madison	\$10,000	Assist low-income clients in obtaining or maintaining basic telephone service by providing counseling on financial literacy, financial assistance and available telecommunications resources.
Community Advocates	Milwaukee	\$51,486	Assist low-income households regain and maintain basic telephone service.

Organization	City	Grant Award	Project Summary
DANENet	Madison	\$29,544	Provide upgrades and maintenance for public-access computer labs including six in the Madison area, provide staff training and share resources with MMSD.
Goodman Atwood Community Center	Madison	\$25,820	Provide computer and internet access and technology classes to low-income youth, seniors and adults.
Hmong American Friendship Assoc.	Milwaukee	\$10,210	Provide software and hardware upgrades, internet access and technical assistance to minority students with PC's available to them at home.
Independence First, Inc.	Milwaukee	\$22,750	Provide refurbished computers, modems, one year of broadband access and training to low-income individuals with disabilities.
Independent Living, Inc.	Madison	\$3,875	Maintain and improve the computer labs at the two senior apartments complexes in Madison and Fitchburg to provide access to the internet, e-mail and educational opportunities.
Independent Living Resources, Inc.	La Crosse	\$24,000	Provide outreach, information, technical assistance and skill training to low-income individuals with disabilities needing telecommunication service and devices.
Midstate Independent Living Consultants	Stevens Point	\$9,000	Provide co-pay for speech and mobility TEPP recipients and provide outreach and demonstrations on availability of specialized telecommunications equipment at the demonstration model accessible home.
Neighborhood House of Milwaukee	Milwaukee	\$16,329	Provide instruction at the computer lab and purchase upgrades for the Neighborhood House phone system.
New Concept Self Development Center	Milwaukee	\$20,935	Provide access to the internet at the computer lab at the George Sanders Father's Resource Center for low-income fathers and their families for employment searches.
North Country Independent	Superior	\$25,390	Provide outreach and assistance to consumers and providers in eight

Organization	City	Grant Award	Project Summary
Living			counties and four tribes on specialized telecommunications equipment and TEPP funding.
Options for Independence	Green Bay	\$15,000	Provide outreach and access to specialized telecommunications equipment by promoting TEPP, providing in-home assistance for installing equipment and providing co-pay for eligible TEPP applicants.
St. Catherine Residence	Milwaukee	\$3,000	Provide support to a computer resource lab to enable low-income, disabled women to have access to computers and the internet and to upgrade their computer skills.
St. Mark A.M.E. Church	Milwaukee	\$20,100	Expand access to computers and the internet to low-income youth and adults by expanding and operating the cyber café.
Society's Assets	Racine	\$29,500	Provide outreach and access to specialized telecommunications equipment to disabled individuals with expanded outreach to the Hispanic community and provide co-payment for low-income qualified TEPP recipients.
Stout University Foundation	Menomonie	\$18,758	Develop and provide an online tutorial available to consumers and service providers to assist them in participating in the TEPP.
United Community Center	Milwaukee	\$22,305	Develop and operate a computer lab in the UCC Senior Center to serve senior citizens and Spanish-speaking residents.
Urban League of Greater Madison	Madison	\$32,967	Provide infrastructure, telecommunications services and training for employment and training services for low-income adults and youth by developing and operating three training computer labs (including handicap accessible workstations).
Women's Community, Inc.		\$10,600	Provide victims of domestic and sexual violence with telephone and Internet resources for access to counseling, education, housing, legal and employment resources.

Organization	City	Grant Award	Project Summary
YWCA Rock County		\$2,000	Upgrade network and telecommunications at the YWCA central and satellite facilities to improve low income crisis services and to increase telephone and internet accessibility to low income clients.
Total		\$500,000	

## MEDICAL TELECOMMUNICATIONS EQUIPMENT GRANT AWARDS –FY10/FY11

## 05-GF-108

Project #	Name and Location of Organization	Grant Dollars Approved	Summary of Project
T10/11-1	Access Community Health Centers	\$36,000	Purchase video conferencing equipment for 4 clinics and administrative office to enhance dental, behavioral and health care and communication between clinic staff.
T10/11-2	Aspirus Wausau Hospital	\$51,222	Purchase a telemedicine cart to link critical access hospitals (Antigo and Medford) to specialty services (cardiology, pediatrics and psychiatry) in Wausau and a second cart to link clinics (21 locations) with cardiology, pediatrics, women's health, psychiatry and geriatric care located in Wausau.
T10/11-3	Black River Memorial Hospital	\$31,500	Purchase ten home health care monitoring systems and peripherals to improve efficiency and quality of health care for patients.
T10/11-5	Calumet County Dept. of Human Services	\$25,990	Purchase two videoconferencing units, LCD's, carts, software license and warranties for the Appleton and Chilton offices to provide increased psychiatric services to county residents.
T10/11-7	Community Health Systems	\$37,873	Purchase four videoconferencing workstations to expand telepsychiatry, AODA treatment, and diabetes screening and monitoring to the Beloit, Darlington, Fennimore and Racine Clinics.
T10/11-8	Community Memorial Hospital	\$33,000	Purchase computed radiography for satellite clinics in Lena and Oconto to increase access to radiologists for reading the images.
T10/11-11	FPHS, Inc. / WIRHN, Inc.	\$28,200	Purchase videoconferencing equipment for 25 sites throughout WI (webcams, speakerphones, HD video displays, and swivel mounts) to be used for doctor, nurse practitioner and nurse prescriber consults for primary, reproductive and mental health.
T10/11-12	Forest County Potawatomi Community	\$49,484	Purchase digital stethoscopes, vision screeners, laptops, retinal and mobile cameras and wireless cards to be used by nurses in patient homes or at the Carter or Stone Lake wellness centers and an additional videoconferencing unit for the Carter site.

T10/11-14	Gundersen Clinic	\$31,789	Purchase telemed exam equipment and peripherals for the clinic in Independence to connect with Gundersen Hospital in La Crosse for specialty consults in cardiology, pediatrics, allergy, nephrology, genetics, pain mgmt. and fertility.
T10/11-15	Home Health United	\$48,858	Purchase an integrated wound management software system to improve wound care for in-home patients.
T10/11-16	Langlade Hospital	\$43,767	Purchase computed radiology for two satellite clinics in Elcho and Birnamwood to increase access to radiologists for reading images.
T10/11-17	Luther Midelfort Chippewa Valley	\$39,456	Purchase telemedicine exam system for the critical access hospital in Chippewa Valley to connect it with Luther Hospital in Eau Claire to have access to consults for dermatology, pulmonology and behavioral health.
T10/11-18	Marshfield Clinic	\$59,279	Purchase telemedicine exam equipment for seven hospitals in north central WI to implement the Telestroke program.
T10/11-19	Memorial Hospital of Lafayette Co.	\$105,000	Purchase PACS equipment for consortium of critical access hospitals in Darlington, Boscobel and Tomah to improve quality and timeliness of patient care.
T10/11-22	Milwaukee Health Services	\$10,308	Purchase videoconferencing equipment and telemed peripherals to expand and enhance health services at its two health centers.
T10/11-23	Moundview Memorial Hospital	\$11,554	Purchase two ECG's, a radiology monitor and videoconferencing equipment for improved cardiac diagnosis, transmittal of data and improved educational opportunities.
T10/11-25	Northern Health Centers	\$50,317	Purchase computed radiology system and equipment for T-1 service to improve access to radiologists.
T10/11-27	St. Joseph's Hospital, Home Health and Hospice	\$34,200	Purchase ten home health monitoring systems and peripherals to expand the pilot program and improve efficiency and quality of health care for patients primarily residing in Chippewa and Eau Claire Counties.
T10/11-28	St. Vincent and St. Mary's Hospital Home Health	\$30,780	Purchase ten home health monitoring systems and peripherals to expand the pilot program and improve efficiency and quality of health care for patients primarily residing in eight counties in northeast WI.
T10/11-29	Sauk County Dept. of Human Services	\$9,152	Purchase videoconferencing equipment, LCD, cart, software license and warranties to provide improved psychiatric services to county residents by connecting the residential facility with the county mental health agency.
T10/11-30	Scenic Bluffs Community Health Centers	\$51,222	Purchase two telemedicine exam units and peripherals to connect the Cashton and Norwalk clinics to Gundersen Hospital to improve access to medical specialists.

T10/11-31	Stockbridge Munsee Health and Wellness Center	\$14,000	Purchase videoconferencing equipment media center, firewall and maintenance agreement to provide on-site psychiatric services by connecting to specialists offsite.
T10/11-32	Stoughton Hospital Foundation	\$7,500	Purchase videoconferencing equipment to participate in the Telestroke program by connecting the hospital emergency room with UW Hospital neurologists.
T10/11-34	Trempealeau Co. Dept. of Health and Human Services	\$34,142	Purchase interactive videoconferencing equipment and health/wellness system to provide access to health monitoring at remote meal sites, human services and clinical sites and a nursing home site in Trempealeau, Clark and Buffalo Counties.
T10/11-35	Vernon Memorial Health Care	\$48,150	Purchase two digital radiology systems for rural clinics in Soldiers Grove and Westby to improve access to radiologists for reading images for diagnosis.
T10/11-36	Westside Healthcare Association	\$54,490	Purchase an updated telecommunications system to meet the operational and patient needs for the Westside Healthcare Assn. including communication between its two community health clinics (Lisbon Ave and Hillside on 7 <sup>th</sup> Street) and offices to eliminate service interruptions and system failures.
T10/11-37	Wood Co. Unified Services	\$22,767	Purchase three video conferencing units, carts and monitors to increase psychiatric services at the group home and offices in WI Rapids community program site in Marshfield.
<b>Total Awarded</b>		<b>\$1,000,000</b>	