

Section 8 - SPECIAL SERVICES AND PROGRAMS

8.1 LIFELINE TELEPHONE SERVICE

At the present time, the Company is operating purely as a reseller in the State of New York and not as facilities based provider. As such, the Company is not an ETC company.

Lifeline Telephone Service is a federal program which supports universal service through reimbursement to Eligible Telecommunications Carriers (ETC). For information regarding this program and requirements to become an ETC, refer to Section 214(e)(2) and 214(e)(6) of the Telecommunications Act of 1934(as amended) and Sections 54.101-54.207 of the Rules of the Federal Communications Commission (Title 47-Code of Federal Regulations)

8.1.1 Lifeline Telephone Service Options

.1 Flat Rate Lifeline Service

This service provides a full waiver of the monthly subscriber line charge plus a reduction of \$1.75 in the monthly Service Line rate (which is offset by a Federal intrastate revenue contribution) for flat rate Lifeline customers.

.2 Basic Lifeline Service

This service provides a full waiver of the monthly federal subscriber line charge plus a reduction of \$1.75 in the monthly Service Line rate (which is offset by a Federal intrastate revenue contribution) for message rate Lifeline customers. There is no monthly allowance for local calls. Primary area and Home Region calls are untimed. Extended area calls (where available) are timed.

8.1.2 Eligibility

This service is restricted to low income residential customers. To qualify for Lifeline service a customer must be income eligible for benefits from any one of the following Entitlement Programs administered by the New York State Department of Social Services:

Aid to Families with Dependent Children (AFDC)
Food Stamps
Home Energy Assistance Program (HEAP)
Home Relief
Medicaid
Supplemental Security Income (SSI)

The applicant must provide proof to the Company that he or she is certified as income eligible to receive one or more of the above benefits. After initial contact the customer is sent an application form to be completed by the customer or authorized representative of the customer, as designated by the New York State Department of Social Services and identified as so authorized on the customer's card for any of the above benefits.