

If . . .	Then . . .
Initial pressure on the BOP system is < 300 psi * * *.	You may initiate the BOP test.
Initial pressure on the BOP system is > 300 psi but < 500 psi * * *.	You must bleed the pressure back to a value between 200 and 300 psi before you begin the test.
Initial pressure on the BOP system is > 500 psi * * *.	You must bleed the pressure to zero before you begin the test.

(2) Ram-type BOPs, related control equipment, including the choke and kill manifolds, and safety valves must be successfully tested to the rated working pressure of the BOP equipment or as otherwise approved by the District Manager. Variable bore rams must be pressure-tested against all sizes of drill pipe in the well excluding drill collars. Surface BOP systems must be pressure tested with water. The annular-type BOP must be successfully tested at 70 percent of its rated working pressure or as otherwise approved by the District Manager. Each valve in the choke and kill manifolds must be successfully, sequentially pressure tested to the ram-type BOP test pressure.

\* \* \* \* \*

(d) You may conduct a stump test for the BOP system on location. A plan describing the stump test procedures must be included in your Form MMS-124, Application for Permit to Modify, and must be approved by the District Manager.

(e) You must test the coiled tubing connector to a low pressure of 200 to 300 psi, followed by a high pressure test to the rated working pressure of the connector or the expected surface pressure. There must be no leaks during the test. You must successfully pressure test the dual check valves to the rated working pressure of the connector, the rated working pressure of the dual check valve, expected surface pressure, or the collapse pressure of the coiled tubing, whichever is less.

(f) You must record test pressures during BOP tests on a pressure chart, or with a digital recorder, unless otherwise approved by the District Manager. The test interval for each BOP system component must be 5 minutes, except for coiled tubing, which must be for 10 minutes. Your representative at the facility must certify the charts as correct.

\* \* \* \* \*

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BILLING CODE 4310-MR-P

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Parts 36 and 54

[WC Docket No. 03-109; FCC 04-87]

#### Lifeline and Link-Up

**AGENCY:** Federal Communications Commission.

**ACTION:** Proposed rule.

**SUMMARY:** In this document, the Commission seeks comment on whether the inclusion of a broader income-based criterion in the federal default eligibility criteria would further increase Lifeline/Link-Up subscription rates. The actions the Commission takes will result in a more inclusive and robust Lifeline/Link-Up program, consistent with the statutory goals of maintaining affordability and access of low-income consumers to supported services, while ensuring that support is used for its intended purpose.

**DATES:** Comments are due on or before August 23, 2004. Reply comments are due on or before October 5, 2004.

**ADDRESSES:** All filings must be sent to the Commission's Secretary, Marlene H. Dortch, Office of the Secretary, Federal Communications Commission, 445 12th Street, SW., Washington, DC 20554. See **SUPPLEMENTARY INFORMATION** for further filing instructions.

**FOR FURTHER INFORMATION CONTACT:** Shannon Lipp, Attorney, and Karen Franklin, Attorney, Wireline Competition Bureau, Telecommunications Access Policy, (202) 418-7400.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's Further Notice of Proposed Rulemaking in WC Docket No. 03-109, FCC 04-87, released on April 29, 2004. A companion Report and Order was also released in WC Docket No. 03-109, FCC 04-87 on April 29, 2004. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY-A257, 445 12th Street, SW., Washington, DC 20554.

#### I. Introduction

1. In this *Further Notice of Proposed Rulemaking*, we seek comment on whether the inclusion of a broader income-based criterion in the federal default eligibility criteria would further increase Lifeline/Link-Up subscription rates. The actions we take will result in a more inclusive and robust Lifeline/Link-Up program, consistent with the statutory goals of maintaining affordability and access of low-income

consumers to supported services, while ensuring that support is used for its intended purpose.

## II. Further Notice of Proposed Rulemaking

### A. Income-based Criterion

2. We seek comment on whether the income-based criterion in the federal default eligibility criteria should be increased to 150% of the Federal Poverty Guidelines (FPG) to make phone service affordable to more low-income individuals and families. Although most commenters supported adding an income-based criterion, a number of those commenters supported a higher income-based standard than the interim measure that we adopt. Specifically, those commenters preferred that a consumer whose household income is at or below 150% of the FPG should be eligible for Lifeline/Link-Up support. Commenters argue that adding a higher FPG level would bring Lifeline/Link-Up support in line with Low Income Home Energy Assistance Program (LIHEAP), a current qualifying Lifeline/Link-Up program that uses an income-based standard of 150% as an eligibility criterion. Commenters also point out the inequity that currently exists between a hypothetical low-income consumer who does not participate in LIHEAP and therefore does not qualify for Lifeline, and another hypothetical low-income consumer with the same income who participates in LIHEAP and Lifeline. In particular, low-income consumers are not eligible for LIHEAP if they rent a house or apartment with utilities included, yet they may have essentially the same income as consumers who pay for utilities separately. It is possible that a non-trivial number of low-income consumers may fall into this category. Furthermore, adding a higher FPG level may also help to increase participation among low-income consumers who do not currently qualify for Lifeline/Link-Up because they are on waiting lists for Section 8 housing, are not eligible for Supplemental Security Income (SSI) because they are not elderly or disabled, have been cut off from Food Stamps because of work requirements, or do not qualify for Medicaid due to complex eligibility requirements. Adding a higher FPG level could also help respond to the decrease in participation rates prevalent in at least one current Lifeline/Link-Up qualifying program and one adopted in this Order, Food Stamps and Temporary Assistance for Needy Families (TANF), respectively.

3. Applying the same methodology used to analyze the 135% of the FPG

income-based criterion, our staff analysis estimates that broadening the income-based criterion to 150% of the FPG may only have a minimal impact on national telephone penetration rates, but could add many new Lifeline subscribers; potentially resulting in an additional \$200 million increase in Lifeline expenditures over the levels predicted for implementation of a 135% standard. We seek comment on this analysis. Commenters should discuss the staff analysis contained in Appendix K (see full document), the advantages and disadvantages of a broader income-based standard and the potential burden to the fund. When considering their response, commenters should refer to Appendix F (see full document) for estimated income requirements for various sizes of households at or below 150% of the FPG.

#### *B. Lifeline Advertising Requirements*

4. Although we adopt the Joint Board's recommendation to issue outreach *guidelines*, rather than specific *requirements*, on further reflection, we think it would be beneficial to explore whether adoption of rules governing the advertisement of the Lifeline/Link-Up program would strengthen the operation of these programs. For instance, we seek comment on whether the Commission should require eligible telecommunication carriers (ETCs) to print and distribute posters, flyers, or other print media advertising Lifeline/Link-Up to State, Federal, or tribal public assistance agencies in their service areas. If a percentage of the population in a given area speaks a language other than English, should ETCs be required to distribute materials in that language? If so, what should the benchmark percentage be?

### **III. Procedural Matters**

#### *A. Regulatory Flexibility Analysis*

5. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission has prepared the present Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on a substantial number of small entities by the policies and rules proposed in this *FNPRM*. Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments on the *FNPRM*. The Commission will send a copy of the *FNPRM*, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration. In addition, the *FNPRM* and IRFA (or summaries

thereof) will be published in the **Federal Register**.

#### *B. Need for, and Objectives of, the Proposed Rules*

6. The Commission is required by section 254 of the Act to promulgate rules to implement the universal service provisions of section 254. On May 8, 1997, the Commission released an *Order*, 62 FR 32862, June 17, 1997, that adopted rules that reformed its system of universal service support mechanisms so that universal service is preserved and advanced as markets move toward competition. Among other things, the Commission adopted a mechanism to provide discounted monthly telephone service and installation charges to low-income households. Over the last few years, important changes in the low-income community and the Joint Board's *Recommended Decision* prompt us to review the low-income universal service support mechanism.

7. In this *FNPRM*, we seek comment on whether the income-based criterion in the federal default eligibility criteria should be increased to 150% of the FPG to make phone service more affordable to more low-income individuals and families. Applying the same methodology used to analyze the 135% of the FPG income-based criterion, the Commission staff analysis estimates that broadening the income-based criterion to 150% of the FPG may only have a minimal impact on national telephone penetration rates, but could add many new Lifeline subscribers. Therefore, we seek comment on whether a broader income-based criterion should be added even when there could be only a minimal impact to the national telephone penetration rate.

#### *C. Legal Basis*

8. This *FNPRM* is adopted pursuant to sections 1, 4(i), (4j), 201–205, 251, 252, and 303 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154(i), (j), 201–205, 251, 252, and 303.

#### *D. Description and Estimate of the Number of Small Entities To Which Rules Will Apply*

9. The RFA directs agencies to provide a description of, and, where feasible, an estimate of the number of small entities that may be affected by the rules adopted herein. The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.” In addition, the term “small business” has the same meaning as the term “small business concern”

under the Small Business Act, unless the Commission has developed one or more definitions that are appropriate to its activities. Under the Small Business Act, a “small business concern” is one that: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) meets any additional criteria established by the Small Business Administration (SBA).

10. We have described in detail, *supra*, in the FRFA, the categories of entities that may be directly affected by any rules or proposals adopted in our efforts to reform the universal service low-income support mechanism. For this IRFA, we hereby incorporate those entity descriptions by reference.

#### *E. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements*

11. The *FNPRM* seeks comment on potential changes to the Federal default income-based eligibility criterion for the low-income support mechanism. This potential change will not impact reporting or recordkeeping requirements; however, it could impact the overall pool of eligible applicants.

#### *F. Steps Taken To Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered*

12. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach impacting small business, which may include the following four alternatives (among others): (1) the establishment of differing compliance and reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or part thereof, for small entities.

13. In this *FNPRM*, we seek comment on whether the Commission should adopt a broader income-based criterion. If a broader income-based criterion is adopted, this could change the size of the overall pool of eligible applicants for universal service support for low-income subscribers.

#### *G. Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules*

14. None.

#### *H. Filing Procedures*

15. Pursuant to §§ 1.415 and 1.419 of the Commission's rules, interested

parties may file comments are due on or before August 23, 2004. Reply comments are due on or before October 5, 2004. In order to facilitate review of comments and reply comments, parties should include the name of the filing party and the date of the filing on all pleadings. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies.

16. Comments filed through the ECFS can be sent as an electronic file via the Internet to <http://www.fcc.gov/cgb/ecfs>. Generally, only one copy of an electronic submission must be filed. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by

Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and should include the following words in the body of the message, "get form." A sample form and directions will be sent in reply. Or you may obtain a copy of the ASCII Electronic Transmittal Form (FORM-ET) at <http://www.fcc.gov/e-file/email.html>.

17. Parties that choose to file by paper must file an original and four copies of each filing. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at a new

location in downtown Washington, DC. The address is 236 Massachusetts Avenue, NE., Suite 110, Washington, DC 20002. The filing hours at this location will be 8 a.m. to 7 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.

18. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW., Washington, DC 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

If you are sending this type of document or using this delivery method . . .	It should be addressed for delivery to . . .
Hand-delivered or messenger-delivered paper filings for the Commission's Secretary.	236 Massachusetts Avenue, NE., Suite 110, Washington, DC 20002 (8 a.m. to 7 p.m.)
Other messenger-delivered documents, including documents sent by overnight mail (other than United States Postal Service Express Mail and Priority Mail).	9300 East Hampton Drive, Capitol Heights, MD 20743 (8 a.m. to 5:30 p.m.)
United States Postal Service first-class mail, Express Mail, and Priority Mail.	445 12th Street, SW., Washington, DC 20554.

19. Parties who choose to file by paper should also submit their comments on diskette. These diskettes, plus one paper copy, should be submitted to: Sheryl Todd, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications, at the filing window at 236 Massachusetts Avenue, NE., Suite 110, Washington, DC 20002. Such a submission should be on a 3.5-inch diskette formatted in an IBM compatible format using Word or compatible software. The diskette should be accompanied by a cover letter and should be submitted in "read only" mode. The diskette should be clearly labeled with the commenter's name, proceeding (including the docket number, in this case WC Docket No. 03-109, type of pleading (comment or reply comment), date of submission, and the name of the electronic file on the diskette. The label should also include the following phrase "Disk Copy—Not an Original." Each diskette should contain only one party's pleadings, preferably in a single electronic file. In addition, commenters must send diskette copies to the Commission's copy contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, SW., Room CYB402, Washington, DC 20554

(see alternative addresses for delivery by hand or messenger).

20. Regardless of whether parties choose to file electronically or by paper, parties should also file one copy of any documents filed in this docket with the Commission's copy contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, SW., CY-B402, Washington, DC 20554 (see alternative addresses for delivery by hand or messenger) (telephone 800-378-3160) or via Web site <http://www.BCPIWEB.com>.

21. The full text of this document is available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW., Room CY-A257, Washington, DC 20554. This document may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, SW., Room CY-B402, Washington, DC 20554, telephone (800) 378-3160, or via Web site <http://www.BCPIWEB.com>.

#### *I. Further Information*

22. Alternative formats (computer diskette, large print, audio recording, and Braille) are available to persons with disabilities by contacting Brian Millin at (202) 418-7426 voice, (202) 418-7365 TTY, or [bmillin@fcc.gov](mailto:bmillin@fcc.gov). This

FNPRM can also be downloaded in Microsoft Word and ASCII formats at [http://www.fcc.gov/wcb/universal\\_service/lowincome.html](http://www.fcc.gov/wcb/universal_service/lowincome.html).

#### **IV. Ordering Clauses**

23. Pursuant to the authority contained in sections 1, 4(i), 201-205, 214, 254, and 403 of the Communications Act of 1934, as amended, this *Further Notice of Proposed Rulemaking* is adopted.

#### **List of Subjects**

##### *47 CFR Part 36*

Communications common carrier, Reporting and recordkeeping requirements, Telephone.

##### *47 CFR Part 54*

Communications common carriers, Reporting and recordkeeping requirements, Telecommunications, Telephone.

Federal Communications Commission.

**Marlene H. Dortch,**

*Secretary.*

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