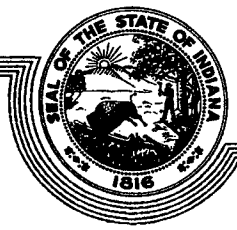
STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
101 W. WASHINGTON STREET, SUITE 1500E
INDIANAPOLIS, INDIANA 46204-3407

http://www.in.gov/iurc
Office: (317) 232-2701
Facsimile: (317) 232-6758

FILED

DEC 05 2007

INDIANA UTILITY
REGULATORY COMMISSION

IN THE MATTER OF THE INVESTIGATION ON THE COMMISSION'S OWN MOTION, UNDER INDIANA CODE § 8-1-2-72, INTO ANY AND ALL MATTERS RELATING TO THE COMMISSION'S MIRRORING POLICY ARTICULATED IN CAUSE NO. 40785 AND THE EFFECT OF THE FCC'S MAG ORDER ON SUCH POLICY, ACCESS CHARGE REFORM, UNIVERSAL SERVICE REFORM, AND HIGH COST OR UNIVERSAL SERVICE FUNDING MECHANISMS RELATIVE TO TELEPHONE AND TELECOMMUNICATIONS SERVICES WITHIN THE STATE OF INDIANA

CAUSE NO. 42144

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") caused the following entry to be made:

On November 9, 2007, the Indiana Universal Service Fund Oversight Committee ("Oversight Committee") filed its *Recommendation for Indiana Universal Service Fund Administrator* ("Recommendation") in this matter. The Recommendation was submitted in furtherance of the implementation of Indiana Universal Service Fund ("IUSF"), established pursuant to the Commission's Final Order issued in this Cause on March 17, 2004, and pursuant to the implementation timeframe established in a June 18, 2007 Docket Entry issued in this matter.

In its Recommendation the Oversight Committee indicated that on August 3, 2007, it filed a Submission of Request for Proposal ("RFP") for the Indiana Universal Service Fund Administrator ("RFP Submission") in this Cause. On September 4, 2007, the Presiding Officers issued a Docket Entry approving the RFP Submission. The Commission subsequently posted the RFP on its website and the Presiding Officers advised via Docket Entry that the deadline for potential bidders to submit questions was September 17, 2007. In response, parties submitted requests for clarification and questions regarding the RFP and the Oversight Committee filed responses to the questions. The questions and responses were then posted on the Commission's website.

Two entities timely submitted proposals for consideration in response to the RFP: Rolka Loube Saltzer Associates ("RLSA") and Solix, Inc. ("Solix"). Following receipt of the proposals, Commission Staff distributed copies of the RFP responses of RLSA and Solix to each

member of the Oversight Committee. Each member of the Oversight Committee reviewed the RFP proposals independently. In addition, the RFP proposals were also discussed collectively by the Oversight Committee.

The RFP specified a contract period beginning December 14, 2007, continuing through December 31, 2008, with the option of a two year extension through December 31, 2010. The RFP stated in Part IV, *Criteria for Selection*, the evaluation standards to be utilized by the Oversight Committee to assess the RFP proposals. Specifically, the evaluation of proposals was to be based generally upon consideration the following criteria: 1) Understanding of the Task; 2) Independent Third-Party Administrator's Qualifications; 3) Professional Personnel; 4) Soundness of Approach; 5) Cost; and 6) Potential Conflicts of Interest/Independence.

Based on its evaluation, the Oversight Committee found both bid proposals to be sound and acceptable and concluded that each of the bidders appeared to be fully capable and qualified, if chosen, to administer the IUSF in accordance with the requirements specified in the RFP. The Oversight Committee further indicated in its Recommendation that the bids also provided sufficient information to allow it to make a fair assessment of the comparative strengths and weaknesses of the respective RFP proposals. Based on its review of the proposals the Oversight Committee indicated in its Recommendation that while RLSA has the advantage of having submitted the lowest price, Solix has a distinct advantage in terms of personnel strength in numbers and overall experience. According to the Oversight Committee's Recommendation, there was very little else of substance, that categorically distinguished one proposal from the other.

In its Recommendation the Oversight Committee placed a higher premium on Solix's superior personnel strength and apparent ability to provide greater human resources to support the operation of the IUSF over RLSA's lower bid. Furthermore, as Solix presently serves as the interim administrator, it would not need to undertake any significant start-up or transition processes in order to ensure that IUSF service levels are maintained even as the new contract period unfolds. Taking into consideration all relevant factors, and, upon review and evaluation and weighing the advantages of the two proposals submitted in response to the RFP, the Oversight Committee concluded in its Recommendation that Solix should be named as the permanent Administrator of the Indiana Universal Service Fund.

Having reviewed the Recommendation, and being duly advised in the premises, we hereby approve the Recommendation of the Oversight Committee and name Solix as Administrator of the Indiana Universal Service Fund.

IT IS SO ORDERED.

David E. Ziegner, Commissioner

Scott R. Storms, Chief Administrative Law Judge

Date: December 5, 2007