

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Utah for the Limited Purpose of Offering Lifeline Services to Qualified Households	Docket No. 09-2511-01 REPLY BRIEF OF SALT LAKE COMMUNITY ACTION PROGRAM
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Salt Lake Community Action Program (SLCAP) files these reply comments to respond to positions taken by other parties in initial post hearing briefs.

Lifeline is a critical resource to provide low income households with access to affordable quality telephone service. It would be advantageous to expand access to affordable, quality wireless service as an alternative to landline service. However, the entrance of wireless providers to Lifeline poses unique questions that have not been adequately addressed at the Federal Communications Commission and have yet to be resolved at the Utah Public Service Commission (Commission or PSC).

In order to preserve the integrity of the Universal Service Fund and the Lifeline program, wireless services offered using public funds should be of the best value for both the low-income customers and all other customers who pay in to those funds. To maintain that integrity, the Commission should make a determination of what it considers to be an appropriate Lifeline service. The Commission should impose conditions on ETCs that offer Lifeline to ensure service is affordable and in the public interest.

TracFone, in its Post Hearing Brief ¹, has agreed to improve its Safelink offer by increasing the free monthly minute allotment from 67 to 200 free minutes per month.

¹ Post-hearing Brief of TracFone Wireless, Inc., p. 7

SLCAP acknowledges this is a substantial improvement to the company's initial offering and will provide a better service to low income customers. However, in its Post Hearing Brief, TracFone did not address other issues (with its offer) that continue to be of concern to SLCAP including:

- The cost of purchasing additional minutes at a rate of \$0.20 per minute is excessive.
- Additional minutes are not offered in increments less than \$19.99, which may be unaffordable for low income customers.
- Lifeline customers should not be charged airtime for calls made to customer service.²
- TracFone made an improvement to the free minutes portion of its offer, but it did not provide further details of the revised offer, such as whether those minutes will be rolled over or rounded up.³

With regard to eligibility and verification, we agree with the Division of Public Utilities⁴ and the Office of Consumer Services⁵ that TracFone should comply with the system currently in place in Utah and should contribute its share of the associated costs.

We concur with the Division of Public Utilities⁶ that TracFone should not begin offering its Lifeline service in Utah until the Department of Community and Culture is equipped to manage the anticipated increase in Lifeline participation.

² In its Post-hearing Brief (Footnote 16, p. 9), TracFone indicates its plan to implement the 611 dialing code in fourth quarter 2010. If the PSC grants ETC status to TracFone prior to its implementation of the 611 dialing code, SLCAP recommends the PSC require TracFone to highlight the information in a clear and concise notice to the customers. It is especially important that customers are aware of the information so they do not utilize their valuable minutes on hold with customer service.

³ In its Post-hearing Brief (p.8) TracFone states "details of this revised offering are still under development"

⁴ Brief of the Division of Public Utilities (p. 4)

⁵ Utah Office of Consumer Services Post-Hearing Brief (p.10-12)

⁶ Brief of the Division of Public Utilities (p.10)

CONCLUSION

There are a number of outstanding issues that must be addressed, either in the form of conditions or in another venue, prior to granting TracFone ETC status. These include the service provisions we have communicated above as well as the cost of paying for an appropriate method of determining and verifying eligibility. Resolution of these issues would maintain the integrity of the program and provide a potentially valuable resource to people with limited incomes.

DATED this 29th day of July, 2010.

SONYA L. MARTINEZ

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Reply Brief of Salt Lake Community Action Program in Docket No. 09-2511-01 was mailed electronically this 29th day of July, 2010, to the following:

Michael Ginsberg
Patricia Schmid
Assistant Attorneys General
160 East 300 South, 5th Floor
Salt Lake City, UT 84111
mginsberg@utah.gov
pschmid@utah.gov

Philip Powlick
Bill Duncan
Casey Coleman
Division of Public Utilities
160 East 300 South, 4th Floor
Salt Lake City, UT 84111
philippowlick@utah.gov
wduncan@utah.gov
ccoleman@utah.gov

Paul Proctor
Assistant Attorney General
160 East 300 South, 5th Floor
Salt Lake City, UT 84111
pproctor@utah.gov

Mitchell F. Brecher
Debra McGuire Mercer
GREENBERG TRAURIG, LLP
2101 L Street, N.W., Suite 1000
Washington, D.C. 20037
brecherm@gtlaw.com
mercerm@gtlaw.com

Respectfully,

Sonya L. Martinez

Stephen F. Mecham
Callister Nebeker & McCullough
10 East South Temple, Suite 900
Salt Lake City, UT 84133
sfmecham@cnmlaw.com

Michele Beck
Cheryl Murray
Eric Orton
Office of Consumer Services
160 East 300 South, 2nd Floor
Salt Lake City, UT 84111
mbeck@utah.gov
cmurray@utah.gov
eorton@utah.gov

Gary A. Dodge
HATCH, JAMES & DODGE
10 West Broadway, Suite 400
Salt Lake City, Utah 84101
gdodge@hjdllaw.com