

<p>Gary A. Dodge, #0897 HATCH, JAMES & DODGE 10 West Broadway, Suite 400 Salt Lake City, UT 84101 Telephone: (801) 363-6363 Facsimile: (801) 363-6666 Email: gdodge@hjdllaw.com</p> <p>Attorneys for TracFone Wireless, Inc.</p>	<p>Mitchell F. Brecher GREENBERG TRAURIG, LLP 2101 L Street, NW, Suite 1000 Washington, DC 20037 Telephone: (202) 331-3100 Facsimile: (202) 261-0152 Email: brecher@gtlaw.com</p>
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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

<p>In the Matter of the Resolution of Certain Issues Related to the Designation of a Common Carrier as an Eligible Telecommunications Carrier</p>	<p align="center">Docket No. 10-2528-01</p> <p align="center">TRACFONE WIRELESS, INC.'S RESPONSE</p>
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Pursuant to the Commission’s Order issued May 2, 2011, TracFone Wireless, Inc. (“TracFone”) files its response to two issues raised during the technical conference held on June 1, 2011.

During the technical conference the Hearing Examiner recommended that the Commission continue to apply its current rules governing certification of initial eligibility and verification of continued eligibility for Lifeline service until the Commission adopts different rules. Therefore, during this interim period, an Eligible Telecommunications Carrier (“ETC”) may provide Lifeline service to any applicant who self-certifies his or her eligibility under penalty of perjury. In addition, ETCs may meet the annual verification requirement by verifying the continued eligibility of a statistically valid random sample of their Lifeline customers. TracFone agrees that ETCs should comply with the Commission’s current Lifeline rules while those rules remain in effect.

The parties also discussed the development of a Lifeline application form to be used by all ETCs. TracFone supports the creation of a Lifeline application template to be

used by ETCs so long as the template does not favor a certain type of ETC (incumbent ETC versus competitive ETC), technology (wireline versus wireless), or business model (prepaid versus postpaid). Furthermore, ETCs should be permitted to modify the template to address issues that are specific to them. For example, TracFone is subject to certain conditions, not applicable to most other ETCs, pursuant to a Federal Communications Commission (“FCC”) order granting TracFone forbearance from the facilities requirement for ETCs.¹ Under the TracFone Forbearance Order TracFone must require its Lifeline customers to self-certify under penalty of perjury upon service activation and then annually thereafter that they are the head of household and only receive Lifeline-supported service from TracFone.² TracFone needs to include this self-certification on its Lifeline application. A copy of TracFone’s Utah Lifeline application is provided as Exhibit 1.

The Utah Telephone Assistance Program (“UTAP”) has an online Lifeline/Link-Up Application that can only be used to apply for service from landline carriers. The UTAP application could be used as a template if certain changes are made and ETCs are permitted to modify the template as necessary to reflect their business model. First, wireless ETCs must be added to the “Phone Company” drop-down menu so that applicants can choose a wireless Lifeline provider of their choice as an alternative to the incumbent local exchange carrier who serves the location where the customers reside. Second, the application must account for the fact that an applicant may wish to apply for Lifeline service with an ETC that is not his or her current carrier. The UTAP application

¹ Federal-State Joint Board on Universal Service (Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)), 20 FCC Rcd 15095 (2005) (“TracFone Forbearance Order”).

² Id. ¶ 18.

requires an applicant to list his or her phone company. If the applicant does not currently have phone service, then the applicant is directed to list the name of the phone company with which the applicant will be applying for service. However, the UTAP application does not provide a way for an applicant to indicate his or her current phone company, but to choose another carrier for Lifeline service. TracFone recommends that an additional field be added to the UTAP application that identifies the Lifeline service provider the applicant wants.

Third, the UTAP application allows applicants to apply for both Lifeline and Link-Up benefits and notes that applicants may be eligible for Link Up, “which may give you discounts with connection and/or reconnection fees.” As one of the conditions in the TracFone Forbearance Order, TracFone is not entitled to Link Up support. Moreover, Link Up support is only available to reimburse ETCs for reducing their customary charges for commencing service or for deferring the payment of such charges. Therefore, the Lifeline application should disclose that Link Up benefits may not be available with all ETCs, such as ETCs subject to a FCC forbearance order and ETCs that do not routinely impose customary service commencement or activation charges on all their customers.

Fourth, the UTAP application includes the following statement: “I am responsible to notify UTAP if I am no longer eligible and understand that I may have to repay the difference between the discounted and regular price.” TracFone’s Lifeline customers as well as Lifeline customers of certain other designated ETCs (including, for example, Virgin Mobile) do not receive discounted Lifeline service; they receive their Lifeline benefits in the form of free service. As such, if an applicant for TracFone’s

Lifeline service is required to complete an application that refers to a “discounted” price, they may be confused about the terms of the Lifeline service.

As the Commission works with interested parties to develop a Lifeline application template, TracFone asks the Commission to keep in mind that one application format may not meet the legal and business needs of all ETCs. Therefore, ETCs should be permitted to use modified versions of a Lifeline application template adopted by the Commission so that ETCs can clearly and effectively communicate with their Lifeline customers and ensure successful completion of the application process.

Respectfully submitted,

HATCH, JAMES & DODGE

/s/ _____
Gary A. Dodge

GREENBERG TRAUERIG, LLP

/s/ _____
Mitchell F. Brecher
Debra McGuire Mercer

Attorneys for TracFone Wireless, Inc.

June 8, 2011

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by email this 8th day of June, 2011, on the following:

Patricia Schmid Assistant Attorney General Heber Wells Building 160 East 300 South, 5 th Floor Salt Lake City, Utah 84114 pschmid@utah.gov	Sonya Martinez SLCAP 764 South 200 West Salt Lake City, Utah 84101 smartinez@slcap.org
Paul Proctor Assistant Attorney General Heber Wells Building 160 East 300 South, 5 th Floor Salt Lake City, Utah 84114-0857 pproctor@utah.gov	Kathy Kinsman Assistant Attorney General Utah Department of Community & Culture 160 East 300 South, 5 th Floor P.O. Box 140857 Salt Lake City, Utah 84114-0857 kinsman@utah.gov
Michele Beck Cheryl Murray Eric Orton Utah Office of Consumer Services 160 East 300 South, 2 nd Floor P.O. Box 146782 Salt Lake City, Utah 84114-6782 mbeck@utah.gov cmurray@utah.gov eorton@utah.gov	Sherman Roquero Utah Department of Community & Culture 324 South State St., Suite 500 Salt Lake City, Utah 84114-9302 sroquero@utah.gov
William Duncan Casey Coleman Utah Division of Public Utilities 160 East 300 South, 4 th Floor Salt Lake City, Utah 84114 wduncan@utah.gov ccoleman@utah.gov	Timothy J. Funk Crossroads Urban Center 347 South 400 East Salt Lake City, Utah 84111 funk@crossroads-u-c.org
Stephen F. Mecham Callister Nebeker & McCullough 10 East South Temple, Suite 900 Salt Lake City, Utah 84133 sfmecham@cnmlaw.com	Sheila Stickel President & Executive Director Advocates for Universal Access, LLC P.O. Box 21914 Seattle, Washington 98111 Sheila@advocatesua.com

<p>Peter Lurie Elaine Divelbliss Virgin Mobile USA 10 Independence Blvd. Warren, New Jersey 07059 Peter.lurie@virginmobileusa.com Elaine.Divelbliss@virginmobileusa.com</p>	<p>Lance J.M. Steinhart Lance J.M. Steinhart, P.C. 1720 Windward Concourse, Suite 115 Alpharetta, Georgia 30005 (770) 232-9200 (Phone) (770) 232-9208 (Fax) Email: lsteinhart@telecomcounsel.com</p>
<p>Alex M. Duarte Qwest Law Department 310 SW Park Avenue, 11th Floor Portland, OR 97205 503-242-5623 (office) 503-242-8589 (fax) Alex.Duarte@qwest.com</p>	<p>Brett L. Tolman Ray Quinney & Nebeker P.C. 36 South State Street, Suite 1400 Salt Lake City, Utah 84111 BTolman@rqn.com</p>
<p>James L. Messenger LeClairRyan One International Place, Eleventh Floor Boston, Massachusetts 02110 James.Messenger@leclairryan.com</p>	<p>Eric Seguin Solix, Inc. 30 Lanidex Plaza West PO Box 685 Parsippany, NJ, 07054-0685 eseguina@solixinc.com</p>

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