

**BEFORE THE**  
**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

Investigation of recent developments  
in federal low-income support policy )  
) DOCKET NO. UT-120052  
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) COMMENTS OF CRICKET  
) COMMUNICATIONS, INC.  
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**I. INTRODUCTION**

Cricket Communications, Inc. (“Cricket”) appreciates the opportunity to submit the following comments in response to the Commission’s questions regarding the impact on carriers, consumers and the Commission of federal reforms to the Lifeline program. Cricket appreciates the Commission’s concerns regarding verification of eligibility, avoidance of duplicate subscriptions in one household, and the marketing and customer-relations behavior of eligible telecommunications carriers (“ETCs”) providing Lifeline services. However, Cricket encourages the Commission not to delay approval of its petition for ETC designation while it considers the issues raised in this proceeding. Cricket’s provision of Lifeline services does not raise the types of concerns the Commission has identified in its questions. In addition, Cricket has already committed to numerous conditions designed to address any such concerns.

Cricket also notes, that many of the issues raised by the Commission are addressed in the Federal Communications Commission’s (“FCC”) recent Lifeline Reform Report and Order, or are teed up for consideration in the accompanying Further Notice of Proposed Rulemaking.<sup>1</sup>

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<sup>1</sup> Fed’l Communications Comm’n, Report and Order and Further Notice of Proposed Rulemaking (FCC 12-11, WC Docket No. 1142, *et al.*), Feb. 6, 2012 (“Lifeline Order” or “FNPRM”).

## II. COMMENTS

### A. **Should all wireless ETCs be required to use Department of Social & Health Services (“DSHS”)’s Beneficiary Verification System (“BVS”)?**

Cricket supports the implementation of measures to require that all ETCs verify customer eligibility, and believes that all ETCs should be required to take steps to avoid duplicate subscriptions in one household. Cricket’s advertisements for Lifeline service in other states clearly specify the one-per-household limitation, and customers are required to specifically acknowledge the limit and certify, under penalty of perjury, that no one in the household currently receives Lifeline service. In addition, Cricket has committed in its FCC Compliance Plan to review proof documentation for each Lifeline service applicant.<sup>2</sup> When the Commission approves Cricket’s pending ETC petition, Cricket will use these same safeguards in Washington to ensure that only eligible applicants receive service, and to avoid duplicate subscriptions.

Furthermore, Cricket understands from conversations with Commission Staff that the BVS covers only certain programs that render recipients eligible for Lifeline service. Therefore, review of proof documentation would still be necessary for a number of applicants, and the BVS would not obviate the problem of duplicate subscriptions. As further detailed below, Cricket is also concerned that unnecessary delay would result from implementation of a BVS requirement.

### B. **Is it feasible for the DSHS to provide access to BVS to all ETCs?**

Because Cricket does not currently have access to BVS, Cricket does not know if providing such access to all ETCs is feasible. Given the nature of the information that appears to be contained in the database and the fact that carriers are non-governmental entities, it appears that substantial time may be required to develop the protections necessary to ensure the privacy of beneficiary recipients prior to granting access to ETCs. Therefore, Cricket is concerned that

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<sup>2</sup> Cricket’s Compliance Plan was approved by the FCC on February 7, 2012.

implementation of a BVS requirement could substantially delay approval of pending ETC applications that already contain gold-standard safeguards to address the Commission's concerns, without providing a comprehensive solution to the issues the Commission seeks to address.

- C. Should there be a mechanism to ensure that all ETCs check their customers' eligibility either by using BVS or by checking proof documentation from customers before enrollment? For example, should all wireless ETCs be required to certify annually that they verify all their Lifeline customers' eligibility before enrolling customers?**

As noted above, Cricket has committed to review of eligibility documentation prior to enrollment of a Lifeline customer. Therefore, Cricket would support a requirement that ETCs provide an annual certification that they complete such checks. However, Cricket urges the Commission not to delay approval of Cricket's pending ETC petition while it considers whether to implement such a rule.

- D. Should UTC, DSHS and all ETCs come up with an interim solution for duplicate Lifeline claims before the national database is fully implemented?**

Cricket is concerned that development of an interim solution could result in undue delay. That delay might be acceptable were the interim solution to serve a long-term role. However, given the pending development of a national duplicates database, any such solution would likely be of limited utility. Cricket believes, therefore, that development of a new interim approach would have significant downsides for carriers and for Washington consumers who would otherwise benefit from increased access to Lifeline service.

- E. If so, what's the best mechanism?**

- 1. Should a duplicate check be conducted before or after a customer's enrollment?**
- 2. Should the ETCs collectively select a third-party administrator to conduct the duplicate check?**

3. **How can we ensure a third-party administrator's independence and accountability?**
4. **Will the DSHS be better suited to conduct the duplicate check?**
5. **What should be done once duplication is detected?**
6. **Who should pay to support the implementation of the interim solution?**

As described above, Cricket reviews proof documentation for all ETC customers. Imposing such a requirement on ETC petitioners would be a far simpler solution to the issue of eligibility verification than requiring use of either BVS or a custom-built solution. Whether a third-party administrator is selected or a protocol is established for DSHS to conduct checks, bringing such a system online will result in delay and in increased cost for the State and for ETCs. Cricket encourages the Commission not to delay approval of petitions by carriers, like Cricket, who have proactively taken strong steps to protect against the problem of duplicate subscriptions. Given that a national duplicates database is to be developed in the near term, such delay would restrict access to Lifeline service in order to develop a solution that would be of use only for a limited period of time.<sup>3</sup>

- F. Currently, ETCs in Washington follow three different sets of customer qualification criteria based on whether they offer landline, prepaid wireless or postpaid wireless Lifeline service plans. Should the Commission unify customer qualification criteria for all customers? What are the pros and cons for a uniform set of customer qualification criteria?**

Cricket has no comment regarding this question.

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<sup>3</sup> Cricket encourages the Commission to instead join the other states that are participating in the FCC/USAC pilot program.

- G. By the Commission’s ETC designation orders, all prepaid wireless ETCs are required to maintain direct contact with their Lifeline customers. What constitutes “direct contact” with consumers? What’s the role of commission-based agents who market Lifeline products for ETCs? Should those agents’ role be limited to advertising, distributing and collecting Lifeline application forms (not dispatching cell phones)?**

Cricket customers must visit a Cricket store in person in order to enroll in Lifeline service. Cricket does not use commission-based agents to market Lifeline products. That said, Cricket has no comment regarding these specific questions.

- H. Should there be sanctions on inappropriate marketing behaviors? To what extent should the ETCs be held responsible for their agents’ or contractors’ inappropriate marketing behaviors?**

Cricket has no comment regarding this question.

- I. Should the Commission set parameters for ETCs’ Lifeline outreach and marketing behaviors? For example, is it appropriate to distribute cell phones at a carrier-sponsored event? Is it appropriate to solicit customers inside or in close proximity of social service agencies?**

Cricket has no comment regarding this question.

- J. Many recent ETC petitioners are small companies focused solely on provision of Lifeline services. Should companies’ financial strength be a concern in staff’s evaluation of ETC applications? If so, what standards should apply?**

Cricket has no comment regarding this question. Cricket notes that this issue is addressed in the FNPRM. With regard to any issue addressed in the FNPRM, Cricket would encourage the Commission to await the FCC’s action, rather than adopting an approach in Washington that may later be rendered moot by impending federal action. If the Commission does choose to proceed, however, Cricket urges the Commission not to withhold approval of Cricket’s pending ETC petition, which does not raise these concerns.

### **III. CONCLUSION**

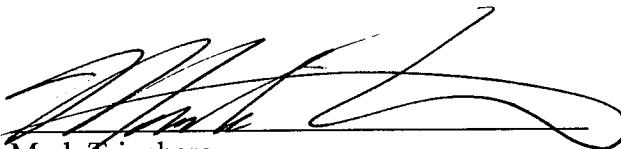
The questions posed by the Commission reflect serious concerns that have been the subject of discussion at both the state and federal level. However, many carriers, including

Cricket, have proactively taken action to address these concerns. Given that federal solutions are expected to be implemented within the next two years, Cricket urges the Commission not to delay approval of ETC petitions that already contain safeguards – particularly safeguards that have been successfully implemented in other states. To do so will result in limited access to Lifeline service for low-income customers, while only partially addressing the concerns the Commission has raised.

Dated this 21 day of February, 2012.

Respectfully submitted,

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