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David Danner
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

**Re: Docket No. UT-120052
Investigation of Recent Developments in Federal Low Income Support Policy**

Enclosed for filing are comments by New Cingular Wireless PCS, LLC regarding the above mentioned docket. Please let me know should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "David Collier", written over a horizontal line.

David Collier
Area Manager – Regulatory

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

Investigation of Recent Developments in) DOCKET UT-120052
Federal Low Income Support Policy)
) **AT&T**

COMMENTS OF NEW CINGULAR WIRELESS PCS, LLC

Submitted this 21st day of February, 2012

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New Cingular Wireless PCS, LLC (“AT&T”) appreciates the opportunity to submit comments in response to the questions included in the Washington Utilities and Transportation Commission (“Commission”) February 7, 2012 notice in the above referenced docket. As the Federal Communications Commission (“FCC”) only recently released its long awaited Lifeline and Link Up Order,¹ AT&T is only able to offer preliminary comments at this time. We look forward to participating in this docket, including the workshop that will be held on February 22nd, and offering further comments, as appropriate.

I. Introduction

AT&T has been designated by the Commission as an eligible telecommunications carrier (“ETC”) in certain areas in Washington State.² Pursuant to the FCC’s rules, as an ETC, AT&T is required to make available Lifeline service to qualifying low-income consumers and to publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for Lifeline service.³ As an ETC that offers postpaid wireless Lifeline service plans, AT&T does not participate in the Washington Telephone Assistance Program

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¹ *Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Services, Advancing Broadband Availability Through Digital Literacy Training, Report and Order and Further Notice of Proposed Rulemaking*, FCC 12-11, WC Docket Nos. 11-42, 03-109 and 12-23, and CC Docket No. 96-45, (rel. February 6, 2012)(“*FCC’s Lifeline Order*”).

² No other entity affiliated with AT&T offers Lifeline service in Washington.

³ 47 C.F.R. §54.405(a) and (b).

(“WTAP”).⁴ Further, as an ETC that offers postpaid wireless Lifeline service, AT&T Mobility has followed the federal default rules for eligibility determination along with the certification and verification requirements.⁵

II. General Comments

For a number of years, AT&T has proposed to the FCC a series of reforms to streamline and modernize the current federal Lifeline program. The *FCC’s Lifeline Order* addresses program rules governing eligibility, verification and outreach. AT&T is concerned that the order imposes administrative burdens on Lifeline service providers, especially a provider, like AT&T in Washington, that provides Lifeline service as a condition of its ETC designation, and the high-cost funding associated with its ETC designation will be phased down over 5 years.⁶

The *FCC’s Lifeline Order* provides the ideal opportunity for states to take a fresh look at their Lifeline requirements. AT&T commends Washington for taking this opportunity to review the Lifeline requirements in the state and its application to various providers. As Washington conducts this review, AT&T would like to offer a few general comments. First,

⁴ *Petition of RCC Minnesota, Inc., d/b/a/ Cellular One for Designation as an Eligible Telecommunications Carrier, Order Amending Final Order Designating RCC Minnesota, Inc., as an Eligible Telecommunications Carrier*, Docket UT-023033, Order No. 3 (May 14, 2008) (clarifying that, as a wireless carrier, the relevant Washington Telephone Assistance Program statutes do not require RCC to participate in the WTAP, and the Commission does not require RCC to offer its customers WTAP discounts as a condition of its ETC designation).

⁵ *Lifeline and Link Up, et al. Order and Declaratory Ruling*, FCC 10-25, WC Dkt. No. 03-109 (rel. Feb. 2, 2010) (when a state commission mandates Lifeline support, but does not impose certification and verification requirements on certain carriers within the state, the affected carriers must follow federal default criteria for certification and verification purposes).

⁶ *Connect America Fund, et al., Report and Order and Further Notice of Proposed Rulemaking*, FCC 11-161, WC Docket Nos. 10-90 *et al.*, at para. 519 (rel. Nov. 18, 2011) (“*FCC’s USF/ICC Transformation Order*”).

AT&T believes that states should utilize the federal uniform eligibility criteria for carriers receiving federal Lifeline support.⁷ This is consistent with the approach Washington has taken to date for ETCs that offer postpaid wireless service. The benefit of this approach is that it will simplify the development of the national eligibility database, an important tool in preventing ineligible consumers from enrolling in the federal program.⁸ While the FCC has acknowledged that states may adopt additional state-specific program or income criteria, AT&T strongly discourages a state from doing so as it will make the national eligibility database that is being created less useful and will also place additional burdens on ETCs.⁹

Second, ETCs should be taken out of the role of determining customer eligibility for the federal Lifeline discount. The *FCC's Lifeline Order* directs the Wireline Competition Bureau and the Universal Service Administrative Company ("USAC") to develop a database that by the end of 2013 provides an automated means to determine Lifeline eligibility for the 3 most common programs through which customers qualify for Lifeline.¹⁰ In the interim, AT&T believes that Washington should explore opportunities to fulfill the important role of determining customer eligibility for the federal Lifeline discount.

Third, Washington should not implement any interim reforms that will create additional costly burdens on ETCs in the state. As the FCC has recognized previously, ETCs often

⁷ As AT&T does not participate in the Washington Telephone Assistance Program ("WTAP"), AT&T offers no comments about the eligibility requirements for the WTAP program.

⁸ *FCC Lifeline Order*, para. 66.

⁹ Specifically, the FCC provided that "State commissions may include additional qualifying eligibility criteria and impose additional certification requirements...so long as those additional reporting requirements do not create burdens that thwart achievement of the objectives of our universal service policies and regulations..." (*FCC's Lifeline Order*, para. 61).

¹⁰ *FCC's Lifeline Order*, para 97 and n.264 ("most consumer qualify for Lifeline through Medicaid, SNAP [Supplemental Nutrition Assistance Program], and SSI [Supplemental Security Income]").

operate on a national basis so compliance with varying state laws creates complexity and burden.¹¹ In its *Lifeline Order*, the FCC recognizes that the current patchwork of Lifeline requirements creates burdens and inefficiencies on consumers and service providers.¹²

III. Response to Questions in February 7, 2012 Notice

1. Should all wireless ETCs be required to use the Department of Social Health Service (DSHS)'s Beneficiary Verification System (BVS)?

As an ETC that offers postpaid wireless Lifeline service plans, AT&T has followed the federal default rules for determining eligibility for the federal Lifeline program. As such, AT&T has not utilized DSHS's BVS system. AT&T needs to better understand the system and its limitations before it can directly respond to this question. For example, it may be appropriate on an interim basis to allow all ETCs to utilize DSHS' BVS on a voluntary basis to determine initial and continued Lifeline eligibility based on program participation. As some of the programs administered by DSHS likely differ from the federal Lifeline qualifying programs, it would be important for the BVS system to indicate the programs in which the recipient is enrolled.¹³ This approach would enable an ETC, like AT&T, to utilize the database, but continue to apply the federal eligibility criteria.

¹¹ See, e.g., *FCC's USF/ICC Transformation Order* at para. 575 (explaining that the uniform reporting and certification framework it adopted in this order will "minimize regulatory compliance costs for those ETCs that operate in multiple states").

¹² *FCC's Lifeline Order*, para. 66. (ETCs operating in multiple states have to develop state-specific policies and procedures to ensure compliance with state-specific program eligibility requirements and with a uniform approach consumers will face a more streamlined enrollment process and fewer regulatory burdens on service providers).

¹³ The eligibility for WTAP benefits differs from the federal Lifeline default programs. Compare WAC 388-273-0020 with 47 C.F.R. § 54.409 (as amended by the *FCC's Lifeline Order*).

3. Should there be a mechanism to ensure that all ETCs check their customers' eligibility either by using the BVS or by checking proof documentation for 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?

The FCC's new rules require that prior to receiving a Lifeline benefit from any ETC, including wireless ETCs, the eligibility of all customers must be verified. AT&T, of course, will be complying with these new national requirements and thus, we believe, additional action by the state is not necessary.

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

The *FCC's Lifeline Order* requires that the National Lifeline Accountability database be operational as soon as possible and no later than a year from the release of the *FCC's Lifeline Order*.¹⁴ As such, any interim solution would have to be implemented very quickly and would only be operational for a short period of time. Further, the Commission should ensure that any interim solution not burden ETCs who often operate nationally and will be working on implementation of the numerous requirements in the *FCC's Lifeline Order*. In addition to the new verification requirements imposed on Lifeline providers, the FCC is relying on ETCs to provide standardized data to populate the new database, a massive effort that will take significant carrier resources. For these reasons, any interim solution for duplicate Lifeline claims would have to be evaluated carefully.

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¹⁴ *FCC's Lifeline Order*, para. 185

9. 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?

AT&T believes that the outreach and marketing requirements contained in the Lifeline Order are adequate and that states wait until these requirements are implemented and tested before considering any additional state-specific parameters. AT&T, however, would welcome the opportunity to partner with state agencies to promote Lifeline. For example, in at least one other state, AT&T provides state agencies its Lifeline brochure and the state agencies distribute the brochure to those likely to qualify for Lifeline service.

IV. Conclusion

AT&T looks forward to participating in the workshop on February 22nd and will provide additional comments as appropriate.