Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of:	)	
	)	
Bridging the Digital Divide for Low-Income Consumers	)	WC Docket No. 17-287
	)	
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
	)	
Telecommunications Carriers Eligible for Universal Service Support	)	WC Docket No. 09-197

REPLY COMMENTS OF THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

The Pennsylvania Public Utility Commission (Pa. PUC) respectfully submits these Reply Comments to the Federal Communications Commission's (FCC or Commission) Notice of Proposed Rulemaking (NPRM) and Notice of Inquiry (NOI) included in the FCC's Fourth Report and Order adopted November 16, 2017 (*2017 FCC Order*), regarding the Federal Lifeline Program.[1] In its NPRM, the Commission seeks comments on reforms aimed at ensuring that the administration of the Lifeline program is on sound legal and financial footing, recognizes the important, Congressionally-mandated role of states, and works to eliminate waste, fraud, and abuse

[1]*See In the Matter(s) of Bridging the Digital Divide for Low-Income Consumers*, WC Docket No. 17-287, *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, *Telecommunications Carriers Eligible for Universal Service Support*, WC Docket No. 09-197, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry (FCC 17-155) (released December 1, 2017).

in the program. NPRM at ¶ 53. The *2017 FCC Order* addresses measures that attempt to bridge the digital divide for Lifeline subscribers. Comments were due on or before February 21, 2018, and Reply Comments are due on or before March 23, 2018.[2]

The Pa. PUC appreciates the opportunity to file Reply Comments. As an initial matter, these Reply Comments should not be construed as binding on the Pa. PUC in any matter pending before the Pa. PUC. Moreover, the Pa. PUC's position set forth in these Reply Comments could change in response to later events, including ex parte filings, the review of other filed Initial and Reply Comments, and legal proceedings or other regulatory developments at the state or federal level.

INTRODUCTION AND SUMMARY

The Pa. PUC files its Reply Comments largely in support of the Initial Comments of the National Association of Regulatory Utility Commissioners (NARUC). The Pa. PUC's Reply Comments are consistent with the *Resolution to Ensure that the Federal Lifeline Program Continues to Provide Service to Low-Income Households* (*2018 NARUC Lifeline Resolution*), which was passed during the February 2018 NARUC Winter Policy Summit. The Pa. PUC's Reply Comment also rely on information provided in the FCC's *Joint Monitoring Reports.*[3] The Pa. PUC's Reply Comments specifically address issues raised in the instant proceeding, as well as the *2018 NARUC*

[2] *In the Matter(s) of Bridging the Digital Divide for Low-Income Consumers,* WC Docket No. 17-287, Order (released January 23, 2018).
[3] *USF Joint Monitoring Report,* Docket No. 96-45 (2010) (*2010 Joint Monitoring Report)*; *USF Joint Monitoring Report,* Docket No. 96-45 (2016) (*2016 Joint Monitoring Report*).

Lifeline Resolution and several of the Comments filed by our counterpart utility regulatory commissions in other states.[4]

Specifically, the Pa. PUC advocates for the following:

(1) that the Commission eliminate the stand-alone Lifeline Broadband Provider (LBP) designation, reverse its preemption of state regulatory authority to designate eligible telecommunications carriers (ETCs),[5] and return to the statutorily-mandated practice of state ETC designation, except in those instances where a state cannot or will not make the requisite ETC designation;

(2) that the Commission encourage the Universal Service Administrative Company (USAC) and appropriate state agencies to work collaboratively to implement the National Eligibility Verifier (National Verifier) without unnecessary delay

(3) that the Commission not limit Lifeline to "facilities based broadband service provided over the ETC's voice and broadband capable last mile networks;"[6] and continue the long-standing practice of supporting Lifeline providers who do not own facilities to provide Lifeline service consistent with the Commission's *2005 Forbearance Order*,[7]

(4) that the Commission continue providing Lifeline support for voice-only Lifeline services, use the Independent Economic Household (IEH) worksheet and restore prior program eligibility criteria such as Pennsylvania's Low-Income Home Energy Assistance Program (LIHEAP), the National School Lunch Program (NSLP), and Temporary Assistance for Needy Families (TANF) to maximize program benefit;

(5) that the Commission prohibit Lifeline subscribers from self-certifying their continued eligibility during the Lifeline program's annual recertification process

[4] Comments were filed by California, Florida, Indiana, Michigan, Minnesota, Missouri, Nebraska, New York, Ohio, and Oklahoma.
[5] The Pa. PUC agrees with the Commission's request that the federal appeals court return the appeal of the *2016 Lifeline Order* to the FCC for subsequent disposition.
[6] NPRM at ¶ 65.
[7] *In re: Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, Docket No. 96-45 (September 8, 2005) (hereinafter *2005 Forbearance Order*).

when the consumer is no longer participating in the program used to demonstrate their initial eligibility for the Lifeline program; and

(6) that the Commission reject the opportunity to adopt a benefit limit to the Lifeline program as proposed in the Commission's NOI.

DISCUSSION

I. The Commission Should Eliminate The Stand-Alone Lifeline Broadband Provider Designation And Reverse Its Preemption Of State Regulatory Authority To Designate ETCs.

The FCC in its NPRM proposes to eliminate the LBP designation for ETCs as well as the preemption of state authority that accompanies such designations. NPRM at ¶ 54. The Pa. PUC supports this proposal.

The FCC established the LBP designation in its *2016 Lifeline Order*[8] and premised the framework on its authority to designate as an ETC a common carrier "that is not subject to the jurisdiction of a State commission."[9] In February 2017 the FCC released an Order on Reconsideration that revoked the streamlined LBP designations of several providers—some of which had contacted the Pa. PUC seeking to utilize the Commonwealth of Pennsylvania Access to Social Services (COMPASS) database housed at the Pennsylvania Department of Human Services (Pa. DHS)—and returned those petitions to a pending status before the Wireline Competition Bureau.[10] The Pa. PUC

[8] *Lifeline and Link Up Reform and Modernization et al.*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962 (released April 27, 2016) (*2016 Lifeline Order*).
[9] *Id.* at ¶ 240. *See also* 47 U.S.C. §214(e)(6).
[10] *Lifeline and Link Up Reform and Modernization et al.*, Order on Reconsideration, WC Docket Nos. 09-197 and 11-42 (released February 3, 2017).

supports this Commission action and the comments supporting that result. The action and results reflect restoration of a long-standing practice of state ETC designation under federal law, a practice unilaterally abandoned by the Commission in the *2016 Lifeline Order*.

In its NPRM, the Commission acknowledges that the preemption of state commissions' authority to designate LBPs as ETCs was challenged by NARUC and a coalition of states led by Wisconsin. The NPRM also states that the Court of Appeals for the D.C. Circuit remanded the legal challenge to the FCC for further proceedings at the Commission's request.[11] NPRM at ¶ 56. The Pa. PUC supports this action. The Pa. PUC submits that the FCC should use this opportunity to restore the long-standing practice of having the states make the ETC designations under federal law excluding those instances in which a state cannot or will not make the requisite designation. This includes instances where, upon reflection, a state commission decides to exercise the authority provided under federal law to make and subsequently revoke the requisite ETC designation.[12] This position was reflected in the *2018 NARUC Lifeline Resolution*.[13]

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[11]*See* Comments of the Nebraska Public Service Commission (NE PSC Comments) at 2 (filed February 21, 2018).
[12]*See, e.g., In re: Petition of Virgin Mobile for ETC Designation*, Docket No. 96-45 (March 5, 2009), ¶ 3, n. 8.
[13] Comments of NARUC (NARUC Comments) at 10 (filed February 21, 2018); *see also* Comments of the California Public Utilities Commission (CA PUC Comments) at 7-8 (filed February 21, 2018); Comments of the Michigan Public Service Commission (MI PSC Comments) at 2-3 (filed January 23, 2018); Joint Comments of the Minnesota Public Utilities Commission and the Minnesota Department of Commerce at 3 (MN Agencies Comments) (filed January 24, 2018); NE PSC Comments at 2; Comments of the Public Utility Division of the Oklahoma Corporation Commission (OKCC Comments) at 1-3 (filed February 21, 2018).

The Pa. PUC agrees with NARUC that the preemption of state regulatory authority to designate ETCs under federal law is inconsistent with the Telecommunications Act of 1996 (TA-96). As NARUC and the commenting states have articulated quite clearly, the plain text of TA-96 "provides state commissions with the primary responsibility for performing ETC designations." 47 U.S.C. § 214(e)(2). States are required to designate carriers as ETCs before they are eligible to receive any federal universal service subsidy *unless* the carrier provides telephone exchange service and exchange access that is not subject to the jurisdiction of a state commission.[14] Outside this singular exception, the FCC has no role in the ETC designation process.[15] The Pa. PUC contends that all ETCs—including stand-alone LBPs if the category is not abolished—must continue to be designated as set out by NARUC and the various state comments in this proceeding within the framework of cooperative federalism. The Pa. PUC agrees with those comments concluding that the required statutory process was unilaterally bypassed in the *2016 Lifeline Order* in a manner wholly inconsistent with 47 U.S.C. § 214(e) and the Commission's historical practice.[16]

[14] 47 U.S.C. § 214(e)(6).
[15] NARUC Comments at 11; MI PSC Comments at 2.
[16] The Pa. PUC believes that a statutory provision and experience matter. In the case of the statutory provision requiring a Lifeline provider to own facilities, experience with that provision supports continuing the 2005 *Forbearance Order* which no longer required Lifeline providers to own facilities as a condition of providing Lifeline service. The expansion in Lifeline service that ensued from that decision supports its continuation. On the other hand, experience with the statutory provision on ETC designation demonstrates that the states are well-positioned to continuing making ETC designations as required by that provision when doing so facilitates the ability to address concerns with public safety, reliability, quality of service, and adequacy as well as reducing waste, fraud, and abuse. This is preferable to having the Commission expend scarce resources attempting to do this.

The Pa. PUC also agrees with comments that this approach is appropriate because the states have a process in place to review carriers' applications for ETC designation and to designate carriers operating in various states, including Pennsylvania, when it comes to ETC designation. Thus, the Commission does not have to "reinvent the wheel," as states like Pennsylvania already have an ETC designation process in place and have been using it for some time.

The Pa. PUC further agrees that re-establishing the role of state commissions in ETC designations will better ensure the integrity of the Lifeline program and likely result in less waste, fraud, and abuse.[17] State commissions, like Pennsylvania, have the personnel, resources, and framework in place to provide a thorough review of ETC applications, as well as more oversight to the program and its operational efficiency, than is available at the FCC alone.[18] The Pa. PUC has been a consistent supporter of filings that advocate the kind of cooperative federalism proposed in the instant NPRM. States are best suited to address consumer and competitor complaints and concerns that arise within their borders concerning services supported by Section 254 under the Section 214(e)(2) designation process.[19] And, a state's withdrawal of an ETC designation is a timely and decisive policing method for preserving the integrity of the federal Lifeline program.

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[17]*See also* NARUC Comments at 14-15.
[18]*See also* the CA PUC Comments at 6-7; Comments of the Indiana Utility Regulatory Commission (IN URC Comments) at 2 (filed January 24, 2018).
[19] February 22, 2016 *Letter from David E. Screven, Assistant Counsel for the Pa. PUC to Marlene Dortch, FCC Secretary*, in WC Docket No. 11-42.

Pennsylvania's ETC designations reflect a mutually agreed-upon commitment by an applicant and the Pa. PUC to address and resolve consumer concerns with issues such as public safety, reliability, quality, and adequacy of service. These concerns typically are resolved based on the Pa. PUC's rules governing other telecommunications services, and the Pa. PUC's process includes an important problem-solving and dispute resolution function by our Bureau of Consumer Services (BCS). This practical regulatory approach reflects the reality that most consumers in the states typically approach their state commissions for information on Lifeline services and for assistance with related problems. The result avoids burdening the Commission with the need to address concerns and, importantly, satisfies the shared Commission and state concerns with minimizing waste, fraud, and abuse in the program.

The Pa. PUC has an inherent interest in enforcing state and federal law in ensuring that carriers are required to seek ETC designations and that they fulfill certain facility and service parameters.[20] By returning to the traditional ETC designation process, the FCC and the states will restore their respective roles in monitoring and enforcing ETCs' activities. Further, this action will resolve and render moot two issues for which the Pa. PUC sought clarity in its Petition for Clarification filed at the Commission following

[20] *Id.*; *see also* NARUC Comments at 15 ("In some cases, States have revoked or refused to grant an ETC designation pursuant to Section 214(e). This capability is a crucial component for policing the federal fund to eliminate bad actors.").

the release of the *2016 Lifeline Order*.[21] In its 2016 Pa. PUC Petition, the Pa. PUC sought clarification regarding (1) the states' roles in regulatory enforcement and consumer protections as they apply to LBPs; (2) whether LBPs were required to provide notification and register with state commissions when they began operating in the state; and (3) the FCC's action on pending compliance plans submitted for approval by voice-only ETC applicants seeking designation in Pennsylvania.[22] If the stand-alone LBP category is eliminated, these first two requested points of clarification no longer need to be addressed, leaving the FCC to act only on the pending compliance plans. This, in turn, provides an opportunity to allocate more resources to review and approve those compliance plans required as a part of the ETC designation process, a function performed by the Commission.

The Pa. PUC also believes that the current statutory scheme requires the elimination of the stand-alone LBP category entirely. The Pa. PUC further agrees with NARUC that, absent forbearance, all Lifeline providers must offer all listed supported services; this continues to include voice-only service. The LBP designation appears structured to allow carriers to participate in the Lifeline program without assuming voice service obligations.[23] The Pa. PUC does not believe that result is consistent with federal law or consumer expectations. Section 214(e)(1)(a) requires ETCs to offer the services

[21] Pennsylvania Public Utility Commission, Petition for Clarification of the *Lifeline and Link Up Reform and Modernization*, Third Report and Order, WC Docket Nos. 11-42, 09-197, 10-90 (filed June 23, 2016) (2016 Pa. PUC Petition)
[22] *Id.* at 1-2.
[23] NARUC Comments at 11.

that are supported by the universal service support mechanisms under Section 254(c). The FCC must correct its rules to ensure that LBPs offer all supported services, including voice service.

Following the Commission's *Restoring Internet Freedom Order*,[24] which re-designates broadband internet access services (BIAS) as an information service rather than telecommunications service, it is even more critical that LBPs be required to offer voice service. In the NPRM, the Commission asks whether reversing the decision to preempt states' authority made in the *2016 Lifeline Order* will resolve the legal issues surrounding LBPs and their designation process. In its comments, NARUC responds as follows:

> If reversing the preemption results in requiring any carrier seeking a broadband-only designation to go first to each State in the proposed area of operation, then the answer is such reversal would cure one illegality in the *2016 Lifeline Order*, but would still unlawfully permit carriers to offer only a non-telecommunications service.[25]

The FCC should not only reverse state preemption and eliminate rules that would allow the Commission to supplant state ETC designation procedures but also require LBPs to offer all federal universal services that are supported by the Lifeline support, including voice service.

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[24] *Restoring Internet Freedom*, Declaratory Ruling, Report and Order (*Restoring Internet Freedom Order*), WC Docket No. 17-108, FCC 17-166 (Released on January 4, 2018).
[25] *See* the NARUC February 2016 *Resolution on Reform of Lifeline Program* encouraging the FCC and states to facilitate access to state social service databases to verify Lifeline applicants' eligibility; *see also* MN Agencies Comments at 3; NE PSC Comments at 10.

II. The Commission Should Encourage USAC And Appropriate State Agencies To Work Collaboratively To Implement The National Verifier Without Unnecessary Delay.

In its NPRM, the FCC seeks comment on how states can be encouraged to work cooperatively and collaboratively with USAC to integrate state databases—including the Pa. DHS COMPASS database in Pennsylvania—into the National Verifier without unnecessary delay. Specifically, the Commission posits whether new Lifeline enrollments should be halted if the launch of the National Verifier is unnecessarily delayed in individual states. NPRM at ⁋ 60. In the FCC's estimation, this measure would protect the integrity of the enrollment and eligibility determination process and prompt all states to join the National Verifier in a timely manner.

The Pa. PUC believes that USAC and state commissions or other agencies housing databases with eligibility information should work collaboratively to implement the National Verifier.[26] States should labor diligently to join the National Verifier in a timely manner. In Pennsylvania, the Pa. DHS has been working alongside USAC to complete a Computer Matching Agreement (CMA) before information technology (IT) development work proceeds forward; the Pa. PUC has received occasional updates from the Pa. DHS and USAC about the progress of this collaboration.[27]

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[26] *Id.*

[27] The Pa. PUC has learned, for example, that the Pa. DHS has recently prioritized the IT upgrades needed to facilitate access to COMPASS so that the National Verifier can operate sooner in Pennsylvania than would otherwise be the case. The issue of contract execution between Pennsylvania and USAC is also under development.

However, the Pa. PUC opposes the Commission's proposal to halt Lifeline enrollments if implementation is unnecessarily delayed by individual states or otherwise. The Pa. DHS has recently approved the IT prioritization necessary to facilitate Pennsylvania's joinder with the National Verifier and we expect to be prepared by June 2018. If states' joinder remains a work in progress, however, that should not prevent the continuous enrollment of eligible Lifeline customers and households. The Pa. PUC supports those comments opposing such a result due to state delays when, in fact, multiple entities involved with the implementation of the National Verifier have faced understandable delays. USAC itself has already delayed rolling out the National Verifier, unable to meet the hurried schedule of the *2016 Lifeline Order*.[28]

As the OKCC recognizes in its comments, creating the underlying infrastructure for the National Verifier is a significant undertaking, and additional delays of launch dates should be anticipated.[29] Similarly, the MN Agencies in their comments identify that state laws or other state-specific circumstances may temporarily delay implementation in some locations.[30] If states are unable to accommodate a scheduled

[28] *Wireline Competition Bureau Announces Postponement of Initial Launch Date of the National Lifeline Eligibility Verifier*, Public Notice, WC Docket No. 11-42 (released December 1, 2017).
[29] OKCC Comments at 3; *see also* MN Agencies Comments at 4; MI PSC Comments at 4 ("Factors that may impact progress toward the integration of state databases into the national database include technical parameters, financial costs, staffing levels, time required for construction and testing, contractual issues, and the prioritization of other internal state projects that are currently ongoing in a state.") (filed January 23, 2018).
[30] MN Agencies Comments at 4.

launch date, withholding Lifeline service from eligible consumers is not the proper response.[31]

The Pa. PUC agrees and is also concerned about the impact of the subjective standard of "unnecessary delay" proffered by the FCC on vulnerable Lifeline-eligible consumers who rely heavily on Lifeline support to connect to their communities. The consumers who increasingly rely on wireless resellers for Lifeline play no role in any delay. The Pa. PUC does not see the logic behind making vulnerable consumers bear the consequences of an enrollment freeze in response to the actions of distant regulatory agents.

Moreover, the Pa. PUC is concerned that a halt in Lifeline enrollments in states that have "unnecessary" delay could chill the market to provide Lifeline services to eligible consumers.[32] Providers and consumers would be uncertain whether their states' delays in providing access for National Verifier purposes will or will not be halted. That, in turn, may make providers less willing to enter areas where National Verifier database access has not been accomplished, let alone in places where the Commission concludes a delay is unnecessary. There may also be inadvertent harm to competition. A halt to

[31] *See* OKCC Comments at 4.
[32] Three wireless resellers who purchase minutes from the wholesale market – America Movil (owner of TracFone), I-Wireless, and Budget PrePay – receive over 42% of the revenues for providing service to eligible Lifeline consumers. The second largest provider, SoftBank (owner of Sprint), owns a network and secures about 15.6% of the revenues for providing service to Lifeline customers. This means that four wireless providers collectively receive roughly 57% of the revenues for providing service to Lifeline consumers. Of those four providers, three are wireless resellers who do not own networks. *See 2016 Joint Monitoring Report*, Table 2.5. An enrollment halt or revocation of the *2005 Forbearance Order* would adversely impact the consumers these carriers serve.

Lifeline enrollments would slow the end-user demand for resold wireless minutes considerably. This slow-down in end-user demand, in turn, harms resellers who sell those wireless minutes to end-users, which, in turn, harms network owners who sell wireless minutes to resellers. Information of public record demonstrates that about 95% of all subscribers served through a wholesale intermediary, i.e. wireless resellers in this instance, are served by three network operators (Cingular (now AT&T), Verizon, and Sprint).[33] Those network owners, however, do not provide Lifeline nearly as extensively as wireless resellers.[34] Consequently, the Pa. PUC is concerned that freezing Lifeline enrollments will have an adverse impact on what is clearly the current Lifeline consumer trend: substantial market reliance on resold wireless Lifeline service.

While the Pa. PUC appreciates the Commission's goals of ushering states into use of the National Verifier without undue delay to improve the integrity of the Lifeline program, faced with the current realities of implementing such a massive undertaking, the Pa. PUC advocates that the Commission not halt Lifeline enrollments for eligible consumers who depend on these services.[35] Alternatively, however, if the FCC

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[33] *In re: Consent to the Transfer of Control of Licenses and Authorizations from Nextel Communications, Inc. and its Subsidiaries to Sprint Corporation*, Docket No. 05-63, Joint Declaration of Stanley M. Besen, Steven C. Salop, and John R. Woodbury (February 8, 2005), para. 50. The Pa. PUC is unable to conclude that three providers supplying 95% of any given commodity constitutes vigorous competition.

[34] Table 2.5 of the *2016 Joint Monitoring Report* shows that Verizon, AT&T, CenturyLink, Frontier, and Windstream, provide about 10.3% of Lifeline service. If SoftBank is included because it is the majority owner of Sprint, the total Lifeline service they collectively provide is about 26%.

[35] *See* Comments of the Florida Public Service Commission (FL PSC Comments) at 6 (filed February 21, 2018).

determines that halting Lifeline enrollments for unnecessary delays by states is appropriate, then, like the position advocated by the FL PSC, the Pa. PUC suggests that consumers be able to enroll using federal eligibility criteria that are not contained in a state database.[36]

III. The Commission Should Not Limit Lifeline Support To "Facilities-Based Broadband Service Provided Over The ETC's Voice-And-Broadband Capable Last Mile Networks."

The FCC proposes to limit Lifeline support to facilities-based providers only in an effort to further eliminate waste, fraud, and abuse, and to encourage investment in broadband networks. NPRM at ¶¶ 66, 68. The Commission seeks comment on how its proposal will impact the availability and affordability of Lifeline broadband services as well as the number of Lifeline providers participating in the program.

Although the Pa. PUC supports reasonable efforts to further eliminate waste, fraud, and abuse from the Lifeline program, the FCC's proposal would have a substantial negative impact on Pennsylvania's Lifeline subscribership. While the Pa. PUC will not have enrollment totals for calendar year 2017 until June 2018, as of December 2016 there were 508,486 total Lifeline subscribers in Pennsylvania. Of those subscribers, 418,200, or 82%, received service through wireless resellers, while 90,286, or 18%, were enrolled with facilities-based providers (wireline and wireless). Additionally, the *Joint Comments of Pennsylvania's Low Income Consumers, Service Providers, Organizations, and Consumer Rights Advocates* (Pa. Joint Commenters) suggest that approximately 85%

[36] *Id.*

(more than 450,000) of Pennsylvania's economically vulnerable Lifeline subscribers receive service from non-facilities-based providers.[37] Each of these representations of Lifeline subscribership in Pennsylvania paints a consistently bleak picture for the program if the Commission proceeds with its proposal to limit Lifeline support to "facilities-based broadband service provided over the ETC's voice-and-broadband capable last mile network."

This Pa. PUC data supports the comments of the Public Utilities Commission of Ohio (PUCO) that wireless Lifeline providers have become the primary providers of Lifeline service, and that this FCC proposal, if adopted, would eliminate support for most wireless Lifeline service providers and negatively affect the vast majority of today's Lifeline subscribers.[38] The Nebraska Public Service Commission adds that through the advantages offered by prepaid wireless services, millions of consumers have stayed connected despite individual hardship due to sudden financial loss or temporary displacement.[39]

The Pa. PUC does not believe it is in the public interest to discontinue Lifeline support for non-facilities-based Lifeline services, a perspective shared by many state

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[37] Pa. Joint Commenters Comments at 2.
[38] Comments of the Public Utilities Commission of Ohio (PUCO Comments) at 2 (filed February 21, 2018). *See also* FL PSC Comments at 2; IN URC Comments at 3; Comments of the Missouri Public Service Commission (MO PSC Comments) at 2-3.
[39] NE PSC Comments at 4.

commissions.[40] The Pa. PUC also agrees with NARUC that, at this point in the evolution of the Lifeline program, shifting support to facilities-based carriers only will severely undermine the purpose of the program and dramatically reduce subscriptions by qualified consumers.[41]

NARUC's comments are supported by the FCC's own *Joint Monitoring Reports*.[42] The Commission's Lifeline program has long been a bipartisan effort from the establishment of the initial program under President Reagan in 1984, through expansion of the program eligibility to include TANF and NSLP under President Bush in 2004. The *2005 Forbearance Order* under President Bush permitted wireless resellers to provide Lifeline services. More recently, the FCC under President Obama established the Broadband Lifeline program in 2016.

This bipartisan effort has produced results. Housing units with wireless expanded from 34.5 per 100 in 2000 to 90.1 per 100 in 2010, reflecting the growth in wireless service, including service by wireless resellers to Lifeline consumers starting in 2005.[43] The growth in the number of subscribers behind that expansion in housing unit access from this bipartisan effort has also been considerable, particularly following the

[40] *See* FL PSC Comments at 2-3; MI PSC Comments at 5; MN Agencies Comments at 5; NE PSC Comments at 4; Comments of the New York Public Service Commission (NY PSC Comments) at 1 (filed February 21, 2018); PUCO Comments at 2; OKCC Comments at 4.
[41] NARUC Comments at 18.
[42] *USF Joint Monitoring Report*, Docket No. 96-45 (2010)(*2010 Joint Monitoring Report)*; *USF Joint Monitoring Report*, Docket No. 96-45 (2016)(*2016 Joint Monitoring Report*).
[43] *2010 Joint Monitoring Report* at 6-13, Table 6.1.

2005 Forbearance Order that allowed wireless resellers to serve Lifeline consumers.[44] The number of non-tribal subscribers grew from 6.8 million when forbearance was granted in 2005 to 12.1 million in 2015. Also, the revenue growth to service providers arising from this bipartisan support for Lifeline grew from $716 million for non-tribal Lifeline services in 2005 to $1.3 billion in 2015.[45] This Lifeline service provided to eligible consumers generates revenue for network owners who sell wireless minutes to Lifeline providers even as it benefits wireless resellers who get revenues for providing Lifeline service.

In addition, since the *2005 Forbearance Order* waiver of the statutory mandate that a carrier provide Lifeline using at least a portion of its own physical facilities, the Lifeline provider landscape has changed markedly due in large part to the Lifeline service provided by wireless resellers in their capacity as competitive ETCs (CETCs).[46] As of 2015, incumbents received $166 million in revenues compared to $1.342 billion received by CETCs. CETCs now receive about 89% of the claim support revenues from the Lifeline program. In comparison, back in 2000, incumbents received almost 99% of such revenues. While CETCs consist of wireline and wireless providers, Table 2.5 from the *2016 Joint Monitoring Report* shows that the vast majority of providers receiving Lifeline revenues are wireless resellers.

[44] *2016 Joint Monitoring Report* at 23, Table 2.1 (in thousands).
[45] *2016 Joint Monitoring Report* at 24, Table 2.2 (in thousands).
[46] *2016 Joint Monitoring Report* at 16, Table 2.4.

The Commission should not act precipitously to undermine this generation of bipartisan success. That is likely to occur if the Commission overlooks the critical role of wireless resellers by revoking forbearance from a statutory provision mandating the ownership of physical facilities for Lifeline service providers.

Given Pennsylvania's statutory directives that the Pa. PUC promote the competitive delivery of services whenever possible while also maintaining universal service,[47] the Pa. PUC is also concerned that eliminating wireless Lifeline service will result in less, not more, consumer choice. Further, the ensuing decline in the number of Lifeline consumers will undermine the industry's ongoing efforts to expand the revenue base needed to finance networks capable of providing advanced telecommunications and broadband services as envisioned by the Commission. Thus, rather than bolstering investment in facilities as the Commission's proposal envisions, it may in fact threaten such investment.

The available mix of the services provided also has changed, largely as a result of Commission policy. In 2009, one wireless reseller provided a free phone and 45 calling "units" to an eligible consumer. Since then, wireless reseller service has evolved to the point that consumers can obtain a free phone or a phone at reduced cost and a minimum of 500 minutes per month which, in some instances, includes limited broadband access and unlimited texting.

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[47] 66 Pa. C.S. § 3011(2) and (8).

This expansion of Lifeline services as a result of Commission policy is also described in NARUC's comments. As NARUC notes, there are now 11.3 million federal Lifeline subscribers, and more than 75% of low-income families in the program use non-facilities-based services. As the PUCO succinctly summarizes, the Lifeline program was originally implemented through monthly discounts to traditional landline services offered by incumbent local exchange carriers (ILECs). It expanded to include a non-facilities-based wireless carrier through the forbearance granted to TracFone in 2005. Following the TracFone forbearance, the FCC granted additional non-facilities-based carriers forbearance of the facilities requirement on a case-by-case basis until it granted blanket forbearance in 2012.[48] The Pa. PUC agrees with the PUCO statement:

> [W]ireless Lifeline service is not new[;] it is an established service offering with a long history behind it. It is…built into the lifestyles of hundred of thousands of Lifeline customers…across the United States. It is a service that these customers rely upon to maintain their connections to an ever-increasing mobile world.[49]

As the Pa. Joint Commenters identify, the affordability of Lifeline service from facilities-based providers in Pennsylvania—even with a Lifeline subsidy—is uncertain because these providers often require a contract for monthly service, purchase of equipment, and upfront or recurring fees.[50] Both the PUCO and the Pa. Joint

[48] PUCO Comments at 1-4; *also see Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656 (2012).
[49] PUCO Comments at 4.
[50] Pa. Joint Commenters Comments at 2.

Commenters emphasize that the unintended result of the FCC's proposal may be that many Lifeline subscribers must revert to wireline service with customers finding themselves tethered to their homes when needing to communicate.[51] Whereas these carriers offer a $9.25 discount on monthly service rates, resellers may offer service packages covered completely by the $9.25/month federal subsidy with no separate activation charge and often no contract.[52]

The OKCC also questions the FCC's assumption that directing Lifeline funding exclusively to facilities-based providers will result in the deployment of new voice and broadband-capable facilities.[53]

The information contained in the Commission's *2016 Joint Monitoring Report* shows that reinstating the statutory mandate to own facilities as a precondition to providing Lifeline support could greatly reduce the number of consumers who currently benefit from the Lifeline program.[54]

The *2016 Joint Monitoring Report* at Table 2.5 shows that 30 providers receive $1.5 billion in Lifeline revenues which constitutes the total universe of Lifeline provided in 2015. Of those 30 providers, five are major incumbent wireline network owners who have facilities. Those five incumbent wireline network owners of facilities collectively receive 10.3% of Lifeline revenues for providing Lifeline service. On the other hand, the

[51] PUCO Comments at 5; Pa. Joint Commenters Comments at 2.
[52] NARUC Comments at 21-22.
[53] OKCC Comments at 5.
[54] *2016 Joint Monitoring Report* at 27, Table 2.5.

top four wireless providers receive 57.7% of the revenues for providing Lifeline service. Of those four wireless providers, there is only one provider, SoftBank (Sprint wireless), that owns facilities to provide Lifeline. Sprint, however, receives 15.6% of the revenues for providing Lifeline service. This means that the six biggest owners of networks, which consist of the five major incumbent network owners and Sprint, receive about 25.9% of the revenues for providing Lifeline. Revoking the *2005 Forbearance Order* could dramatically reduce the Lifeline program given that the remainder of the revenues are generated by Lifeline providers who do not own facilities.

While Pennsylvania has not faced an ILEC's request to relinquish its ETC designation, the Pa. PUC has relied on the FCC's forbearance of the facilities requirement in designating non-facilities-based ETCs.[55] As mentioned above, the vast majority of Lifeline subscribers in Pennsylvania choose to utilize wireless resellers for Lifeline service. This has afforded consumers access to mobile Lifeline support and numerous service options and choices that are preferred in an ever-evolving digital world.[56] NARUC comments that the two largest facilities-based wireless providers are far from ubiquitous and are not comparable in terms of affordability when compared to

[55] Pennsylvania ILECs no longer resell Lifeline discounted retail services to competitive local exchange carriers (CLECs) per a 2015 FCC Order. *Lifeline and Link up Reform and Modernization et al., Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order*, *and Memorandum Opinion and Order,* WC Docket Nos. 11-42, 09-197, 10-90. (Released June 22, 2015).

[56] *See* NE PSC Comments at 5.

services provided by resellers. The FL PSC adds that prominent facilities-based carriers have already left the Lifeline market.[57]

Finally, we agree with commenters who point out that the Lifeline program was not designed to promote infrastructure deployment but rather was intended to ensure affordable service to vulnerable and low-income consumers.[58] The Pa. PUC agrees that the Connect America Fund (CAF) and other federal high-cost funds are more appropriate places to address infrastructure investment.

Therefore, the changes to the Lifeline market, the service offerings available through non-facilities-based carriers, and the needs of Lifeline customers over the last ten years amply support the Pa. PUC's change in its 2009 position opposing the FCC's forbearance to allow non-facilities-based ETCs to receive federal support. In determining whether to retain the forbearance that currently allows non-facilities-based ETCs to receive Lifeline support, the Commission must account for the way in which consumers want to have service delivered.[59]

Should the Commission reject the arguments made by NARUC and the state commissions, instead choosing to resurrect the requirement to limit Lifeline support to facilities-based ETCs only, the Pa. PUC suggests the FCC provide a lengthy transition period for subscribers to be notified, find alternative Lifeline providers, and avoid service

[57] FL PSC Comments at 2 (AT&T has withdrawn as an ETC where it is ineligible to receive high-cost support).
[58] *See* FL PSC Comments at 3; MN Agencies Comments at 5; NY PSC Comments at 2.
[59] NE PSC Comments at 4; *see also* OKCC Comments at 9.

disruptions.[60] The Pa. PUC agrees with the Pa. Joint Commenters and recommends that the FCC be decisive in eliminating barriers for low-income households to receive Lifeline assistance and spurring seamless transitions to another Lifeline carrier.[61] As an example, in 2015, Cricket Communications (Cricket) petitioned the Pa. PUC to relinquish its ETC designation. We required Cricket to make sure its Lifeline customers had at least one option for a seamless transition to another Lifeline carrier and prohibited a connection or deposit fee.[62] The FCC should anticipate similar exits from the market by non-facilities-based ETCs that choose not to take steps to meet the facilities requirement and establish necessary protections for vulnerable Lifeline subscribers.[63] The Pa. PUC shares the concerns of the Pa Joint Commenters, the MN Agencies, and others that returning to a facilities requirement at this stage in the Lifeline program would leave many Lifeline subscribers without a viable option for service.[64]

Finally, the Pa. PUC recognizes that our current support for upholding the *2005 Forbearance Order* diverges from our previous position set out in our Answer to the *Petition of Tracfone* (2009 Pa. PUC Answer) and subsequent Motion for Reconsideration following the *TracFone Modification Order and Virgin Mobile ETC Forbearance Order*

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[60] *See also* FL PSC Comments at 3; MI PSC Comments at 6.
[61] Pa. Joint Commenters Comments at 3.
[62] Cricket Communications, Inc., *Petition to Relinquish its Designation as an ETC under 47 U.S.C § 214(e)(2)*, Docket No. P-2010-2156502 (Order entered February 26, 2015).
[63] *See also* IN URC Comments at 4; MI PSC Comments at 5
[64] Pa Joint Commenters Comments at 2; MN Agencies Comments at 5.

in 2009 (2009 Pa. PUC Motion).[65] In the instant NPRM, the *Comments of Betty Ann Kane* state that a decision by the FCC to adhere to Section 254(b) of TA-96 and to limit Lifeline support to facilities-based voice and BIAS providers would indirectly affirm the underlying argument in the still-pending 2009 Pa. PUC Motion.[66] However, evolution in the Lifeline market has obviated these Pa. PUC concerns.[67] Since the *2005 Forbearance Order* and the 2009 Pa. PUC Answer and Motion, the regulatory landscape and the Lifeline services market have drastically changed. At that time, TracFone was the only wireless reseller to obtain ETC designation and become eligible to provide federal Lifeline service support without the ancillary statutory obligation to own at least a portion of the facilities used to provide supported services.[68] As discussed throughout our Reply Comments, that is no longer the case, and the services provided have evolved considerably. Therefore, the Pa. PUC no longer believes that the forbearance from the statutory obligation to own facilities is problematic.

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[65] Pennsylvania Public Utility Commission, Answer to the *Petition of Tracfone for Modification of Public Safety Answering Point Modification*, CC Docket No. 96-45, (filed March 4, 2009); *See* also, Pa. PUC Motion for Reconsideration of the *TracFone Modification Order and Virgin Mobile ETC Forbearance Order*, CC Docket No. 96-45 (filed April 3, 2009).
[66] Comments of Betty Ann Kane, Chairman of the Public Service Commission of the District of Columbia at 5-6 (filed February 21, 2018).
[67] A concomitant Petition to Withdraw will be filed in the near future.
[68] 2009 Pa. PUC Answer at 10; 19-20.

IV. The Commission Should Maintain Lifeline Support For Voice-Only Services, Use The Independent Economic Household Form And Prior Program Eligibility Criteria Such As LIHEAP, NSLP, And TANF To Maximize Program Benefit.

The FCC seeks comment on the proposal to phase-out Lifeline support for voice-only services and the current schedule to phase-out such support. NPRM at ¶ 75. Per the *2016 Lifeline Order*, the FCC adopted rules to gradually phase out Lifeline support for voice-only service to further the Commission's objective of transitioning to a broadband-focused Lifeline program. Support for voice-only services will begin decreasing in 2019 and decrease to zero dollars on December 1, 2021. The lone exception that will allow Lifeline support (up to $5.25 per month) for voice-only offerings to continue after December 1, 2021, occurs in census blocks where there is only one Lifeline provider. *Id.* at ¶ 74. Absent a lack of available funding, the Pa. PUC does not support the phase-out of Lifeline support for voice-only services.

The Pa. PUC supports the FCC maintaining voice-only services for both rural and urban Lifeline subscribers and, in line with the MI PSC Comments, agrees that voice-only service should continue to receive the full current $9.25 support.[69] At the outset, we note that the Commission itself acknowledges it is unclear whether low-income consumers in rural areas will be able to obtain quality, affordable voice service without Lifeline voice support. *Id.* at ¶ 76. Moreover, our state commission

[69] MI PSC Comments at 7.

counterparts consistently reach a similar conclusion that the Lifeline program should financially support phone service and require ETCs to offer voice service.[70]

The Pa. PUC is also concerned that the Commission's policy of forbearance of Lifeline service obligations for carriers that do not receive CAF II support for selected census blocks may degrade the availability of Lifeline supported voice services for eligible end-users and households. Such availability may be degraded because competitive alternatives for the provision of such Lifeline voice services may not exist in the relevant areas where most likely only non-facilities wireless providers furnish Lifeline voice services. Furthermore, recipients of CAF II support may also have carrier of last resort (COLR) obligations.[71]

The FCC's *2018 Section 706 Report*[72] recognizes that voice and broadband services are necessary as a matter of both federal law and policy, including 47 U.S.C. § 1302(d)(1). A decision that abandons the support for stand-alone voice, like stand-alone broadband, contradicts that Commission policy and undermines the Commission's ongoing support to encourage the deployment of networks capable of providing voice and broadband, both of which are essential services to American

[70] CA PUC Comments at 8; FL PSC Comments at 4; MN Agencies Comments at 6; MO PSC Comments at 4, 7; NE PSC Comments at 6-7; OKCC Comments at 9.
[71] Pennsylvania incumbent local exchange carriers (ILECs) have COLR obligations. In addition, all "eligible telecommunications carriers certificated to provide local exchange telecommunications service shall provide Lifeline service to all eligible telecommunications customers who subscribe to such service." 66 Pa. C.S. § 3019(f)(1).
[72] *In Re: Inquiry Concerning Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion706 Report*, Docket No. 17-199 (February 2, 2018) (*2018 Section 706 Report).*

consumers.[73] Such a result also limits the choice of consumers who may desire only voice service at a reasonable rate. Alternatively, if the Commission decides to proceed with this result, the Commission should maintain the exception that allows support for voice service in census blocks where only one Lifeline provider offers service.

These concerns are consistent with NARUC's comment that maintaining voice-only Lifeline service promotes consumer choice, especially as an alternative for consumers who would otherwise have to purchase a broadband bundle that is cost-prohibitive even with the Lifeline discount.[74] Demand for voice-only service still exists, and the Lifeline program should reflect it.[75]

The Pa. PUC shares the concern, as in other state comments, that medically vulnerable and elderly individuals require stable, affordable, and reliable voice service to access 911 services and to remain connected to their communities.[76] This will be increasingly important as Enhanced 911 (E911) service becomes ubiquitously available in rural and urban areas. The abandonment of a stand-alone voice requirement means that there is an increased likelihood of significant hardship to these consumers in the absence of voice-only service. In fact, the Pa. PUC advocates that the Commission

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[73] *In the Matter of Inquiry Concerning Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion*, Docket No. 17-199 (released February 2, 2018) at ¶¶ 15, 19, and 87.
[74] NARUC Comments at 24; *see also* FL PSC Comments at 4.
[75] *See* NE PSC Comments at 7 ("[T]here are still consumers that have not found the need to subscribe to services beyond stand-alone services.").
[76] *See* CA Comments at 14 ("[F]or most public safety needs, consumers can only reach 911 with telephone service."); MN Agencies Comments at 6; NE PSC Comments at 7-8.

should take care to consider whether redundancies should be required if the FCC chooses to forego supporting voice-only service options.

The Pa. PUC also submits that allowing a broadband-only provider to receive Lifeline support does not appear to be consistent with TA-96. Given the recent reclassification of BIAS as an information service in the *Restoring Internet Freedom Order*, the lone qualifying telecommunications service that carriers currently offer is voice service. As stated previously, TA-96 is clear that only providers of telecommunications services qualify for the federal Lifeline subsidy under Section 254(c). 47 U.S.C. § 214(e)(1). Section 254(c) is also clear that universal service is an evolving set of telecommunications services. 47 U.S.C. § 254(c)(1). As the FL PSC Comments note, TA-96 does not appear to allow a carrier that only offers broadband service to qualify as an ETC and receive universal service support.[77]

It is not clear how the Commission can promote and comply with the mandate in Section 1302(d)(1) of TA-96 to encourage "advanced telecommunications" service if one of the components of that service, i.e., voice, is not required as a matter of federal law. Section 1302(d)(1) defines "advanced telecommunications capability" as "high-speed, switched, broadband telecommunications capability that enables users to originate and receive high-quality voice, data, graphics, and video communications using any technology." 47 U.S.C. § 1302(d)(1). The Pa. PUC is concerned that abandonment of support for 'stand-alone' voice service may constructively abandon an obligation to

[77] FL PSC Comments at 4.

provide one of the four services, i.e., voice, even though it is an integral part of what constitutes advanced telecommunications under Section 1302.

The Commission has also sought input on the ancillary issue of how to use the current IEH worksheet, a worksheet designed to address situations where the National Lifeline Accountability Database (NLAD) shows that an individual is already receiving Lifeline at a given address. In their comments, the CA PUC and MI PSC have also raised the issue of program eligibility changes and how those changes impact the Lifeline program.

The Pa. PUC supports those comments encouraging the FCC to make use of IEH Form in such a way that multiple adults sharing a location count as separate households regardless of an alleged or real genetic, familial, or group relationship. The Pa. PUC does not think, for example, that two former children but now adults of a senior citizen residing in one location, even if some expenses are shared in common, constitutes only "one household" for purposes of determining support. The Pa. PUC believes that, as long as the Lifeline program budget permits, a better approach is to recognize that each adult constitutes a separate household within that address location. This approach recognizes the proliferation of multi-generational household arrangements in urban and rural areas. That social change should not operate to deny an otherwise eligible adult citizen support from the federal Lifeline program. The same logic should also govern group homes, treatment centers (particularly given the public health crisis surrounding opioid addiction), and similar private or public arrangements.

A second issue that has been commented on by certain state commissions is the issue of program eligibility. Although the Commission never solicited input on this issue, some comments have urged the Commission to restore programs the Commission previously eliminated from eligibility for Lifeline on a program participation basis. The Pa. PUC also supports the filed record comments of those states advising the FCC to consider restoring restore certain public assistance programs to the list of qualifying programs available to consumers for Lifeline eligibility (i.e., LIHEAP, NSLP, and TANF.[78]

The Pa. PUC is concerned that the loss of those program eligibility criteria harms consumers who may choose only to avail themselves of LIHEAP, NSLP and/or TANF contrary to the FCC's conclusion, expressed in the *2016 Lifeline Order*, that overlap in program participation warrants removal of these programs. This concern also reflects other state commissions' comments that the FCC should consider restoring the states' ability to use state-specific eligibility criteria to determine Lifeline eligibility.[79]
A Commission result in which the Commission criteria are floors, not ceilings, respects cooperative federalism and the divergent circumstances that exist in the states, territories, and the District of Columbia when it comes to addressing the needs of Lifeline-eligible consumers.

[78] 2016 Lifeline Order at 188.
[79] CA PUC comments at 12; MI PSC at 8, n 3.

V. The Commission Should Prohibit Lifeline Subscribers From Self-Certifying Their Continued Eligibility During The Annual Recertification Process When The Consumer Is No Longer Participating In The Qualifying Program That Demonstrated The Consumer's Initial Program Eligibility.

In its NPRM, the Commission notes that Section 54.410(f) of its rules allows subscribers to self-certify their continued Lifeline eligibility when such eligibility cannot be determined by querying an eligibility database. This is the case even where the subscriber seeks to recertify using a different qualifying program than the one used to demonstrate the subscriber's initial eligibility in the Lifeline program. NPRM at ⁋ 97. The FCC seeks comment on prohibiting subscribers from self-certifying their continued eligibility when they are no longer participating in the qualifying program that was the basis for their initial eligibility and certification. The Pa. PUC supports this prohibition.

The Pa. PUC has consistently opposed allowing Lifeline subscribers to self-certify their eligibility for the Lifeline program and supports requiring consumers seeking recertification to submit documentation certifying eligibility through a different qualifying program.[80] Pursuant to their state designation orders, Pennsylvania ETCs are responsible for independently recertifying Lifeline subscribers' eligibility by confirming consumers continued eligibility using the Pa. DHS COMPASS database.[81] The Pa. PUC

[80] *See* the MN Agencies Comments at 8; MO PSC Comments at 10; NE PSC Comments at 8; OKCC Comments at 12.

[81] The Pa. PUC acknowledges that currently, and until the National Verifier is implemented, Pennsylvania does allow Lifeline subscribers to self-certify their eligibility through federal programs where eligibility cannot be confirmed using the COMPASS database. *See* Pa. PUC *ETC Transition to Streamline Eligibility Criteria*, Docket No. M-2016-2566383 (Order entered November 9, 2016).

believes that prohibiting self-certification as the FCC prescribes will counteract waste, fraud, and abuse. To the extent practicable, USAC should review the documentation submitted to prove continued Lifeline eligibility. We agree with the NE PSC that eligibility should be determined by a database or documentation at the time of recertification; otherwise, it is counterproductive to invest resources into building the National Verifier.[82]

VI. The Commission Should Reject The Opportunity To Adopt A Benefit Limit To The Lifeline Program.

In its NOI, the FCC seeks comment on whether it should implement a benefit limit that would restrict the amount of support a household may receive or the length of time in which a household may participate in the Lifeline program. NOI at ⁋ 130. The Pa. PUC opposes this proposal. The Pa. PUC acknowledges the FCC's reasonable objectives of encouraging broadband adoption without reliance on the Lifeline subsidy and controlling the disbursement of scarce program funds. However, Lifeline is intended to help the most vulnerable consumers connect to their communities and participate meaningfully in society. Sound public policy supports ensuring that these individuals and households not only have telecommunications service, since the alternative is likely no service for many low-income consumers,[83] but also can access public safety provisions such as access to 911 services. Therefore, as long as consumers meet the Lifeline eligibility criteria and there is sufficient universal service funding for Lifeline, they should continue to receive

[82] NE PSC Comments at 9.
[83] *See* MN Agencies Comments at 12; MO PSC Comments at 12.

Lifeline services, including access to the federal subsidy, without limitation as to the duration or current level of the benefit.[84]

CONCLUSION

The Pa. PUC appreciates this opportunity to file Reply Comments addressing the Commission's efforts to reform the federal Lifeline program in order to preserve the program's integrity. The Pa. PUC reiterates that the positions for which it advocates are largely consistent with the recommendations advanced by NARUC and other state commissions.

In summary, the Pa. PUC advocates the following: (1) that the Commission eliminate the stand-alone LBP designation and reverse its preemption of state regulatory authority to designate ETCs to restore traditional federal and state roles and comply with TA-96; (2) that the Commission encourage USAC and appropriate state agencies to work collaboratively to implement the National Verifier without unnecessary delay, but not to halt Lifeline enrollments if delays occur because that only punishes vulnerable consumers; (3) that the Commission not limit Lifeline support to "facilities based broadband service provided over the ETC's voice and broadband capable last mile networks" because today the vast majority of Lifeline subscribers enroll using wireless resellers, which are affordable and provide preferred service options; (4) that the Commission maintain Lifeline support for voice-only services as demand for these services still exist and such service is critical to ensuring access to public safety services;

[84] MN Agencies Comments at 14.

(5) that the Commission, in order to lessen waste, fraud, and abuse, prohibit Lifeline subscribers from self-certifying their continued eligibility during the Lifeline program's annual recertification process when the consumer is no longer participating in the program used to demonstrate their initial eligibility for the Lifeline program; and (6) that the Commission reject the opportunity to adopt a benefit limit to the Lifeline program as proposed in the Commission's NOI because such a determination also injures vulnerable, low-income consumers.

THE COMMONWEALTH OF PENNSYLVANIA PUBLIC UTILTY COMMISSION

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