

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Telecommunications Carriers Eligible for Universal Service Support)	WC Docket No. 09-197
)	
Connect America Fund)	WC Docket No. 10-90
_____)	

REPLY COMMENTS OF THE ALASKA RURAL COALITION

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I. Introduction.

The Alaska Rural Coalition¹ (“ARC”) files its Reply Comments in this proceeding pursuant to the Second Further Notice of Proposed Rulemaking released by the FCC (the “Commission”) on June 22, 2015 seeking comment on methods to improve the administration and ensure efficiency and accountability of the Lifeline program.² The ARC appreciates the comments filed by other Alaska telecommunications providers in this docket.³ The ARC agrees with Alaska commenters and other rural carriers that there are several areas where the Commission can improve and streamline the Lifeline program.

The ARC membership consists of most of the rate of return incumbent rural local exchange carriers (“RLECs”) in Alaska, all of whom serve some of the highest cost areas of the nation.⁴ ARC members are generally small, rural telephone companies and cooperatives that serve tribal lands and endeavor to bring the highest quality of service possible to Alaskans.⁵

¹ The ARC is composed of Adak Telephone Utility, Alaska Telephone Company, Arctic Slope Telephone Association Cooperative, Inc., Bettles Telephone, Inc., Bristol Bay Telephone Cooperative, Inc., Bush-Tell, Inc., Circle Telephone & Electric, LLC, City of Ketchikan dba Ketchikan Public Utilities, Copper Valley Telephone Cooperative, Cordova Telephone Cooperative, Inc., Interior Telephone Company, Inc. Matanuska Telephone Association, Inc., Mukluk Telephone Company, Inc., North Country Telephone Inc., Nushagak Electric and Telephone Company, Inc., OTZ Telephone Cooperative, Inc., and The Summit Telephone and Telegraph Company, Inc.

² *Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket Nos. 11-42, 09-197, 10-90, Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, FCC 15-71 (rel. June 22, 2015) (“*Lifeline NPRM*”).

³ See *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of Alaska Communications, before the FCC (Aug. 31, 2015) (“*ACS Comments*”); See *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of General Communication, Inc. on Second Further Notice of Proposed Rulemaking, before the FCC (Aug. 31, 2015) (“*GCI Comments*”); See *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of AT&T, before the FCC (Aug. 31, 2015) (“*AT&T Comments*”).

⁴ See *Connect America Fund*, WC Docket No. 10-90, Comments of the Alaska Rural Coalition, before the FCC (Dec. 22, 2014) at 2 (“The assumptions that apply to the Lower 48 cannot be easily or fairly applied to Alaska. The Commission must be cautious or it will impose requirements that will overwhelm carriers attempting to provide broadband in the most challenging environment and foreclose

As in all tribal areas, Lifeline serves a vital role in Alaska.⁶ “Low levels of deployment are and have been directly correlated to historically lower levels of employment and household incomes on Tribal lands, and the Commission should not lose sight of this important factor when reforming the Lifeline program.”⁷ Many Alaskans are very low income, and Alaska’s various Native tribes rely on Lifeline in order to have access to telephone service.⁸ The Native population living in more urban areas continues to struggle with abject poverty and high unemployment. GCI notes that “Alaska Natives remain substantially disadvantaged across a wide range of social and economic indicators” when compared to the country as a whole.⁹ It is vitally important that the Commission ensure Lifeline service remains accessible and affordable

the expansion of quality, robust service.”); *see also* Letter from T.W. Patch, Chairman, Regulatory Commission of Alaska to Marlene H. Dortch, Secretary, Federal Communications Commission, Connect America Fund, *et al.*, WC Docket No. 10-90, *et al.* (Filed Feb. 4, 2013) (“Our discussion touched on how Alaska’s lack of roads and electric grids as well as other factors such as extensive reliance on satellite make application of national models to Alaska’s service providers inappropriate. We also discussed how regulatory uncertainty is hampering Alaska’s carriers’ ability to invest and borrow the funds needed to move towards universal broadband.”).

⁵ *See* Auction 902 Tribal Mobility Fund Phase I, AU Docket No. 13-53, Comments of the Alaska Rural Coalition, before the FCC (May 10, 2013) at 4 (“*ARC Tribal Mobility Comments*”) (“The Commission has recognized that ‘infrastructure generally is less developed on Tribal lands, particularly in Alaska.’ The cost of deploying mobile services in these areas of Alaska will be considerably greater because providers in the state face significantly higher costs for both ongoing operations and construction than do providers in the rest of the nation.”).

⁶ *See, e.g., In the Matter of the 2015 Eligible Telecommunications Carrier Report Filed by OTZ Telecommunications, LLC*, Docket No. U-15-048, OTZ Telecommunications, LLC’s Annual Filing in Compliance with 3 AAC 53.460, before the Regulatory Commission of Alaska (Mar. 31, 2015) at Exhibit D (“OTZT’s cell service out of the village of Selawik likely saved a life, possibly three, this winter.”).

⁷ *See Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of WTA—Advocates for Rural Broadband, before the FCC (Aug. 31, 2015) at 21.

⁸ *See Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Unserved and Underserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, FCC 00-208 (rel. June 30, 2000) at para. 5 (“We adopt measures at this time to promote telecommunications deployment and subscribership for the benefit of those living on federally-recognized American Indian and Alaska Native tribal lands, based on the fact that American Indian and Alaska Native communities, on average, have the lowest reported telephone subscribership levels in the country.”).

⁹ *GCI Comments* at 11.

to Alaska consumers. “While the FCC proceeds with reforming and modernizing its low-income programs the Commission must be conscientious in adopting reforms that could potentially degrade the success these programs have in Indian Country.”¹⁰

Lifeline “is a significant benefit to about 14 million families who otherwise could not afford phone service. It connects them to 911, social services, health care providers, and job opportunities.”¹¹ A transition from traditional telephone (wireline and mobile) to broadband without a corresponding change in benefit to low income Americans currently dependent on Lifeline creates an impossible choice between access to emergency assistance and broadband. The ARC appreciates the Commission’s commitment to broadband, but the transition being proposed by the Commission requires further study and consideration regarding the long term impacts on the program and those dependent on it. For example, the proposal by Connected America deserves further consideration and discussion as a potential alternative to a direct consumer subsidy for broadband.¹² The ARC is also concerned about the impact to the other Universal Service programs. Lifeline services and related benefits are available today because networks have been built using substantial universal service support from High-Cost and other key funding mechanisms. Increasing the funding for Lifeline by diverting funding from High-Cost will limit future investment in networks that are capable of providing broadband to customers, including Lifeline eligible customers.

¹⁰ See *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of National Congress of American Indians, before the FCC (Aug. 31, 2015) (“*NCAI Comments*”) at 4.

¹¹ Commissioner Clyburn’s Remarks to the New America Foundation, September 12, 2013. Available at: <https://www.fcc.gov/document/clyburn-remarks-lifeline-new-america-foundation>.

¹² See *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of Connected Nation, Inc., before the FCC (Aug. 31, 2015) (“*Connected Nation Comments*”).

II. The Commission should Use Caution when Establishing Minimum Lifeline Service Standards.

The *Lifeline NPRM* asked commenters to address whether the Commission should establish minimum service standards for both telephone and broadband service.¹³ The ARC believes that the Alaska Lifeline telephone market is already more competitive and offering services above the levels noted by the Commission. The Commission must continue to be mindful of the unique circumstances surrounding broadband in Alaska.

A. Telephone Service Standards in Alaska are Already Competitive and Above the Commission's Minimum.

The *Lifeline NPRM* asked commenters to address what it termed the “standard Lifeline market offering” of 250 minutes wireless calling minutes,¹⁴ and whether the Commission should require Lifeline service to provide unlimited talk and text.¹⁵ Alaska Communications Systems (“ACS”) and General Communication, Inc. (“GCI”) all noted to the Regulatory Commission of Alaska (“RCA”) in a related docket that the 250 minute standard is not applicable to Alaska, where a minimum Lifeline offering of 500 minutes is required.¹⁶ AT&T stated in that docket its

¹³ *Lifeline NPRM* at para. 15 (“In an effort to further these goals and extract the most value possible from the Lifeline subsidy, we propose to establish minimum service levels for all Lifeline service offerings to ensure the availability of robust services for low-income consumers.”).

¹⁴ *Lifeline NPRM* at para. 16 (“It has been over three years since the *Lifeline Reform Order*, and the standard Lifeline market offering for prepaid wireless service has remained largely unchanged at 250 minutes at no cost to the recipient.”).

¹⁵ *Lifeline NPRM* at para. 39 (“Since the cost of providing service has declined drastically, should we require mobile providers to offer unlimited talk and text to Lifeline consumers to maximize the benefit of the Lifeline subsidy?”).

¹⁶ 3 AAC 53.410(a)(15)(A); see *In the Matter of Investigation into the Impact on Alaska Consumers and Carriers of Lifeline Reform by the Federal Communications Commission*, I-15-002, Comments of Alaska Communications, before the Regulatory Commission of Alaska (Aug. 31, 2015) at 4 (“Currently, a wireless ETC is obligated to provide a minimum of 500 minutes of monthly free calling to a Lifeline subscriber⁷ – approximately 17 minutes per day.”); *In the Matter of Investigation into the Impact on Alaska Consumers and Carriers of Lifeline Reform by the Federal Communications Commission*, I-15-002, Comments of GCI, before the Regulatory Commission of Alaska (Aug. 15, 2015) at 3 (“Currently, Lifeline service in Alaska is a very competitive offering and it is unlikely that, absent material changes in the Lifeline program, that raising the minimum voice requirement for Lifeline

Lifeline plan includes 1200 minutes.¹⁷ States like Alaska are addressing the needs of their market, and it is appropriate for states to monitor and maintain appropriate benchmarks. The ARC believes the Commission should take note of Alaska’s already-competitive Lifeline market and should not adopt a new standard without an appropriate increase in Lifeline support.

B. Alaska Faces Unique Challenges that will Render any Broadband Benchmark Inapplicable.

The Commission sought comment on whether or not to establish a minimum broadband service standard, and what that standard might be.¹⁸ The ARC and GCI commented that there are infrastructure challenges in providing broadband that are unique to tribal lands and Alaska in particular.¹⁹ All tribal lands lag behind other portions of the nation in broadband deployment. “High costs associated with constructing and maintaining a communications network on tribal lands complicate deployment and economic circumstances are a substantial barrier to

(current 500 minutes/month) would materially impact GCI’s Lifeline offering.”); *see also Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of the Alaska Rural Coalition, before the FCC (Aug. 31, 2015) (“ARC Comments”) at 5 (“Many states, including Alaska, have adopted other minimums. Alaska regulations require a minimum Lifeline offering of 500 minutes.”).

¹⁷ *In the Matter of Investigation into the Impact on Alaska Consumers and Carriers of Lifeline Reform by the Federal Communications Commission*, I-15-002, Comments of AT&T, before the Regulatory Commission of Alaska (Aug. 31, 2015) at 2 (“This Lifeline plan includes 1200 minutes for calls that originate in the State of Alaska to anywhere in the United States.”).

¹⁸ *Lifeline NPRM* at para. 43 (“The Commission suggests that there should be an appropriate benchmark for fixed broadband if it is to be considered a Lifeline-eligible service. The Commission seeks comment on whether it should define a broadband benchmark based upon offerings that are typically found in ‘urban areas.’”).

¹⁹ *See GCI Comments* at 19 (“If the Commission is going to mandate some level of broadband that must be offered to Lifeline consumers, it must also take into account the limitations of existing networks in certain low-population, geographically challenged locations like Alaska, including with respect to backhaul.”); *RCA Comments* at 7-8 (“Many rural and remote areas, especially Tribal lands, currently lack access to affordable broadband infrastructure, and imposing an urban standard sets an unreasonable expectation, although significant deployment of infrastructure is underway.”).

adoption.”²⁰ The Commission must keep in mind that while Alaska is strenuously working to catch up to the Lower 48 in terms of infrastructure investment, an artificial benchmark would impede Alaska’s progress.

GCI and ACS noted that the Commission’s current support amount, whether the standard \$9.25 or the enhanced Tribal amount of \$34.25, is insufficient to support a modern, broadband capable network.²¹ While the ARC sees Lifeline support as a consumer benefit, it agrees with GCI and ACS that the benefit alone is insufficient to support a broadband capable network that is affordable to consumers.²² Alaska still faces unique challenges that make the cost of broadband more expensive than in the Lower 48.²³ The ARC urges the Commission to defer implementing a broadband benchmark at this time.

²⁰ See *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of Gila River Telecommunications, Inc. before the FCC (Aug. 31, 2015) (“*GRTI Comments*”).

²¹ *GCI Comments* at 19 (“It would not be possible to offer fixed or mobile Lifeline service with included data at the levels of lower 48 services in much of Alaska and maintain affordable rates, even with the enhanced tribal support and existing basic discounts.”); *ACS Comments* at 12 (“If the Commission determines that broadband capability at 10 Mbps downstream, 1Mbps upstream is a qualifying service, \$9.25 per month will not be a sufficient Lifeline benefit.”). See also *Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of Alexicon, before the FCC (Aug. 31, 2015); (“Alexicon maintains that the \$9.25 Lifeline credit amount is not sufficient for two reasons: (1) the cost of basic local service has increased since the 2011 USF/ICC Transformation Order, and (2) the cost of broadband services was not considered when setting the Lifeline credits that formed the basis of the \$9.25 interim amount.”).

²² *ARC Comments* at 9 (“The ARC supports a permanent Lifeline support amount of \$9.25 for voice service on non-tribal lands. However, the ARC believes that a Lifeline support level of \$9.25 will be wholly inadequate to provide broadband to Lifeline customers.”).

²³ See, e.g., *GCI Comments* at 5-6 (“Most of these communities are accessible only by air, boat, snow machine, or sled, and are unconnected by road, either to Anchorage or the next closest village. They must generate electricity locally – frequently using diesel or developing wind or hydroelectric energy because there is no intertied power grid. In some areas, the primary economy remains subsistence. Some of these 208 communities are located on islands far out in the northern Pacific; some are north of the Arctic Circle, located along Alaska’s coasts or its major rivers.”).

III. The Commission should take Careful Steps to Create More Streamlined ETC Processes.

The *Lifeline NPRM* asked for comments regarding “a number of reforms to increase the efficient administration of the program.”²⁴ The ARC believes there is significant consensus among Alaska carriers. The Commission should take actions to increase efficiency in the Lifeline program while ensuring that small, rural carriers are not taken advantage of.

A. A Federal or State Certification Database Must be Affordable to Small, Rural Carriers.

The FCC asked whether it should remove eligibility determinations from carriers²⁵ and establish a national verifier.²⁶ ACS strongly supports the creation of such a national verifier.²⁷ GCI supports the creation of state-level eligibility verifiers due to state-specific problems.²⁸ AT&T desires to see the same state agency that approves consumers for other state and federal benefits also approve the consumer for Lifeline support.²⁹

²⁴ *Lifeline NPRM* at para. 156.

²⁵ *Lifeline NPRM* at para. 63 (“We propose to remove the responsibility of conducting the eligibility determination from the Lifeline providers and seek comment on various ways to shift this responsibility to a trusted third-party and further reduce waste, fraud, and abuse in the Lifeline program, and leverage other programs serving the same constituency to extract saving for the Fund.”).

²⁶ *Lifeline NPRM* at para. 64 (“We seek comment on whether the Commission should establish a national Lifeline eligibility verifier (national verifier) to make eligibility determinations and perform other functions related to the Lifeline program.”).

²⁷ *ACS Comments* at 10 (“ACS supports the Commission's proposal to remove from ETCs the responsibilities of determining Lifeline eligibility, and periodically re-verifying that eligibility.”).

²⁸ *GCI Comments* at 20 (“Because states have unique programs, e.g., Denali Kid Care, allowing them to opt out and make their own third-party eligibility determination will keep verification closer to state-specific variations in program proof. Another reason for state-specific eligibility determination is that states have unique circumstances that a national verifier may not be able to address. For instance, address verification in Alaska will be very different than New York – postal address norming is less effective in parts of Alaska.”).

²⁹ *AT&T Comments* at 16 (“Specifically, the same state agency that manages SNAP/FDPIR would enroll consumers in the Lifeline program. The process would be “coordinated” in the sense that Lifeline enrollment would be a joint effort between the consumer, the state agency, and USAC.”).

The Rural Coalition is supportive of any proposal that removes the excessive regulatory burden of Lifeline verification,³⁰ but that proposal must be cost effective for carriers.³¹ Unlike other states, Alaska does not have a free-to-use state-specific verification database.³² The ARC agrees with GCI that there are likely state-specific concerns that may be best addressed by a state-level verifier. However, the ARC also recognizes that the creation of a state-level verifier is likely not feasible in all states. The ARC therefore supports the creation of a national verifier that is either free or very low cost, so that Alaska's smallest carriers can receive the same benefits as the largest carriers nationwide.

B. The Commission Should Carefully Transfer Lifeline Benefits Directly to the Consumer If Benefits Are Transferred At All.

The *Lifeline NPRM* sought comment on whether the national verifier or other entity should directly transfer Lifeline benefits to the consumer.³³ ACS and AT&T support this proposal as it will allow the consumer greater flexibility.³⁴ The ARC agrees with ACS and

³⁰ *ACS Comments* at 10 (“As ACS noted then, these duties impose substantial burdens on carriers, requiring interaction with numerous agencies with differing privacy policies, requiring the creation of secure databases to store consumers' sensitive personal information. The costs, risks and other burdens associated with these duties have only grown for all ETCs as the Commission has required annual re-certification of Lifeline customers.”).

³¹ *ARC Comments* at 11-12 (“The ARC is generally supportive of establishing a national verifier, but is concerned that the costs associated with such an entity may not make sense for small, rural carriers.”).

³² See, e.g., *In the Matter of Minnesota ETCs' 2013 Lifeline Recertification Results*, Docket No. P-999/M-14-20, Order, before the Minnesota Public Utilities Commission (Aug. 5, 2014) (“To minimize de-enrollments, use of the DHS database is encouraged to validate eligible subscribers and reduce the number of Lifeline subscribers needing direct contact.”).

³³ *Lifeline NPRM* at para. 106 (“Should the Commission require a national verifier, or work with other interested Federal and state agencies, to transfer Lifeline benefits directly to the consumer in the form of a portable benefit?”).

³⁴ See *ACS Comments* at 11 (“ACS supports the Commission's proposal to provide eligible Lifeline customers a portable benefit they could use with any ETC providing any qualifying telecommunications service- voice, broadband, or a combination- available at that customer's location. Lifeline customers should be permitted to take advantage of the competitive market that already exists for such services.”); *AT&T Comments* at 11 (“To eliminate these artificial ties that bind Lifeline customers to their existing providers, the New Lifeline would put the program benefit directly in the hands of eligible

AT&T that consumers should have the flexibility to choose the Lifeline carrier they prefer, but believes the FCC must fully investigate the costs and impacts before immediately implementing such a change.³⁵ Transferring benefits to consumers puts the burden on the consumer to ensure that it provides all required eligibility documentation and also to provide his chosen carrier with the benefit documentation. There is an increased chance of consumer confusion and frustration compared to the current Lifeline program. There is every chance that giving the consumer control of the Lifeline benefit may defeat the purpose of the program and provide fewer Alaskans access to low cost telecommunications services. The ARC believes the Commission should undergo a complete study of the issue and if the Commission decides to move forward, a very carefully planned transition to consumer-controlled benefits.

C. The Commission Should Not Add New Barriers to Eligibility.

The Commission asked whether Lifeline providers should be required to obtain photo identification from a subscriber to ensure that the customer's eligibility documentation is current and not expired.³⁶ The ARC agrees with AT&T that such a requirement is contrary to theme of making the Lifeline program more efficient.³⁷ The Commission should be looking for ways to streamline the Lifeline program, not add additional requirements that will have negligible benefit

consumers. As discussed below, all administrative oversight of the Lifeline program would be shifted to the Universal Service Administrative Company, including management and distribution of Lifeline benefits directly to Lifeline customers through a debit card.”).

³⁵ *ARC Comments* at 13 (“The ARC is not opposed to transferring Lifeline benefits directly to the consumer in theory, but believes the benefits will be muted in areas where Lifeline benefits are most needed... The ARC also remains concerned that transferring Lifeline benefits directly to the customer may introduce additional regulatory burdens and bog down the Lifeline program. The ARC believes more consideration ought to be given to the logistics of a transfer before it is adopted.”).

³⁶ *Lifeline NPRM* at para. 120.

³⁷ *AT&T Comments* at 38 (“The proposal to require providers to collect and retain even more personal information would run counter to the initiatives to reduce the burdens of the program and remove providers from the eligibility verification process.”).

and large administrative costs.³⁸ The ARC urges the Commission not to impose a photo identification requirement on Tribal consumers who are at increased risk of not having the required identification.

IV. Carriers Should be Allowed to Stop Offering Lifeline Benefits.

The Commission asked whether it should allow a carrier to cease provision of Lifeline service while still retaining its Eligible Telecommunications Carrier (“ETC”) designation.³⁹ ACS and AT&T support allowing a carrier to cease providing Lifeline if it so chooses.⁴⁰

The ARC is generally supportive of the idea that a carrier should not be forced to continue providing Lifeline service if it does not want to.⁴¹ The ARC’s only concern is that the process must treat all ETCs within a specific area equally. If a large, national carrier may pick and choose the areas where it wishes to provide Lifeline service, this has the potential to unfairly burden small, rural carriers that do not have the option of only serving urban centers. The

³⁸ *ARC Comments* at 14 (“There are significant administrative problems with photo identification since Lifeline Applications can be submitted via telephone or online. Providing a photo identification in those situations would add an unnecessary burden, particularly in light of the rigorous verification procedure required in the Lifeline program.”).

³⁹ *Lifeline NPRM* at para. 125 (“In this section, we seek comment on proposals in the record that the Commission permit ETCs to opt-out of providing Lifeline supported service in certain circumstances. Pursuant to section 54.405 of the Commission’s rules, carriers designated as ETCs are required to offer Lifeline supported service.”).

⁴⁰ *ACS Comments* at 19 (“The Commission should clarify that there is no independent obligation to serve Lifeline customers in areas not eligible for and receiving federal high-cost support... Service providers receiving CAF to offer voice and broadband services in high-cost areas therefore should be free to elect whether to participate in the Lifeline program in locations that are not eligible for CAF. Permitting ETCs to choose whether to deploy broadband to Lifeline customers in unsupported locations will ensure that the market identifies the most efficient solution.”); *AT&T Comments* at 28 (“Making participation in the Lifeline program voluntary for all service providers is one of the best ways to attract providers that want to compete for Lifeline consumers’ business and offer the types of value-added services desired by these consumers.”).

⁴¹ *ARC Comments* at 15 (“The ARC is generally supportive of ideas that allow carriers maximum flexibility to provide services in their service areas, but urges the Commission to be cautious when determining whether to relieve carriers of their Lifeline obligations.”).

Commission should advocate for a system that ensures rural carriers have an equal opportunity to cease provision of Lifeline services.

V. Updated Regulations Should Protect Consumers.

The Commission asked whether the Lifeline rules should be amended to treat sending text messages as sufficient usage to avoid de-enrollment from Lifeline.⁴² GCI fully supported counting text messages as usage for prepaid Lifeline.⁴³ The ARC agrees with GCI that “texting is an increasingly important way to use mobile devices.”⁴⁴ The Commission should not punish a consumer who chooses text messaging over voice calling.

The Commission proposed that providers must make a 24-hour customer service number available for customers to call to de-enroll from Lifeline.⁴⁵ Both GCI and AT&T objected to such a requirement.⁴⁶ GCI noted that requiring a Lifeline provider to maintain a 24-hour number for de-enrollment doesn’t make sense if the carrier doesn’t maintain a 24-hour number for non-Lifeline consumers.⁴⁷ The ARC agrees with these carriers that “such a rule is likely to create

⁴² *Lifeline NPRM* at para. 143 (“In light of the widespread use of text messages, and as part of our continuing efforts to modernize the Lifeline program, we seek comment on amending our rules to treat the sending of text message as usage for the purpose of demonstrating usage sufficient to avoid de-enrollment from Lifeline service.”).

⁴³ *GCI Comments* at 23 (“Subscriber texting should count as usage for purposes of the usage requirement for prepaid Lifeline.”).

⁴⁴ *GCI Comments* at 23.

⁴⁵ *Lifeline NPRM* at para. 150.

⁴⁶ *AT&T Comments* at 37 (“Requiring Lifeline service providers to staff and maintain dedicated, 24-hour contact numbers solely for the purpose of disconnecting Lifeline service would impose considerable costs on Lifeline providers that cannot be justified.”); *GCI Comments* at 27 (“Requiring carriers to maintain a 24-hour customer-service number for subscriber de-enrollment is unreasonable when a carrier does not maintain a 24-hour number for its non-Lifeline customers.”).

⁴⁷ *GCI Comments* at 27.

rather than solve problems.”⁴⁸ The Commission should not place such an expensive burden on small, rural carriers who cannot afford the associated costs.

The Commission sought comment on requiring all materials describing Lifeline service to include de-enrollment information.⁴⁹ The ARC agrees with GCI that such a rule is expensive and unnecessary.⁵⁰ Adding additional information to already convoluted forms is unlikely to give a significant number of consumers information. Further, a constant barrage of de-enrollment information has the potential to send the wrong signal to consumers. Under the Commission’s proposal, a consumer may choose the carrier he or she desires, and then must be constantly reminded of how to leave that carrier.

VI. Administration of Lifeline should Strive for Greater Efficiency without Losing Focus on the Lifeline Program’s Goals.

The Commission proposed reforms that are designed to increase efficiency in the administration of the Lifeline program.⁵¹ The ARC is supportive of measures that increase efficiency as long as they do not unfairly single out some consumers. Potentially removing Lifeline benefits from consumers who need that benefit is not the proper way to make the Lifeline program more efficient.

⁴⁸ *AT&T Comments* at 37.

⁴⁹ *Lifeline NPRM* at para. 151 (“We seek further comment on requiring Lifeline providers to publicize their 24-hour customer service number in a manner reasonably designed to reach their subscribers and indicate, on all materials describing the service that subscribers may cancel or de-enroll themselves from Lifeline services, for any reason, without having to submit any additional documents.”).

⁵⁰ *GCI Comments* at 28 (“There are already a host of required disclaimers, generally seen as “boilerplate” by consumers, contributing to the ungainly format of Lifeline application paperwork and contributing to customer confusion. There is no basis in the administrative record to find that adding prescribed termination text will increase voluntary terminations by subscribers, let alone to find that it would do so to a degree that offsets the incremental administrative burden and confusion.”).

⁵¹ *Lifeline NPRM* at para. 156 (“In this section of the FNPRM, we seek comment on a number of reforms to increase the efficient administration of the program.”).

A. The Commission Should Not Make any Change to the Current Definition of Tribal Lands.

The Commission noted that some Tribal lands contain urban areas, specifically pointing out Anchorage, Alaska as one example.⁵² The Commission sought comment on whether there should be a maximum population density before the enhanced Tribal benefit is discontinued.⁵³ A change to the definition of Tribal lands would have serious ramifications in Alaska. Tribal entities share alarm in this proposal. “The notion that the enhanced tribal Lifeline subsidy should be limited only to county level tribal lands with less than 15 people per square mile is blatantly absurd and severely misguided.”⁵⁴

All of Alaska is designated as Tribal lands.⁵⁵ GCI noted that Alaska has “the highest percentage of Native population of any state.”⁵⁶ There are multiple ARC member companies that have a majority of their Board, ownership, and employees who are Tribal members. These statistics are the same in Anchorage as they are in the rest of Alaska: Anchorage has the highest

⁵² *Lifeline NPRM* at para. 170 (“Certain Tribal lands have within their boundaries more densely populated locations, such as Tulsa, Oklahoma, which is eligible for enhanced Tribal Lifeline support as it is within a former reservation in Oklahoma, but nonetheless has a comparatively high population density compared to many other Tribal lands. We note there are other potential locations on Tribal lands, such as Chandler, Arizona; Reno, Nevada; or Anchorage, Alaska.”).

⁵³ *Lifeline NPRM* at para. 170 (“If we adopted an approach that focused Tribal support on less densely populated areas, what level of density would be sufficient to justify the continued receipt of enhanced Tribal lands support? What level of geographic granularity should we examine to apply any population density-based test?”).

⁵⁴ *NCAI Comments* at 5.

⁵⁵ See *Connect America Fund, et al.*, WC Docket No. 10-90, *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (“*Transformation Order*”) at note 197 (“Throughout this document, “Tribal lands” include any federally recognized Indian tribe’s reservation, pueblo or colony, including... Alaska Native regions established pursuant to the Alaska Native Claims Settlements Act (85 Stat. 688)...”).

⁵⁶ *GCI Comments* at 9.

percentage of Alaska Native/Native American population of any community in the United States with a population over 100,000.⁵⁷

GCI strongly opposes any change in the definition of Tribal lands in Alaska.⁵⁸ GCI specifically notes that the FCC's proposal could have adverse effects on GCI's current Lifeline offering.⁵⁹ The ARC does not specifically oppose GCI's reasoning. However, the ARC is much more concerned with the precedent that such a change by the Commission will have. The ARC notes that the enhanced Tribal support amount was created to combat the "unavailability or unaffordability of telecommunications service on tribal lands."⁶⁰ There is an abundance of data showing that consumers on Tribal lands face a gap in service and inherent cultural disadvantages.⁶¹ The Commission does not address whether the Lifeline services available in Anchorage would continue to be available and affordable without the enhanced Tribal support; it assumes they will be based solely on population density. This assumption ignores major differences between cities, particularly with regards to Anchorage.⁶² The purpose of the

⁵⁷ *GCI Comments* at 9.

⁵⁸ *GCI Comments* at 10 ("The FNPRM seeks comment on whether tribal land support should be reduced, or whether communities above a certain size, such as census-defined urban areas of more than 100,000 in population, should be excluded from the areas eligible for "tribal lands" enhanced support. With respect to Alaska, either step would undermine progress in promoting connectivity among low-income Alaskans, and particularly Alaska Natives.").

⁵⁹ *GCI FCC Comments* at 10-11 ("With respect to Alaska, either step would undermine progress in promoting connectivity among low-income Alaskans, and particularly Alaska Natives. Moreover, such steps would make it extremely difficult for GCI to maintain its current robust Lifeline service offerings that include unlimited calling to the vast majority of the state, and a basic level of mobile broadband and hotspot data capacity.").

⁶⁰ *Lifeline NPRM* at para. 169.

⁶¹ *See, e.g.*, Auction 902 Tribal Mobility Fund Phase I, AU Docket No. 13-53, Comments of the Alaska Rural Coalition, before the FCC (May 10, 2013) at 4 ("The Commission has recognized that 'infrastructure generally is less developed on Tribal lands, particularly in Alaska.'").

⁶² GCI notes that while Anchorage has a similar population to Tulsa, Chandler and Reno its density is significantly lower. *GCI Comments* at 13 ("The population densities of Reno and Tulsa are 14 and 13 times that of Anchorage, respectively.").

enhanced Tribal support amount is to assist Tribal consumers regardless of where they choose to live. The Commission should focus on these factors instead of introducing a new metric that could ultimately harm service on Tribal lands.

Allocation of Lifeline support dependent on a population threshold fails to serve to public interest of low income native populations depending on support for access to critical telecommunications. The ARC concurs with GRTI that the loss of enhanced Lifeline in tribal areas, including Anchorage, would leave those consumers without no alternate source of support and likely leave a gap in availability.⁶³ Other tribal entities agree that carving out low income consumers living on tribal lands fails to recognize the purpose of the enhanced Lifeline benefit and ultimately violates the public interest.⁶⁴

B. Creation of Uniform ETC forms.

The Commission proposed that it should create uniform official certification forms to be used by all ETCs, states and consumers.⁶⁵ GCI and AT&T support the creation of such forms.⁶⁶ The ARC agrees that adopting uniform forms will allow ETCs to save time and money, and to

⁶³ *GRTI Comments* at 15.

⁶⁴ *See Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of Nez Pierce Tribe on Second Further Notice of Proposed Rulemaking, before the FCC (Aug. 31, 2015) (“[I]t is clear to us that the intent of the Enhanced Lifeline program is to subsidize connectivity to all low-income consumers living on tribal lands.”); *See also Lifeline and Link Up Reform and Modernization, et al.*, WC Docket Nos. 11-42, 09-197, 10-90, Comments of the Oglala Sioux Tribe Utility Commission on Second Further Notice of Proposed Rulemaking, before the FCC (Aug. 31, 2015) (“The OSTUC has found that enhanced Lifeline support is critically important...”).

⁶⁵ *Lifeline NPRM* at para. 205 (“To increase compliance with the rules, facilitate administration of the program and to reduce burdens placed upon ETCs, we propose creating an official, standardized initial certification form, annual recertification form and ‘one-per household’ worksheet.”).

⁶⁶ *GCI Comments* at 23-24 (“The Commission should create ‘an official, standardized initial certification form [and a] recertification form’... The Commission’s concerns about whether consumers can understand such forms are well placed. Currently, the breadth and complexity of the required disclosures and questions make any Lifeline form, no matter how well designed, difficult to understand.”); *AT&T Comments* at 36 (“Adoption of standardized application and recertification forms is an example of a positive interim step that can help streamline program administration.”).

focus on other areas of greater benefit to consumers.⁶⁷ The ARC supports AT&T's proposal to treat such forms as a "safe harbor."⁶⁸ A carrier should not be forced to use the standardized forms if they have already spent time and energy creating their own forms, but the standardized forms should provide carriers with the safety of knowing the form is compliant with all applicable regulations. This will cause carriers to naturally transition to the standardized forms over time.

VII. Conclusion.

The ARC believes the Lifeline Program needs additional reform and a streamlined process for compliance with regulatory mandates. As discussed herein, many of the reforms proposed by the Commission would impose an impossible burden on those carriers serving the most rural areas. Careful consideration must be given to any expansion of the Lifeline program without careful review and consideration of the budget and debt collection procedures. The ARC remains gravely concerned that the potential for long-term problems for both consumers and carriers remains significant without adequate protections for all parties to the Lifeline Program.

The ARC strongly urges the Commission to retain the tribal designation for Anchorage, Alaska. At a minimum, the Commission must do a more thorough study of the issue. The suggested revision to the program would represent a wholesale change in the treatment of historic tribal lands. No such change should be made without careful consideration. The ARC does not believe the record before the Commission justifies such a change. There is no legal support for unilateral redefinition of tribal lands.

⁶⁷ *ARC Comments* at 18.

⁶⁸ *AT&T Comments* at 36 ("Standardized forms that provide a safe harbor for Lifeline providers are a step toward removal of Lifeline providers from the eligibility process altogether.").

Respectfully submitted on this 30th day, September 2015.

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