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October 30, 2015

VIA ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

Re: *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

Dear Ms. Dortch:

On October 28, 2015, Kathleen Abernathy, Executive Vice President of External Affairs of Frontier Communications ("Frontier") and I met with Ryan Palmer, Charles Eberle, Christopher Cook, Jay Schwarz, Trent Harkrader, Jodie Griffin, and Garnet Hanly of the Wireline Competition Bureau; Jon Wilkins of the Office of the Managing Director; and Jonathan Chambers of the Office of Strategic Planning & Policy Analysis. The parties discussed the attached presentation, which details Frontier's support for the Commission's efforts to modernize the Lifeline program to include broadband. Additionally, on October 29, 2015, I spoke briefly by phone with Jay Schwarz regarding how to accommodate fixed Internet speeds for rural areas into a minimum service standards framework. Specifically, I explained that the Commission could adopt standards based on speeds that were technically available in that area, similar to the condition in the recent *AT&T/DIRECTV Order*.[1]

Pursuant to Section 1.1206 of the Commission's rules, this letter is being filed electronically with your office.

Sincerely,

/s/ AJ Burton

AJ Burton

Attachment

[1] *See Applications of AT&T Inc. and DIRECTV for Consent to Assign or Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 30 FCC Rcd 9131, Appendix B (2015).

FCC Proposed Revisions to Lifeline Support

WC Docket No. 11-42

Kathleen Abernathy
AJ Burton
Frontier Communications

October 2015

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Frontier Support

- Frontier has long supported Lifeline for voice services because it affords low-income consumers critical access to communications capabilities.
- Given the life-changing benefits associated with broadband capability and access, it is time to modernize the Lifeline program to include broadband.
- A consistent, uniform, and nationwide Lifeline program expanded to support broadband is consistent with the underlying policies and goals associated with creation of the Lifeline Program.

Lifeline Broadband Pilot Program

- Frontier volunteered to participate in the Lifeline Broadband Pilot Program.
  - Frontier tested the effect of the program on adoption and retention via a digital literacy incentive.
- *Frontier Findings (which are consistent with FCC findings)*:
  - Mid-range speeds (6 Mbps) were most in demand.
  - Subscribers opted not to take digital literacy training even if it would mean an additional service discount or free computer.
- *Additional Key FCC Findings*:
  - *Cost Matters*. Cost to consumers has an effect on adoption and which plans they choose.
  - *Digital Literacy Training Has Limited Effectiveness*. Digital literacy training has a limited effect on converting non-adopters.

Incorporating Broadband

- Frontier supports the Commission's efforts to modernize the Lifeline program to include broadband.
  - Broadband access and adoption promotes economic growth.
  - Almost all commenters support adding broadband as a Lifeline-supported service.
- Consistent with including broadband in the Lifeline and other Universal Service programs, the Commission should also reform the contribution methodology to include broadband.

Third-Party Eligibility Verifier

- Benefits of shifting Lifeline certification and verification review to a third-party eligibility verifier:
  - Streamlines the program;
  - Promotes carrier-participation;
  - Protects consumer privacy; and
  - Reduces potential for fraud and abuse.
- Substantial support in the record.
- California system provides a good model:
  - Consumers submit documents to verifier.
  - Verifier performs eligibility verification functions, including reviewing eligibility and certification, checking for duplicates, and managing recertification.
- Customers and carriers should have a single point of contact rather than 50 different eligibility verifiers.

A Portable Benefit Promotes Consumer Choice

- A 21st Century program deserves a 21st Century payment system.
- Transferring Lifeline benefits directly to consumers via a portable benefit:
  - Promotes consumer choice;
  - Recognizes that the consumer is in the best position to choose a service provider;
  - Streamlines administration; and
  - Promotes carrier participation.
- A Third-Party Administrator and a portable benefit eliminates complex questions about consumer privacy and avoids complex enrollment and de-enrollment procedures.
- Many stakeholders, including public interest groups and providers, support a portable benefit.

Minimum Service Standards

- Minimum service standards may be a good idea in some respects but must not prevent or limit consumer choice.
  - The Commission asks about setting a minimum speed for fixed Internet services, such as 10 Mbps/1 Mbps.
    - Certain rural consumers, however, may not currently have access to 10 Mbps/1 Mbps fixed Internet speeds and would thus be prevented from choosing to use Lifeline for a fixed Internet service.
    - Even if higher speeds are available, a minimum speed standard may prevent a customer from opting for a lower speed plan that may better meet their budget.
- Different speed standards for wireless and wireline is not technology neutral and discriminates against one technology or the other. The consumer should be able to choose their preferred service.
- If the Commission adopts minimum speed standards, any such standards should apply only to Lifeline-targeted services, as proposed by Public Knowledge, AT&T, and others.
  - Limiting minimum service standards in this manner could promote growth in standards of Lifeline-targeted service offerings while preserving consumer choice.