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EX PARTE

Marlene H. Dortch
Secretary
Federal Communications Commission
455 12th Street, SW
Washington, DC 20554

Re: Fones4All Corp. Petition for Expedited Forbearance Under 47 U.S.C. § 160(c) and Section 1.53 from Application of Rule 51.319(d) to Competitive Local Exchange Carriers Using Unbundled Local Switching to Provide Single Line Residential Service to End Users Eligible for State or Federal Lifeline Service (filed July 1, 2005)

Dear Ms. Dortch:

In its Petition for Expedited Forbearance, Fones4All claims to fill a lifeline service marketing void through innovative promotional techniques uniquely effective at targeting low-income residential end users in California.¹ This is misleading. Lifeline availability is actively marketed in California independent of any Fones4All promotions.

The California Public Utilities Commission (the "CAPUC") contracts with a nationally recognized marketing vendor, Richard Heath & Associates, Inc. ("RHA") to aggressively market lifeline awareness throughout the state. RHA has a multi-year contract with the CAPUC to coordinate broad-based lifeline outreach programs on several levels. RHA's efforts include coordinated public relations promotional activities conducted across the state in concert with community based organizations.² For example, customizable flyers promoting lifeline

¹ Fones4All Corp. Petition for Expedited Forbearance Under 47 U.S.C. § 160(c) and Section 1.53 from Application of Rule 51.319(d) to Competitive Local Exchange Carriers Using Unbundled Local Switching to Provide Single Line Residential Service to End Users Eligible for State or Federal Lifeline Service (filed July 1, 2005) (the "Petition"), page 3.

² See, e.g., California Public Utilities Commission Report to the California Legislature, *Universal Telephone Service to Residential Customers* (June 2006), available at <http://www.cpuc.ca.gov/PUBLISHED/Graphics/57534.PDF>; see also RHA, Inc. Universal Lifeline Telephone Service, *Mid-Campaign Report* (April 20, 2005).

subscription are posted on RHA's website and can be downloaded by low-income service organizations – or anyone – for free.³ These flyers are available in nine different languages including English, Cambodian, Chinese, Hmong, Korean, Laotian, Filipino (Tagalog), Spanish, and Vietnamese. RHA even designed a California lifeline-specific logo and catchphrase (“Connect. . .and save.”) that are used throughout its outreach programs. In addition, all low-income consumers are targeted by RHA's print media and broadcast media advertising campaigns that reach many millions of people every year.⁴ For example, in the summer and fall of 2004, RHA bought or received more than 2,000 media “spots” for outreach promotions (287 television spots, 1,826 radio spots, and 71 newspaper spots).⁵ Over a two-week period alone in the winter and spring of 2005, RHA also bought or received approximately 1,000 media spots (338 television spots, 526 radio spots, and 24 newspaper spots).⁶

Such specialized outreach has contributed to robust lifeline subscribership in California. According to the most current Commission data, there were nearly three million lifeline subscribers in California through the end of 2004.⁷ And California has by far the most lifeline subscribers of any state with nearly five times as many lifeline subscribers as Texas, which follows California with approximately 600,000 lifeline subscribers.⁸ In fact, more than 40 percent of the nation's seven million total lifeline subscribers live in California.⁹

Pursuant to Section 1.1206(b) of the Commission's rules, one electronic copy of this notice is being filed in the above-referenced proceeding.

Sincerely,



cc:	S. Bergmann	I. Dillner	R. Crittendon	A. Kirschenbaum
	M. Carey	G. Cohen	W. Dever	J. Miller
	S. Deutchman	B. Childers	W. Kehoe	J. Veach

³ See RHA, Inc., Lifeline Telephone Service Collateral, *Customizable Ads to Download* (September 20, 2006), available at <http://www.rhainc.com/ults/collateral.html>.

⁴ See RHA, Inc. Universal Lifeline Telephone Service, *Mid-Campaign Report* (April 20, 2005).

⁵ *Id.*

⁶ *Id.*

⁷ Federal-State Joint Board on Universal Service, *Universal Service Monitoring Report* (2005), Table 2.6 (Lifeline Subscribers by State or Jurisdiction), available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-262986A1.pdf.

⁸ *Id.*

⁹ *Id.*