

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)
)
Request for Review by) WC Docket No. 03-109
Verizon/Alltel Management Trust of)
Decision of Universal Service Administrator)

REPLY COMMENTS OF AT&T INC.

AT&T Inc. (AT&T), on behalf of its affiliates, agrees with Verizon and Verizon Wireless (collectively, Verizon) that the Wireline Competition Bureau (Bureau) should grant the Verizon/Alltel Management Trust appeal of several Universal Service Administrative Company (USAC) Lifeline audit findings.¹ Verizon commented on three audit findings that the Verizon/Alltel Management Trust appealed and AT&T agrees with Verizon's assessment on all of them. Briefly, USAC's auditors asserted that: Alltel had provided duplicative Lifeline discounts to a single household because a number of its subscribers shared the same billing address; Alltel inappropriately provided enhanced Lifeline discounts (i.e., discounts for persons residing on tribal lands) to persons whose billing addresses were located off of a reservation; and Alltel and another carrier each provided Lifeline discounts to the same subscribers, although USAC has not yet determined which carrier is "entitled to support."²

There is a common theme running through all three findings: What role, if any, should an eligible telecommunications carrier (ETC) have in questioning or policing a

¹ Comments of Verizon and Verizon Wireless, WC Docket No. 03-109 (filed Jan. 29, 2010) (Verizon Comments); Request for Review by Verizon/Alltel Management Trust of Decision of Universal Service Administrator, WC Docket No. 03-109 (filed Oct. 5, 2009) (Verizon/Alltel Management Trust Request).

² Verizon/Alltel Management Trust Request at 24.

subscriber's self-certification of eligibility? As AT&T has stated previously, it is appropriate for an ETC to rely on the certifications made by its subscribers under penalty of perjury.³ Indeed, the Commission itself recognized the merit of self-certifications, stating that "the ease of self-certification encourages eligible consumers to participate in Lifeline/Link-Up" and "certification of qualified program participation, under penalty of perjury, serves as an effective disincentive to abuse the system"⁴ As Verizon explains, if ETCs cannot rely on representations contained in these self-certifications, then it is meaningless to obtain them.⁵ Moreover, holding ETCs strictly liable for their subscribers' misrepresentations, as USAC is essentially recommending, will create a disincentive to provider participation in the Commission's low-income program, which means fewer choices for Lifeline-eligible consumers.⁶

No Commission Prohibition on Lifeline Subscribers Sharing a Billing Address.

Simply because several enhanced Lifeline subscribers share a Post Office box, for example, does not necessarily mean that those subscribers share a "household" and obtain more than one Lifeline discount per household in contravention of the Commission's requirements. As Verizon and the Verizon/Alltel Management Trust explain, it is common for individuals residing on reservations not to have street addresses associated with their residences and thus these individuals may have a Post Office box (including a

³ Comments of AT&T Inc., WC Docket No. 03-109, at 2-4 (filed June 16, 2008).

⁴ *Lifeline and Link-Up*, WC Docket No. 03-109, 19 FCC Rcd 8302, ¶ 27 (2004).

⁵ Verizon Comments at 3.

⁶ *Id.*

Post Office box that they share with others).⁷ That these individuals share a mailing address does not demonstrate to the ETC (or to the Commission) that these individuals also share a principal residence to which only one Lifeline discount may be provided.⁸ Additionally, as AT&T and others have explained in comments submitted previously to the Commission,⁹ multiple low-income consumers (including multiple family units) may reside at, and thus maintain households, at a particular address (such as in a group house, boarding house, homeless shelter, or a nursing home), each of whom may want to subscribe separately for wireless or wireline phone service for (*inter alia*) privacy reasons. In each of these cases, there might be multiple qualifying subscribers, each purchasing a “single telephone line” at his or her “principal residence,” consistent with the Commission’s orders.¹⁰ For these reasons, the ETC and the Commission should rely on the subscriber’s self-certification that he/she is obtaining only one Lifeline discount per household.

Location of a Subscriber’s Billing Address Is Not Always the Location of the Subscriber’s Principal Residence. Similar to the flawed USAC audit finding above, simply because an enhanced Lifeline subscriber’s mailing address is located outside of a reservation does not mean that the subscriber’s principal residence also is outside of the reservation, thus disqualifying that subscriber for an enhanced Lifeline discount. Moreover, unless some governmental entity were to inform ETCs whether particular addresses

⁷ *Id.* at 1-2; Verizon/Alltel Management Trust Request at 11-13.

⁸ Verizon Comments at 2.

⁹ AT&T Comments, WC Docket No. 03-109, at 3 (filed Nov. 20, 2009).

¹⁰ *Id.* (citing *Universal Service First Report and Order*, 12 FCC Rcd 8776, ¶ 341 (1997); *Lifeline and Link-Up Report and Order and FNPRM*, 19 FCC Rcd 8302, ¶ 4 (2004)).

are located on a reservation, AT&T is unsure that it could verify that a customer provided address is on a reservation even if it were to do a truck roll to the location. As Verizon notes, in these circumstances, it was reasonable for Alltel to rely on the Lifeline beneficiary's representation that he/she met the Lifeline qualifications and does in fact reside on a reservation.¹¹

ETCs Have No Way to Determine Whether Their Lifeline Subscribers Obtain Lifeline Discounts from Other ETCs. As Verizon explains, ETCs must rely on their subscribers' certifications, made under penalty of perjury, that they are obtaining just one Lifeline discount per household, and it would be inappropriate for several reasons for ETCs to share customer information to validate such certifications.¹² In the event that a low-income consumer is obtaining multiple Lifeline discounts from several ETCs and those ETCs each obtained a certification from the subscriber in question, then it seems appropriate for the Commission to direct any subsequent inquiry to the subscriber, not the ETCs.¹³

¹¹ Verizon Comments at 5.

¹² *Id.* at 6 (citing potential antitrust and customer proprietary network information concerns).

¹³ *Id.*

For the foregoing reasons, AT&T agrees with Verizon's Comments and requests that the Commission grant the Verizon/Alltel Management Trust appeal.

Respectfully Submitted,

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