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Marlene Dortch
Secretary
Federal Communications Commission
445 12th St., SW
Washington, DC 20554

**Re: *Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42;*
Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline
*and Link Up, WC Docket No. 03-109***

Dear Ms. Dortch:

On April 18, 2012, David Cohen of US Telecom and I spoke by phone to Kim Scardino of the Wireline Competition Bureau about several matters related to the implementation of the *Lifeline and Link Up Reform and Modernization Order (Order)*.¹ Among other things, we inquired about the timing of the public notice or public notices that will provide clarity around several key effective dates, including the effective date of the flat-rate \$9.25 federal Lifeline discount. We also asked about when Lifeline providers will see the so-called one-per-household worksheet that has been developed by the Universal Service Administrative Company (USAC)² and when USAC will make available its training materials that will “educate [eligible telecommunications carriers or ETCs] on the types of documentation . . . that may be presented by low-income consumers to demonstrate program and income-based eligibility for Lifeline.”³ Additionally, we also expressed our concern about the ability of states that perform varying degrees of the Lifeline eligibility determination to meet the June 1, 2012 deadline and the resulting effect a missed deadline will have on carriers providing Lifeline service in those states. We offer additional detail on our conversation below.

One-per-household worksheet and USAC training materials. We explained that at least one Lifeline provider – AT&T – is interested in including all of the new mandatory consumer certifications on a single Lifeline application form. Such an approach would eliminate the need for the ETC follow up a second time with a Lifeline applicant and thus would be more consumer friendly and less costly and burdensome to the ETC. To follow this approach, however, it (and any other Lifeline provider that is similarly interested in using a single form) must first obtain the one-per-household language from the Commission or USAC. Based on the *Order*, it does not appear that the “written document, to be developed by USAC” is mere guidance.⁴ Rather, it

¹ *Lifeline and Link Up Reform and Modernization et al.*, WC Docket Nos. 11-42 *et al.*, FCC 12-11 (rel. Feb. 6, 2012).

² *Order* at ¶¶ 78-79 & n.208.

³ *Id.* at ¶ 101.

⁴ *Id.* at ¶ 78.

seems that ETCs *must* use the FCC/USAC-supplied language verbatim. If true, the longer it takes for Lifeline providers to obtain this mandatory language from USAC or the FCC, the less likely it is that these providers will be able to use a single Lifeline application form on June 1. Although not discussed with Ms. Scardino, if USAC or the FCC delays releasing this mandatory language beyond May 1, we expect that many providers, including AT&T and USTelecom's members, may not be ready to use this new language beginning June 1 regardless of how many forms they plan to use. We also explained how Lifeline providers will need lead time to modify their methods and procedures (M&Ps) to incorporate USAC's documentation materials (i.e., comprehensive examples of acceptable forms of documentation) and educate their customer service representatives. The longer Lifeline providers have to wait for these materials, the greater the risk that the Lifeline providers' service representatives will not be fully prepared to evaluate customer-supplied documentation on June 1, 2012.

Effect on Lifeline providers if states that perform some or all of the Lifeline eligibility determination fail to meet the June 1 deadline. We shared with Ms. Scardino our concern that at least some states that currently perform some or all of the Lifeline eligibility determination on behalf of Lifeline providers in their states may not meet the FCC's June 1, 2012 deadline to bring their processes into full compliance with the FCC's new eligibility rules. We discussed what effect this might have on Lifeline providers operating in those states and the possibility of a waiver request.

Related to this topic, I raised the issue of the need for the Commission to clarify that it is appropriate for providers operating in states that make the Lifeline eligibility determination to continue obtaining reimbursement for providing discounted Lifeline service despite the fact that the providers do not have forms for some or all of these customers. USTelecom and other trade associations included this clarification request in their March 9, 2012 waiver petition.⁵ I also asked that the Commission extend this clarification to ILECs that resell Lifeline-discounted lines to other carriers. In this situation, ILECs also do not obtain the end-user customer's documentation. As the FCC acknowledges in its *Further Notice*, its current rules require ILECs to resell Lifeline-discounted lines to resellers.⁶ Until the FCC amends its rules and makes clear that ILECs are prohibited from providing Lifeline-discounted lines to resellers (something that AT&T supports), it must permit ILECs to continue to obtain reimbursement for these lines.

Please do not hesitate to contact me with any questions.

Sincerely,

/s/ Cathy Carpino
Cathy Carpino

cc: Kim Scardino

⁵ Petition for Waiver and Clarification of the United States Telecom Association, the Independent Telephone and Telecommunications Alliance, the National Telecommunications Cooperative Association, the Organization for the Promotion and Advancement of Small Telecommunications Companies, the Western Telecommunications Alliance, and the Eastern Rural Telecom Association, WC Docket Nos. 11-42 *et al.* & CC Docket No. 95-45, at 8-9 (filed Mar. 9, 2012).

⁶ See, e.g., *Further Notice* at ¶ 448.