

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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| In the Matter of | |
| Telecommunications Carriers Eligible to Receive Universal Service Support | WC Docket No. 09-197 |
| Lifeline and Link Up Reform and Modernization | WC Docket No. 11-42 |
| NewPhone Wireless, L.L.C. | |

**COMPLIANCE PLAN
OF NEWPHONE WIRELESS, L.L.C.**

NewPhone Wireless, L.L.C. (“NewPhone Wireless” or the “Company”),¹ through its undersigned counsel, hereby respectfully submits and requests expeditious treatment of its Compliance Plan outlining the measures it will take to implement the conditions imposed by the Commission in its *Lifeline Reform Order*.²

¹ The Company hereby also reports that its owners are also owners of Image Access, Inc. d/b/a NewPhone (“Image Access”), a Louisiana competitive local exchange carrier, and Razorline, L.L.C. (“Razorline”), a telecommunications company offering IP-based hosted PBX communications and information services to business customers in Louisiana. Therefore, Image Access. and Razorline are affiliates of NewPhone Wireless.

² See *Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report And Order and Further Notice Of Proposed Rulemaking, FCC 12-11 (Feb. 6, 2012) (“*Lifeline Reform Order*”). The Company herein submits the information required by the Compliance Plan Public Notice. See *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, WC Docket Nos. 09-197, 11-42, Public Notice, DA 12-314 (rel. Feb. 29, 2012).

The Company commends the Commission’s commitment to a nationwide communications system that promotes the safety and welfare of all Americans, including Lifeline customers. NewPhone Wireless will comply with 911 requirements as described below and it is submitting this Compliance Plan in order to qualify for blanket forbearance from the facilities requirement of section 214(e)(1)(A) of the Communications Act and participate as an eligible telecommunications carrier (“ETC”) in the Lifeline program.³

The Company will comply fully with all conditions set forth in the *Lifeline Reform Order*, as well as with the Commission’s Lifeline rules and policies more generally.⁴ This Compliance Plan describes the specific measures that the Company intends to implement to achieve these objectives. Specifically, this Compliance Plan: (1) describes the specific measures that NewPhone Wireless will take to implement the obligations contained in the *Lifeline Reform Order*, including the procedures the Company follows in enrolling a subscriber in Lifeline and submitting for reimbursement

³ See *Lifeline Reform Order*, ¶ 368. Although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the facilities requirement of section 214(e)(1)(A) for purposes of the Commission’s Lifeline program, the Company reserves the right to demonstrate to a state public utilities commission that the Company provides service using its own facilities in a state for purposes of state universal service funding under state program rules and requirements. NewPhone Wireless will follow the requirements of the Commission’s Lifeline rules and this Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income fund.

⁴ In addition, this Compliance Plan is consistent with the compliance plan filed by Cricket Communications, Inc. See Notice of *Ex Parte* Communication of Cricket Communications, Inc., WC Docket No. 09-197 (Sept. 23, 2011) (“Cricket Compliance Plan”). The Wireline Competition Bureau approved the Cricket Compliance Plan on February 7, 2012. See *Telecommunications Carriers Eligible for Universal Service Support, Cricket Communications, Inc. Petition for Forbearance*, WC Docket No. 09-197, Order, DA 12-158 (Feb. 7, 2012).

for that subscriber from the Low-Income Fund, materials related to initial and ongoing certifications and sample marketing materials; and (2) provides a detailed description of how the Company offers Lifeline services, the geographic areas in which it offers services, and a detailed description of the Company's Lifeline service plan offerings.

ACCESS TO 911 AND E911 SERVICES⁵

Pursuant to the *Lifeline Reform Order*, forbearance is conditioned upon NewPhone Wireless: (1) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; and (2) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services.⁶ NewPhone Wireless complied with these conditions before the effective date of the *Lifeline Reform Order*.

NewPhone Wireless will provide its Lifeline customers with access to 911 and E911 services immediately upon activation of service. The Commission and consumers are hereby assured that all NewPhone Wireless customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from NewPhone Wireless handsets, even if the account associated with the handset has no minutes remaining.

The Company's existing practices currently provide access to 911 and E911 services for all customers. NewPhone Wireless uses Sprint Nextel ("Sprint") as its underlying network provider/carrier. Sprint routes 911 calls from NewPhone Wireless's

⁵ See Compliance Plan Public Notice at 3.

⁶ See *Lifeline Reform Order*, ¶ 373.

customers in the same manner as 911 calls from Sprint's own retail customers. To the extent that Sprint is certified in a given PSAP territory, this 911 capability will function the same for NewPhone Wireless. NewPhone Wireless also currently enables 911 emergency calling services for all properly activated handsets regardless of whether the account associated with the handset is active or suspended. Finally, the Company transmits all 911 calls initiated from any of its handsets even if the account associated with the handset has no remaining minutes.

E911-Compliant Handsets. NewPhone Wireless will ensure that all handsets used in connection with the Lifeline service offering will be E911-compliant. Indeed, NewPhone Wireless's phones have always been and will continue to be 911 and E911-compliant. The Company uses phones from various providers and ensures that the handset models used meet all 911 and E911 requirements. As a result, any existing customer that qualifies for and elects Lifeline service will already have a 911/E911-compliant handset, which will be confirmed at the time of enrollment in the Lifeline program. Any new customer that qualifies for and enrolls in the Company's Lifeline program is assured of receiving a 911/E911-compliant handset as well, at a discounted price or free of charge.

COMPLIANCE PLAN

I. PROCEDURES TO ENROLL A SUBSCRIBER IN LIFELINE⁷

A. Policy

The Company will comply with the uniform eligibility criteria established in new section 54.409 of the Commission's rules (when it becomes effective on June 1, 2012), as

⁷ See Compliance Plan Public Notice at 3.

well as any additional certification and verification requirements for Lifeline eligibility in states where the Company is designated as an ETC.

Therefore, all subscribers will be required to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines for a household of that size; or (2) the household's participation in one of the federal assistance programs listed in new sections 54.409(a)(2) or 54.409(a)(3) of the Commission's rules. In addition, through the certification requirements described below, NewPhone Wireless will confirm that the subscriber is not already receiving a Lifeline service and no one else in the subscriber's household is subscribed to a Lifeline service.

B. Eligibility Determination

Currently all of NewPhone Wireless's customer enrollment is done in-person, as opposed to over the phone or the Internet, however, the Company will be enrolling customers over the phone and online in the future. Event locations for in-person enrollments are scheduled using various market or industry data resources. Additionally, the Company will be partnering with community organizations, such as civic organizations, churches and food banks to host events in the communities its serves.

All enrollments performed in-person are currently completed using paper forms, but will be completed electronically after June 1, 2012. The Company will not generally use "paper forms" after June 1, 2012, however, they may be used if the electronic systems cannot be used because of Internet connection or other issues. Further, at all times copies of the Lifeline application/certification forms will be available for customers to review. Currently, the Company enters customer information into the QuickTel software, which

checks for duplicates and validates the customer's address. In addition, prospective customers are required to show a government-issued identification to enroll.

As of June 1, 2012, NewPhone Wireless's electronic process will use laptops and tablets to complete enrollment in real-time. The electronic order process will provide the Company the opportunity to perform several database checks in real-time during the enrollment process. NewPhone Wireless employees or representatives ("Company personnel") must log in to the software so that the customer enrollment is automatically tagged to a particular representative. The Company personnel must sign his or her agreement not to take part in any fraud with respect to Lifeline enrollment. The representative then advances through the electronic windows with the prospective customer to provide disclosures, collect information and elicit certifications as detailed below. The customer signs the electronic application and the information collected is sent for several database checks, including an address verification, a geographic footprint match to the ETC's authorization to provide Lifeline service in the area, an internal duplicate check and a state database eligibility check (if available).

The electronic enrollment process includes the ability to scan customers' government-issued identification, proof of residence (if necessary because the address cannot be verified) and proof of eligibility. As discussed further below, the proof will only be retained for a short period of time for verification and then deleted. All transfers of information and scans collected electronically are transmitted in encrypted form. When the checks described herein are completed in real-time, approved customers are enrolled and receive a handset to be activated as discussed below.

When NewPhone Wireless begins enrolling customers over the phone and online, customers will be required to submit copies of their government-issued identification and proof of eligibility to the Company by regular mail, fax or electronic mail (scanned version).

As discussed in further detail in Section I.F. below, all Company personnel that conduct such in-person enrollments are trained regarding the eligibility and certification requirements in the *Lifeline Reform Order* and this Compliance Plan, including the one-per-household requirement, and told to inform potential customers of those requirements. New Company personnel undergo an initial mandatory training session where they are given training materials to review and understand.

If NewPhone Wireless cannot determine a prospective subscriber's eligibility for Lifeline by accessing income databases or program eligibility databases, Company personnel will review documentation establishing eligibility pursuant to the Lifeline rules.⁸ All personnel who interact with current or prospective customers will be trained to assist Lifeline applicants in determining whether they are eligible to participate based on the federal and state-specific income-based and/or program-based criteria. These personnel will be trained to answer questions about Lifeline eligibility, and will review required documentation to determine whether it satisfies the *Lifeline Reform Order* and state-specific eligibility requirements using state-specific checklists.⁹

⁸ See *Lifeline Reform Order*, ¶ 100; section 54.410(b)(1)(i)(B), 54.410(c)(1)(i)(B); Cricket Compliance Plan at 4.

⁹ See Cricket Compliance Plan at 6.

Proof of Eligibility. Company personnel will be trained on acceptable documentation required to establish income-based and program-based eligibility.¹⁰ Acceptable documentation of program eligibility includes: (1) the current or prior year's statement of benefits from a qualifying state, federal or Tribal program; (2) a notice letter of participation in a qualifying state, federal or Tribal program; (3) program participation documents (*e.g.*, the consumer's Supplemental Nutrition Assistance Program (SNAP) electronic benefit transfer card or Medicaid participation card (or copy thereof)); or (4) another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.¹¹

Acceptable documentation of income eligibility includes the prior year's state, federal, or Tribal tax return; current income statement from an employer or paycheck stub; a Social Security statement of benefits; a Veterans Administration statement of benefits; a retirement/pension statement of benefits; an Unemployment/Workmen's Compensation statement of benefits; federal or Tribal notice letter of participation in General Assistance; or a divorce decree, child support award, or other official document containing income information for at least three months' time.¹²

Company personnel will examine this documentation for each Lifeline applicant, and will record the type of documentation used to satisfy the income- or program-based criteria by checking the appropriate box on the application form.¹³ The Company will

¹⁰ See *Lifeline Reform Order*, ¶ 101.

¹¹ *Id.* and section 54.410(c)(1)(i)(B).

¹² See *Lifeline Reform Order*, ¶101; section 54.410.(b)(1)(i)(B).

¹³ See *Lifeline Reform Order*, ¶101; sections 54.410(b)(1)(iii), 54.410(c)(1)(iii).

not retain a copy of this documentation.¹⁴ Where the Company personnel conclude that proffered documentation is insufficient to establish such eligibility, the Company will deny the associated application and inform the applicant of the reason for such rejection.¹⁵ In the event that Company personnel cannot ascertain whether documentation of a specific type is sufficient to establish an applicant's eligibility, the matter will be escalated to supervisory personnel at the Company's corporate headquarters at 5555 Hilton Avenue, Suite 415, Baton Rouge, Louisiana 70808.¹⁶

De-Enrollment for Ineligibility. If NewPhone Wireless has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, the Company will notify the subscriber of impending termination in writing and in compliance with any state dispute resolution procedures applicable to Lifeline termination, and give the subscriber 30 days to demonstrate continued eligibility.¹⁷ A demonstration of eligibility must comply with the annual verification procedures below and found in new rule section 54.410(f), including the submission of a completed and signed certification form.

C. Subscriber Certifications for Enrollment

The Company will implement certification policies and procedures that enable consumers to demonstrate their eligibility for Lifeline assistance to Company personnel as detailed in the *Lifeline Reform Order*, together with any additional state certification

¹⁴ See *Lifeline Reform Order*, ¶101; sections 54.410(b)(1)(ii), 54.410(c)(1)(ii).

¹⁵ See Cricket Compliance Plan at 6.

¹⁶ See *id.*

¹⁷ See *Lifeline Reform Order*, ¶ 143; section 54.405(e)(1).

requirements.¹⁸ The Company shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that these procedures will prevent the Company's customers from engaging in such abuse of the program, inadvertently or intentionally.¹⁹ Every applicant will be required to complete an application/certification form containing disclosures, and collecting certain information and certifications as discussed below.²⁰ Applicants that do not complete the form in person will be required to submit a completed and signed application/certification to the Company by mail, facsimile, electronic mail or other electronic transmission. In addition, Company personnel will verbally explain the certifications to consumers when they are enrolling in person or over the phone.²¹

Disclosures. The Company's application/certification forms will include the following disclosures: (1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (2) only one Lifeline service is available per household; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the applicant's de-enrollment from the program; and (6) Lifeline is

¹⁸ *Lifeline Reform Order*, ¶ 61; section 54.410(a).

¹⁹ *See Cricket Compliance Plan* at 3.

²⁰ *See Model Application/Certification Form*, included as Exhibit A. *See Compliance Plan Public Notice* at 3.

²¹ *See Lifeline Reform Order*, ¶ 123.

a non-transferable benefit and the applicant may not transfer his or her benefit to any other person.²²

Application/certification forms will also state that: (1) the service for which the consumer is applying is a Lifeline service, (2) Lifeline is a government assistance program, and (3) only eligible consumers may enroll in the program.²³

In addition, NewPhone Wireless will notify the applicant that the Lifeline service must be personally activated by the subscriber and the service will be deactivated and the subscriber de-enrolled if the subscriber does not use the service for 60 days.²⁴

Information Collection. The Company will also collect the following information from the applicant in the application/certification form: (1) the applicant's full name;²⁵ (2) the applicant's full residential address (P.O. Box is not sufficient²⁶); (3) whether the applicant's residential address is permanent or temporary; (4) the applicant's billing address, if different from the applicant's residential address; (5) the applicant's date of birth; (6) the last four digits of the applicant's Social Security number (or the applicant's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a Social Security number); (7) if the applicant is seeking to qualify for Lifeline under the program-based criteria, the name of the qualifying assistance program from which the applicant, his or her dependents, or his or her household receives benefits;²⁷

²² See *Lifeline Reform Order*, ¶ 121; section 54.410(d)(1).

²³ See section 54.405(c).

²⁴ See *Lifeline Reform Order*, ¶ 257.

²⁵ See Cricket Compliance Plan at 4.

²⁶ See *Lifeline Reform Order*, ¶ 87.

²⁷ See Cricket Compliance Plan at 4.

and (8) if the applicant is seeking to qualify for Lifeline under the income-based criterion, the number of individuals in his or her household.²⁸

Applicant Certification. Consistent with new rule section 54.410(d)(3), the Company will require the applicant to certify, under penalty of perjury, in writing or by electronic signature or interactive voice response recording,²⁹ the following: (1) the applicant meets the income-based or program-based eligibility criteria for receiving Lifeline; (2) the applicant will notify the Company within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income-based or program-based criteria for receiving Lifeline support, the applicant is receiving more than one Lifeline benefit, or another member of the applicant's household is receiving a Lifeline benefit; (3) if the applicant is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands; (4) if the applicant moves to a new address, he or she will provide that new address to the Company within 30 days; (5) if the applicant provided a temporary residential address to the Company, the applicant will be required to verify his or her temporary residential address every 90 days; (6) the applicant's household will receive only one Lifeline service and, to the best of the applicant's knowledge, the applicant's household is not already receiving a Lifeline service;³⁰ (7) the information contained in the applicant's application/certification form is true and correct to the best of the applicant's knowledge;³¹ (8) the applicant acknowledges that providing false or

²⁸ See section 54.410(d)(2). See Cricket Compliance Plan at 4.

²⁹ See *Lifeline Reform Order*. ¶¶ 168-69; section 54.419.

³⁰ See Cricket Compliance Plan at 4.

³¹ See *id.* at 5.

fraudulent information to receive Lifeline benefits is punishable by law; and (9) the applicant acknowledges that the applicant may be required to re-certify his or her continued eligibility for Lifeline at any time, and the applicant's failure to re-certify as to the applicant's continued eligibility will result in de-enrollment and the termination of the applicant's Lifeline benefits pursuant to the de-enrollment policy included below and in the Commission's rules.

In addition, the applicant will be required to authorize the Company to access any records required to verify the applicant's statements on the application/certification form and to confirm the applicant's eligibility for the Company Lifeline credit.³² The applicant must also authorize the Company to release any records required for the administration of the Company Lifeline credit program, including to USAC to be used in a Lifeline program database.³³

D. Annual Verification Procedures

NewPhone Wireless will annually re-certify all subscribers by querying the appropriate eligibility databases or obtaining a signed certification from each subscriber consistent with the certification requirements above and new section 54.410(d) of the Commission's rules. This certification will include a confirmation that the applicant's household will receive only one Lifeline service and, to the best of the subscriber's

³² See Cricket Compliance Plan at 5.

³³ See Section 54.404(b)(9). The application/certification form will also describe the information that will be transmitted, that the information is being transmitted to USAC to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service. See *id.* See also Cricket Compliance Plan at 5.

knowledge, the subscriber's household is receiving no more than one Lifeline service.³⁴ NewPhone Wireless will notify each participating Lifeline customer annually that he or she must confirm his or her continued eligibility in accordance with the applicable requirements.³⁵ Further, the verification materials will inform the subscriber that he or she is being contacted to re-certify his or her continuing eligibility for Lifeline service and if the subscriber fails to respond, he or she will be de-enrolled from the program.³⁶

2012 Verification. NewPhone Wireless will re-certify the eligibility of each of its existing subscribers as of June 1, 2012 on a rolling basis by the end of 2012 and report the results to USAC by January 31, 2013.³⁷ NewPhone Wireless will contact its subscribers via text message to their Lifeline supported telephone, or by mail, phone, email or other Internet communication. The notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company.

Verification De-Enrollment. NewPhone Wireless will de-enroll subscribers that do not respond to the annual verification or fail to provide the required certification.³⁸ NewPhone Wireless will give subscribers 30 days to respond to the initial annual verification inquiry. If the subscriber does not respond, the Company will send a separate notice explaining that failure to respond within 30 days will result in the subscriber's de-enrollment from the Lifeline program. If the subscriber does not respond within 30 days

³⁴ See *Lifeline Reform Order*, ¶ 120 and Cricket Compliance Plan at 8.

³⁵ See Cricket Compliance Plan at 8.

³⁶ See *Lifeline Reform Order*, ¶ 145.

³⁷ See *id.*, ¶ 130.

³⁸ See *id.*, ¶ 142; section 54.54.405(e)(4).

from the date of the second notice, NewPhone Wireless will de-enroll the subscriber within five business days.

E. Activation and Non-Usage

NewPhone Wireless will not consider a Lifeline subscriber that is subject to the activation and usage requirements activated, and will not seek reimbursement for Lifeline service for that subscriber, until the subscriber activates NewPhone Wireless's Lifeline service by placing a call from the NewPhone Wireless handset in front of the Company personnel that enrolled the customer. The customer can also activate the phone later by calling NewPhone Wireless's customer service number.³⁹ When the Company begins enrolling customers over the phone and online, customers will receive wireless handsets at the address provided for enrollment and will be instructed to place a call to activate the phone. NewPhone Wireless will not seek reimbursement for Lifeline service for the subscriber until a call is made from the handset to activate the service.

In addition, after service activation, NewPhone Wireless will provide a de-enrollment notice to subscribers that have not used their service for 60 days. After 60 days of non-use, NewPhone Wireless will provide notice to the subscriber that failure to use the Lifeline service within a 30-day notice period will result in de-enrollment.⁴⁰ Subscribers can "use" the service by: (1) completing an outbound call; (2) purchasing minutes from NewPhone Wireless to add to the subscriber's plan; (3) answering an incoming call from a party other than NewPhone Wireless; or (4) responding to a direct

³⁹ See *Lifeline Reform Order*, ¶ 257; section 54.407(c)(1).

⁴⁰ See *Lifeline Reform Order*, ¶ 257; section 54.405(e)(3). See Cricket Compliance Plan at 2 (stating that it did not need to implement a non-usage policy because it offered only plans with unlimited local and long distance calling).

contact from NewPhone Wireless confirming that the subscriber wants to continue receiving the service.⁴¹

If the subscriber does not respond to the notice as provided above, the subscriber will be de-enrolled from the Lifeline program and NewPhone Wireless will not request further Lifeline reimbursement for the subscriber. NewPhone Wireless will report annually to the Commission the number of subscribers de-enrolled for non-usage by month.⁴²

NewPhone Wireless also will allow customers to agree to a monthly credit card automatic payment of \$5 in advance each month and such customers will receive an additional 210 anytime minutes. Because these customers will have a regular billing relationship with the Company, the activation and non-usage requirements will not apply.⁴³

F. Additional Measures to Prevent Waste, Fraud and Abuse

To supplement its verification and certification procedures, and to better ensure that customers understand the Lifeline service restrictions with respect to duplicates, the Company will implement measures and procedures to prevent duplicate Lifeline benefits being awarded to the same household. These measures entail additional emphasis in written disclosures as well as live due diligence.⁴⁴

In addition to checking the National Lifeline Accountability Database in the *Lifeline Reform Order* (the “Database”) when it becomes available, Company personnel

⁴¹ See *Lifeline Reform Order*, ¶ 261; section 54.407(c)(2).

⁴² See *Lifeline Reform Order*, ¶ 257; section 54.405(e)(3).

⁴³ See *Lifeline Reform Order*, ¶¶ 257, 263; section 54.407(c).

⁴⁴ See Cricket Compliance Plan at 9.

will emphasize the “one Lifeline phone per household” restriction in their direct sales contacts with potential customers.⁴⁵ Training materials will include a discussion of the limitation to one Lifeline phone per household, and the need to ensure that the customer is informed of this restriction.⁴⁶ All Company personnel interacting with existing and potential Lifeline customers will undergo training regarding the eligibility and certification requirements in the *Lifeline Reform Order* and this Compliance Plan. They will also be required to sign an acknowledgment of this training.

Further, the Company has taken a proactive approach to eliminating fraud amongst its agents and representatives. Every fiftieth customer is called by a customer service representative to verify the information provided on the customer’s Lifeline application/certification. If misconduct or fraud is suspected or uncovered, the Company will take corrective action. Remedial action can include additional training, deactivation of credentials, termination and possible legal action.

Database. When the Database becomes available, NewPhone Wireless will comply with the requirements of new rule section 54.404. NewPhone Wireless will query the Database to determine whether an applicant is currently receiving a Lifeline service from another ETC and whether anyone else living at the applicant’s residential address is currently receiving Lifeline service.⁴⁷

⁴⁵ See *id.* at 6, 9.

⁴⁶ See *id.*

⁴⁷ See *Lifeline Reform Order*, ¶ 203. Company will also transmit to the National Database the information required for each new and existing Lifeline subscriber. See *Lifeline Reform Order*, ¶¶ 189-195; section 54.404(b)(6). Further, Company will update each subscriber’s information in the National Database within ten business days of any change, except for de-enrollment, which will be transmitted within one business day. See section 54.404(b)(8),(10).

One-Per-Household. NewPhone Wireless will implement the requirements of the *Lifeline Reform Order* to ensure that it provides only one Lifeline benefit per household⁴⁸ through the use of its application/certification forms discussed above, internal database checks and its marketing materials discussed below. Upon receiving an application for the Company's Lifeline service, NewPhone Wireless will search its own internal records to ensure that it does not already provide Lifeline-supported service to someone at the same residential address.⁴⁹ If so, and the applicant lives at an address with multiple households, NewPhone Wireless will require the applicant to complete and submit a written USAC document containing the following: (1) an explanation of the Commission's one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income, pursuant to the Commission's definition; and (4) the penalty for a consumer's failure to make the required one-per-household certification (*i.e.*, de-enrollment).⁵⁰ Further, if an applicant provides a temporary address on his or her

⁴⁸ A "household" is any individual or group of individuals who are living together at the same address as one economic unit. A household may include related and unrelated persons. An "economic unit" consists of all adult individuals contributing to and sharing in the income and expenses of a household. An adult is any person eighteen years or older. If an adult has no or minimal income, and lives with someone who provides financial support to him/her, both people shall be considered part of the same household. Children under the age of eighteen living with their parents or guardians are considered to be part of the same household as their parents or guardians. *See Lifeline Reform Order*, ¶ 74; section 54.400(h).

⁴⁹ *See Lifeline Reform Order*, ¶ 78 and *See Cricket Compliance Plan* at 7.

⁵⁰ *Id.*

application/certification form collected as described above, NewPhone Wireless will verify with the applicant/subscriber every 90 days that the subscriber continues to rely on that address.⁵¹

Finally, Company personnel will inform each Lifeline applicant that he or she may be receiving Lifeline support under another name, facilitate the applicant's understanding of what constitutes "Lifeline-supported services," and ability to determine whether he or she is already benefiting from Lifeline support, by informing the consumer that not all Lifeline services are currently marketed under the name Lifeline.

Marketing Materials. Within the deadline provided in the *Lifeline Reform Order*, NewPhone Wireless will include the following information regarding its Lifeline service on all marketing materials describing the service: (1) it is a Lifeline service,⁵² (2) Lifeline is a government assistance program, (3) Lifeline service is non-transferable, (4) only eligible consumers may enroll in the Lifeline program, (5) the Lifeline program is limited to one discount per household; (6) that documentation is necessary for enrollment;⁵³ (7) NewPhone Wireless's name (the ETC); and (8) the Company's application/certification form will state that consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.⁵⁴ These statements will be included in all print, audio video and web materials

⁵¹ See *Lifeline Reform Order*, ¶ 89.

⁵² See Cricket Compliance Plan at 4.

⁵³ See *id.* at 4.

⁵⁴ See *Lifeline Reform Order*, ¶ 275; section 54.405(c). See also *Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Erratum, ¶ 63 (rel. May 16, 2012).

(including social networking media) used to describe or enroll customers in the Company's Lifeline service offering, as well as the Company's application/certification forms and annual re-certification forms.⁵⁵ This specifically includes NewPhone Wireless's website (www.newphonewireless.net) and any marketing materials.⁵⁶ A sample of NewPhone Wireless's marketing materials is included as Exhibit B.

G. Company Reimbursements From the Fund

To ensure that the Company does not seek reimbursement from the Fund without a subscriber's consent, NewPhone Wireless will certify, as part of each reimbursement request, that it is in compliance with all of the Commission's Lifeline rules and, to the extent required, has obtained valid certification and verification forms from each of the subscribers for whom it is seeking reimbursement.⁵⁷ Further, the Company will transition the submission of its FCC Forms 497 to the eighth day of each month in order to be reimbursed the same month, and inform USAC, to the extent necessary, to transition its reimbursement process to actual claims rather than projected claims over the course of more than one month.⁵⁸ In addition, NewPhone Wireless will keep accurate records as directed by USAC⁵⁹ and as required by new section 54.417 of the Commission's rules.

⁵⁵ See *Lifeline Reform Order*, ¶ 275; section 54.405(c).

⁵⁶ *Id.* NewPhone Wireless's website is currently "under construction" to implement the changes required by the *Lifeline Reform Order* and this Compliance Plan.

⁵⁷ See *Lifeline Reform Order*, ¶ 128; section 54.407(d).

⁵⁸ See *Lifeline Reform Order*, ¶¶ 302 – 306.

⁵⁹ See *id.*

H. Annual Company Certifications

NewPhone Wireless will submit an annual certification to USAC, signed by a NewPhone Wireless officer under penalty of perjury, that the Company: (1) has policies and procedures in place to review consumers' documentation of income and program based eligibility and ensure that its Lifeline subscribers are eligible to receive Lifeline services;⁶⁰ (2) is in compliance with all federal Lifeline certification procedures;⁶¹ and (3) has obtained a valid application/certification form for each subscriber for whom the carrier seeks Lifeline reimbursement.⁶²

In addition, NewPhone Wireless will provide the results of its annual re-certifications/verifications to the Commission, USAC, the applicable state commission and the relevant Tribal governments (for subscribers residing on Tribal lands) on an annual basis.⁶³ Further, as discussed above, NewPhone Wireless will report annually to the Commission the number of subscribers de-enrolled for non-usage by month.⁶⁴

The Company will also annually report to the Commission, USAC, and relevant state commissions and the relevant authority in a U.S. territory or Tribal government as appropriate,⁶⁵ the Company name, names of the Company's holding company, operating companies and affiliates, if any, and any branding (such as a "dba" or brand designation) as well as relevant universal service identifiers for each entity by Study Area Code.⁶⁶

⁶⁰ See *Lifeline Reform Order*, ¶ 126; section 54.416(a)(1).

⁶¹ See *Lifeline Reform Order*, ¶ 127; section 54.416(a)(2).

⁶² See section 54.416(a)(3).

⁶³ See *Lifeline Reform Order*, ¶¶ 132,148; section 54.416(b).

⁶⁴ See *Lifeline Reform Order*, ¶ 257; section 54.405(e)(3).

⁶⁵ See *Lifeline Reform Order*, section 54.422(c).

⁶⁶ See *Lifeline Reform Order*, ¶¶ 296, 390; section 54.422(a).

NewPhone Wireless will report annually information regarding the terms and conditions of its Lifeline plans for voice telephony service offered specifically for low-income consumers during the previous year, including the number of minutes provided and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.⁶⁷ Finally, NewPhone Wireless will annually provide detailed information regarding service outages in the previous year, the number of complaints received and certification of compliance with applicable service quality standards and consumer protection rules, as well as a certification that NewPhone Wireless is able to function in emergency situations.⁶⁸

I. Cooperation with State and Federal Regulators

The Company has cooperated and will continue to cooperate with federal and state regulators to prevent waste, fraud and abuse. More specifically, the Company will:

- Make available state-specific subscriber data, including the names and addresses of Lifeline subscribers, to USAC and to each state public utilities commission where the Company operates for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier;⁶⁹
- Assist the Commission, USAC, state commissions, and other ETCs in resolving instances of duplicative enrollment by Lifeline subscribers, including by providing to USAC and/or any state commission, upon request, the necessary information to detect and resolve duplicative Lifeline claims;
- Promptly investigate any notification that it receives from the Commission, USAC, or a state commission to the effect that one of its customers already receives Lifeline service from another carrier; and

⁶⁷ See *Lifeline Reform Order*, ¶ 390; section 54.422(b)(5).

⁶⁸ See *Lifeline Reform Order*, ¶ 389; section 54.422(b)(1)-(4).

⁶⁹ The Company anticipates that the need to provide such information will sunset following the implementation of the national duplicates database.

- Immediately de-enroll any subscriber whom the Company has a reasonable basis to believe⁷⁰ is receiving Lifeline-supported service from another ETC or is no longer eligible to participate in the Lifeline program – whether or not such information is provided by the Commission, USAC, or a state commission.⁷¹

II. Description of Lifeline Service Offerings⁷²

NewPhone Wireless will offer its Lifeline service in the states where it is designated as an ETC⁷³ and throughout its ETC designated coverage area. The Company’s Lifeline offering will provide customers with 150 anytime prepaid minutes per month at no charge, with any unused minutes rolled over to the next month. Lifeline customers can purchase additional bundles of minutes in the form of airtime cards in denominations of \$5 (100 minutes), \$10 (210 minutes), \$20 (500 minutes), and \$30 (800 minutes). Airtime “top-up” minutes will be available for purchase at NewPhone Wireless’s website, by phone, or at any future retail locations. Text messaging is available at the rate of one text message for one minute of airtime. Customers that agree to a monthly credit card automatic payment of \$5 in advance each month will receive an additional 210 anytime minutes. Additional information regarding NewPhone Wireless’s plans, rates and services can be found on its website, www.newphonewireless.net.⁷⁴

⁷⁰ See section 54.405(e)(1).

⁷¹ See Cricket Compliance Plan at 10.

⁷² See Compliance Plan Public Notice at 3.

⁷³ The Company is currently designated as an ETC in Louisiana. The Company was designated as an ETC in Arkansas pursuant to Order No. 3 in APSC Docket No. 11-083-U (rel. February 24, 2012), which designation has been stayed pursuant to Order No. 4 in APSC Docket No. 11-083-U (rel. March 22, 2012) pending further consideration of the FCC’s recent *Lifeline Reform Order*.

⁷⁴ NewPhone Wireless’s website is currently “under construction” to implement the changes required by the *Lifeline Reform Order* and this Compliance Plan.

In addition to free voice services, the Company's Lifeline plan will include a discounted or free handset and custom calling features, including Caller ID, Call Waiting, Call Forwarding, 3-Way Calling, and Basic Voicemail. All plans include domestic long-distance at no extra per minute charge. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

III. Demonstration of Financial and Technical Capabilities and Certifications Required for ETC Designation⁷⁵

Financial and Technical Capabilities. Revised Commission rule 54.202(a)(4), 47 C.F.R. 54.202(a)(4), requires carriers petitioning for ETC designation to demonstrate financial and technical capability to comply with the Commission's Lifeline service requirements.⁷⁶ The Compliance Plan Public Notice requires that carriers' compliance plan include this demonstration. Among the factors the Commission will consider are: a carrier's prior offering of service to non-Lifeline subscribers, the length of time the carrier has been in business, whether the carrier relies exclusively on Lifeline reimbursement to operate; whether the carrier receives revenues from other sources and whether the carrier has been the subject of an enforcement action or ETC revocation proceeding in any state.

NewPhone Wireless has been providing wireless Lifeline service since being designated as an ETC by the Louisiana Public Service Commission in September of 2011, and NewPhone Wireless's management team has been providing wireless services since 2010 through the operations of Image Access. NewPhone Wireless's management

⁷⁵ See Compliance Plan Public Notice at 3.

⁷⁶ See *Lifeline Reform Order*, ¶¶ 387-388 (revising Commission rule 54.202(a)(4)).

team has over 13 years of experience in owning and operating a wireline telecommunications company – Image Access – which has provided local exchange service in each of the former BellSouth (now AT&T Southeast) states, Arkansas and Indiana. Further, since 2003, NewPhone Wireless’s management has owned and operated a telecommunications company called Razorline offering IP-based hosted PBX communications and information services to business customers in Louisiana. NewPhone Wireless and its customers have and will continue to benefit from the experience and capabilities of its management team, which draws upon its extensive background in the telecommunications industry.

Image Access is a competitive local exchange carrier that has offered wireline local exchange service in the southeast and provided both Lifeline and non-Lifeline services throughout the AT&T Southeast footprint. Specifically, since 1998, Image Access has offered wireline service in Louisiana, Arkansas, Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina, Tennessee, Kentucky and Indiana. In 2010, Image Access began providing prepaid wireless service to customers in Louisiana. In 2011, the management of Image Access (which is the same as NewPhone Wireless’s management) transitioned the wireless operations of Image Access to NewPhone Wireless following the Louisiana Public Service Commission’s grant of wireless ETC status to NewPhone Wireless in September 2011.

NewPhone Wireless has also applied for and been granted wireless, low-income ETC status in Arkansas, which approval has been stayed pending further consideration of the FCC’s recent *Lifeline Reform Order*. NewPhone Wireless will continue to offer wireless services to Lifeline eligible and non-Lifeline customers pursuant to its tariffs and

other terms and conditions, which can be found on the Company's website. NewPhone Wireless has not been subject to enforcement action or ETC revocation proceedings in any state.

Service Requirements Applicable to Company's Support. The Compliance Plan Public Notice requires carriers to include "certifications required under newly amended section 54.202 of the Commission's rules."⁷⁷ NewPhone Wireless certifies that it will comply with the service requirements applicable to the support the Company receives.⁷⁸ NewPhone Wireless provides all of the telecommunications service supported by the Lifeline program and will make the services available to all qualified consumers throughout its ETC designated service areas in the states in which it is designated as an ETC. The Company's services include voice telephony services that provide voice grade access to the public switched network or its functional equivalent. Further, NewPhone Wireless's service offerings provide its customers with a set number of minutes of use for local service at no charge to the customer. NewPhone Wireless's current Lifeline offerings include the packages described in Section II *supra* that can be used for local and domestic toll service.

The Company also will provide access to emergency services provided by local government or public safety officials, including 911 and E911 where available and will comply with any Commission requirements regarding E911-compatible handsets. As discussed above, NewPhone Wireless will comply with the Commission's forbearance grant conditions relating to the provision of 911 and E911 services and handsets.

⁷⁷ Compliance Plan Public Notice at 3.

⁷⁸ 47 C.F.R. § 54.202(a)(1).

Finally, NewPhone Wireless will not provide toll limitation service (“TLS”). NewPhone Wireless, like most wireless carriers, does not differentiate domestic long distance toll usage from local usage and all usage is paid for in advance. Pursuant to the *Lifeline Reform Order*, subscribers to such services are not considered to have voluntarily elected to receive TLS.⁷⁹

IV. Conclusion

NewPhone Wireless submits that its Compliance Plan fully satisfies the conditions set forth in the Commission’s *Lifeline Reform Order*, the Compliance Plan Public Notice and the Lifeline rules. Accordingly, NewPhone Wireless respectfully requests that the Commission expeditiously approve its Compliance Plan.

Respectfully submitted,



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May 23, 2012

⁷⁹ See *Lifeline Reform Order*, ¶ 230.

EXHIBIT A



NewPhone Wireless, L.L.C.
Louisiana Wireless Lifeline Service Application and Certification

Mail or fax completed and signed form to:
P O Box 80157, Baton Rouge, LA 70898
Fax 1-877-514-3138 / Customer Service: 1-855-204-3667

A complete and signed Lifeline Service Application and Certification (“Certification”) is required to enroll you in NewPhone Wireless’s (the “Company’s”) Lifeline service program in your state. This Certification is only for the purpose of verifying your eligibility for Lifeline service and will not be used for any other purpose. Service requests will not be processed until this Form has been received and verified by the Company.

One Lifeline service per household disclosures: Lifeline is a government assistance program and willfully making false statements to obtain a Lifeline benefit can result in fines, imprisonment, de-enrollment or being barred from the program. Lifeline benefits are limited to a single line of service per household. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses. A household may not receive multiple Lifeline discounts. You may apply your Lifeline discount to either one landline or one wireless number, but you cannot have the discount on both and you cannot receive Lifeline benefits from multiple providers. Note that not all Lifeline services are currently marketed under the name Lifeline. Lifeline is a non-transferable benefit and you may not transfer your benefit to any other person, including another eligible low-income consumer. Violation of the one-per-household limitation constitutes a violation of the Federal Communications Commission’s rules and will result in your de-enrollment from the program, and potentially prosecution by the United States Government.

I hereby certify that I have read and understood the disclosures listed above and that, to the best of my knowledge, my household is not already receiving a Lifeline service benefit.

Customer eligibility certification: I hereby certify that I participate in at least one of the following programs (**check one**):

- Supplemental Nutrition Assistance Program (SNAP)
- Section 8 Federal Public Housing Assistance (FPHA)
- Medicaid (not Medicare)
- Supplemental Security Income (SSI)
- Income at or below 135% of Federal Poverty Guidelines
- Temporary Assistance for Needy Families (TANF)
- Low Income Home Energy Assistance Program (LIHEAP)
- National School Lunch Program’s free lunch program

Customer Application Information:

First Name: _____ Middle Name: _____ Last Name: _____
Date of Birth: Month: _____ Day: _____ Year: _____ Last Four Digits of Social Security: _____
If Qualifying for Lifeline by Income, number of Individuals In Household: _____
Home Telephone Number (if available): _____ Contact Number: _____

Residential Address (P.O. Box NOT sufficient)
Number: _____ Apt: _____ Street _____ City _____
State: _____ Zip Code: _____
Address is (choose one): Permanent Temporary

Billing Address (if different from Residential Address) (P.O. Box IS sufficient)
Number: _____ Apt: _____ Street _____ City _____
State: _____ Zip Code: _____

Multiple households sharing and address:

I hereby certify that I reside at an address occupied by multiple households, including adults who do not contribute income to my household and/or share in my household’s expenses, and I will complete a separate additional form.

This space is used to apply a sticker that includes the ESN# Telephone Number, and MIN# which are used to verify the information on the order.

Activation and usage requirement disclosures: This service is a prepaid service and you must personally activate it by calling **1-855-204-3667**. To keep your account active, you must use your Lifeline service at least once during any 60 day period by completing an outbound call, purchasing additional minutes from the Company, answering an in-bound call from someone other than the Company, or by responding to a direct contact from the Company confirming that you want to continue receiving Lifeline service from the Company. If your service goes unused for 60 days, you will no longer be eligible for Lifeline benefits and your service will be suspended (allowing only 911 calls and calls to the Company's customer care center) subject to a 30 day cure period during which you may use the service (as described above) or contact the Company to confirm that you want to continue receiving Lifeline service from the Company.

I hereby certify that I have read and understood the disclosures listed above regarding activation and usage requirements.

Authorizations:

I hereby authorize the Company to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program. I also authorize the Company to release any records required for the administration of the Lifeline program (e.g., name, telephone number and address), including to the Universal Service Administrative Company, to be used in a Lifeline database and to ensure the proper administration of the Lifeline Program. Failure to consent will result in denial of service.

Additional certifications: I hereby certify, under penalty of perjury, that (check each box):

- I meet the income-based or program-based eligibility criteria for receiving Lifeline service and have provided documentation of eligibility if required
- I will notify the Company within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline including, as relevant, if I no longer meet the income-based or program-based eligibility criteria, I begin receiving more than one Lifeline benefit, or another member of my household is receiving a Lifeline benefit. I understand that I may be subject to penalties if I fail to follow this requirement
- I am not listed as a dependent on another person's tax return (unless over the age of 60)
- The address listed below is my primary residence, not a second home or business
- If I move to a new address, I will provide that new address to the Company within 30 days
- If I provided a temporary residential address to the Company, I will verify my temporary residential address every 90 days
- I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law
- I acknowledge that I may be required to re-certify my continued eligibility for Lifeline at any time, and my failure to re-certify as to my continued eligibility within 30 days will result in de-enrollment and the termination of my Lifeline benefits
- The information contained in this certification form is true and correct to the best of my knowledge

Applicant's Signature: _____ **Date:** _____

| | |
|--|---|
| For Agent Use Only (check the appropriate boxes for the proof of eligibility viewed; do not copy or retain documentation): | |
| <p>Documents Acceptable Proof for Income-Eligibility (check 1):</p> <ul style="list-style-type: none"> <input type="checkbox"/> The prior year's state or federal tax return, <input type="checkbox"/> Current income statement from an employer or paycheck stub, <input type="checkbox"/> A Social Security statement of benefits, <input type="checkbox"/> A Veterans Administration statement of benefits, <input type="checkbox"/> A retirement/pension statement of benefits, <input type="checkbox"/> An Unemployment/Workmen's Compensation statement of benefits, <input type="checkbox"/> Federal notice letter of participation in General Assistance, or <input type="checkbox"/> A divorce decree, child support award, or other official document containing income information for at least three months time. | <p>Documents Acceptable Proof for Program-Eligibility (choose 1 from each list A and B below):</p> <p><u>List A - Choose 1</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Supplemental Nutrition Assistance Program (SNAP) <input type="checkbox"/> Medicaid <input type="checkbox"/> Section 8 Federal Public Housing Assistance (FPHA) <input type="checkbox"/> Supplemental Security Income (SSI) <input type="checkbox"/> Temporary Assistance for Needy Families (TANF) <input type="checkbox"/> Low Income Home Energy Assistance Program (LIHEAP) <input type="checkbox"/> National School Lunch Program's free lunch program <p><u>List B - Choose 1:</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Program participation card/document <input type="checkbox"/> Prior year's statement of benefits <input type="checkbox"/> Notice letter of participation |
| Applicant Account Number | Agent/Dealer Number |
| | |

EXHIBIT B



Lifeline Service

Free Cell Phone, No Contract, No Bills

Lifeline is a program designed to increase the availability of telecommunications services to low-income subscribers by providing a credit for monthly telephone service for eligible consumers.

Lifeline is a government assistance program

The benefit is limited to one discount per household

The service is non-transferable

Only eligible consumers may enroll in the program. Consumers must provide one (1) of the following and provide proof of benefit received such as an eligible program card or statement of benefit:

- Food Stamps/Snap
- Medicaid (not Medicare)
- Supplemental Security Income (SSI)
- Low Income Home Energy Assistance (LIHEAP)
- National School Lunch Programs (free lunch program)
- Federal Public Housing Assistance (SECTION 8)
- Temporary Assistance for Needy Families (TANF)
- Household Income based on Federal Poverty Guidelines

| Federal Poverty Guidelines –135% | |
|---|-----------------|
| Household Size | |
| 1 | \$15,080 |
| 2 | \$20,426 |
| 3 | \$25,772 |
| 4 | \$31,118 |
| 5 | \$36,464 |
| 6 | \$41,810 |
| 7 | \$47,156 |
| 8 | \$52,502 |
| For each additional person add | \$5,346 |

- Must complete a Lifeline Application-Print Clearly
- Must provide proof of benefit received,a valid ID, and the last four digits of your Social Security Number
- Must include a physical address
- 150 mins free each month. Remaining minutes rollover each month. 1 text =1 minute
- Must make a call every month to continue eligibility
- To check remaining minutes,dial *646# or 1-877-234-1216
- For Customer Service Call : 1-855-204-3667

*******Willfully making a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or you can be barred from the program.*******