

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

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In the Matter of	)	
	)	
Lifeline and Link Up Reform and	)	WC Docket No. 11-42
Modernization	)	
	)	

**TAG MOBILE BROADBAND PILOT APPLICATION**

TAG Mobile, LLC (“TAG Mobile”) hereby submits its application for broadband pilot funding pursuant to the Federal Communications Commission’s (“Commission’s”) Public Notice.<sup>1</sup>

*Pilot Project Application:*

Pilot project applications must address the application requirements listed below. ETCs must submit their applications to the Commission **on or before July 2, 2012**. All applications must be complete by the filing deadline. ETCs, however, can provide supplemental information regarding their project after the deadline upon request of Commission staff.

Applicants are not required to submit a separate application for each proposed broadband service offering the applicant intends to include within its project. However, in the event an ETC includes in its project variations on discount amount, duration of discount, speeds, usage limits or any other factors impacting broadband adoption for different geographic areas, the application must include the relevant information with respect to its various proposed broadband service offerings.<sup>2</sup> Each variation of a proposed broadband service offering will be assigned a separate project code identifier by USAC (project code identifier).<sup>3</sup>

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<sup>1</sup> Wireline Competition Bureau Announces Application Procedures and Deadline for Applications to Participate in the Broadband Adoption Lifeline Pilot Program, WC Docket No. 11-42, Public Notice, DA 12-683 (Apr. 30, 2012) (“Public Notice”).

<sup>2</sup> As part of a project, if an ETC chooses to include a strategy of providing discounted broadband services for a period of less than 12 months, the ETC is still required to track and report data on adoption and retention for a minimum of 12 months so the Commission can evaluate whether consumers drop service when the discount is eliminated or reduced. *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-

- I. All applications must include the following information:
- (A) Names and identifiers used by the ETC applying for Pilot Program funding, including its holding company, operating company and all affiliates; its FCC Registration Number (FRN), study area codes (SACs), a list of states where the ETC is currently designated to provide Lifeline service; detailed information, including geographic locations, of the ETC's current service offerings in the market; and if a Tribal entity has an ETC designation pending, provide detailed information regarding the ETC application, including the proposed geographic locations;<sup>4</sup>

*Please see Exhibits A & B attached hereto in response to item (A) above.*

- (B) A full description of the proposed pilot project(s), including but not limited to:
1. The geographic area(s) in which the ETC will offer the broadband plan(s) for their project(s), census data on the income levels of the residents of the specified geographic area(s) (census tracts, blocks or zip codes), and whether the geographic area(s) will cover Tribal lands;<sup>5</sup>

*Geographic areas include: St. Louis, Missouri; Little Rock, Arkansas; Baltimore, Maryland; and Louisville, Kentucky. TAG will work with the Public Utility Research Center (PURC) to ensure geographic randomization within these locations. The Geographic areas will not cover tribal lands. The PURC is introduced below at p.8.*

*Please see Exhibit E attached hereto in response to the request for census data.*

2. A description of the technology or technologies that will be used for the broadband service;

*Average Network Download Speeds are 600 KBPS - 1400 KBSP (2 MBPS during peak periods); Average Upload Speeds are 300 - 500 KBPS.<sup>6</sup>*

*Subjects providing data usage would be provided with a laptop and 1 MBB device (either a*

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45, WC Docket No. 12-23, Report And Order and Further Notice Of Proposed Rulemaking, FCC 12-11, ¶ 338 (Feb. 6, 2012) (“*Lifeline Reform Order and FNPRM*”).

<sup>3</sup> Control groups used within each study will be assigned a separate project code identifier from the group of consumers offered a variation on the broadband service offering (i.e., treatment groups).

<sup>4</sup> ETCs are required to submit the information contained in section I.A only once in the application even if they plan to test multiple variations within their proposed project(s).

<sup>5</sup> See *Lifeline Reform Order and FNPRM*, FCC 12-11 at para. 350 (directing the Bureau, in coordination with Office of Native Affairs and Policy, to select at least one pilot project directed at providing support on Tribal lands).

<sup>6</sup> TAG Mobile intends to pursue options to upgrade its current data operating network from 3G to 4G LTE. Preliminary discussions, pricing, and implementation timelines are under review. Additional information is available upon request.

*wireless Mifi Device or an aircard.*

*Mifi Devices: The device is smaller than a deck of cards, portable, and convenient. With the push of a button, up to 5 users in a household can wirelessly access the Internet from virtually anywhere within the network on a WiFi-enabled device. Installation is easy and the battery lasts up to 4 hours on a single charge.*

*Mobile Broadband USB (Air) Cards – Fits in the palm of your hand, portable, convenient, and does not contain a battery. The user plugs it in to the USB port of the laptop and the user is able to connect wirelessly to the network. Installation is easy and no battery is required.*

*Laptops: basic laptops will be provided to the user with installed applications to assist in the learning process, provide resources to overcome digital literacy concerns, and assist the user with becoming connected.*

3. The broadband speeds for the service offering(s) based on what is advertised by the ETC and if the offered speed is less than the benchmarks identified by the Commission, an explanation of why the speed is less than the benchmarks, and how the speed offered will provide consumers access to key applications involving education (e.g., distance/online learning), healthcare (e.g., remote health monitoring), and person-to-person communications (e.g., online video chat);<sup>7</sup>

*TAG Mobile offers service for the data pilot on its 3G network: Average Download Speeds are 600 KBPS - 1400 KBSP (2 MBPS during peak periods); Average Upload Speeds are 300 - 500 KBPS. The speeds offered are not less than the benchmarks identified.*

*TAG Mobile intends to pursue options to upgrade its current data operating network from 3G to 4G LTE. Preliminary discussions, pricing, and implementation timelines are under review. Additional information is available upon request.*

4. The amount of the monthly discount, if any, the ETC is seeking for each broadband plan included within the proposed project and the resulting cost to subscribers for the broadband service, the duration of the monthly subsidies the ETC is seeking, and all other terms and conditions of service (the ETC must

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<sup>7</sup> See *id.* at para. 341. As explained in the *Lifeline Reform Order and FNPRM*, the Bureau will give preference to ETCs that offer speeds at 4 Mbps for downloads and 1 Mbps for uploads. See *id.* at para. 326. For fixed broadband applications, the Commission specified a broadband speed benchmark of 4 Mbps for downloads and 1 Mbps for uploads. For mobile broadband applications, the Commission expected that Pilot Program participants would meet the benchmark speeds adopted for Mobility Fund Phase I support. For mobile broadband service, the ETC must specify whether the network delivering the service is characterized as third generation (3G) or fourth generation (4G) and the advertised speeds. See *id.* at para. 341 (providing a detailed discussion of speed benchmarks for purposes of the Pilot Program for mobile service). If the ETC is unable to meet the speed benchmarks set forth in the *Lifeline Reform Order and FNPRM*, it should provide a detailed explanation of the justification for providing lower speeds and how the ETC's project would continue to be useful for consumers. See *id.*

provide specific details of all of the subsidized broadband offerings it intends to offer subscribers in the pilot project, including the different options of bundled services and/or standalone broadband and offerings with different usage limits or speed);<sup>8</sup>

***TAG Mobile is seeking subsidy for the entire reduced "Pilot" rate of \$45.95 for 2G of Service, resulting in a \$0 cost to program participants. Subsequent overage would be charged at a rate of \$0.0238 per MB. TAG Mobile plans to seek reimbursement for the overage from the Pilot funding. This allows a subsidy for a short amount of time for the customer to become familiar with the product and provides time for them to be educated enough to comfortably use the devices and technology. Additionally, it allows for the customers to have a transition period upon receiving notification of the end of the program. The specific Service Level Agreement ("SLA") that will govern the relationship between TAG Mobile and its Broadband Pilot customers is still being drafted as the exact terms of that SLA are contingent upon Commission approval of TAG Mobile's application for participation in the Pilot program as well as any changes that the Commission may request or require with respect to the TAG Mobile Broadband Pilot offering. That being said, a general outline and summary of TAG Mobile's Terms and Conditions of Service related to the Broadband Pilot program are attached hereto as Exhibit H.***

5. The amount, if any, of a subsidy the ETC is seeking to reduce or eliminate any non-recurring fees, an explanation of the costs the non-recurring fees are used to cover and the resulting cost to subscribers of any non-recurring fees;

***TAG Mobile requests a subsidy to eliminate the cost of non-recurring fees of \$1.40 per device (reduced "pilot" rate) for a total estimation of \$308.00 for 220 devices. This would be for carrier activation. There would be no resulting cost to the subscribers.***

6. A detailed explanation of how the proposed pilot project will focus on those low-income consumers who do not currently subscribe to broadband;<sup>9</sup>

***TAG Mobile, in concert with our collaborative partner the PURC, will develop a detailed outreach and survey process to select both the sample group and control group from our existing subscriber base. We will create a large outreach target group from our known, established, low-income qualified Lifeline voice users who we have identified as not already subscribing to broadband services. We will also select the group based on their longevity at their current address. We have experienced that many Lifeline participants change their address often. By selecting longer term existing customers we will minimize the risk of losing a sample user due to change of address during the one year measurement period.***

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<sup>8</sup> If an ETC chooses to impose usage limits for broadband offerings in the Pilot Program, it must include details on how a subscriber's service will be affected once the subscriber reaches the usage limit (e.g., will the ETC impose overage charges or disconnect broadband service for the month or reduce broadband speeds).

<sup>9</sup> See *Lifeline Reform Order and FNPRM*, FCC 12-11 at para. 344 (explaining how one of the main goals of the Pilot Program will be to focus on the goal of increasing broadband adoption by low-income consumers who do not currently subscribe to broadband service).

7. The project's proposed overall funding amount with details on the number of customers it is estimated to serve, with underlying assumptions;

- (A) *This broadband pilot project proposes an overall funding amount of \$425,000. This funding amount is based on TAG Mobile's estimated cost to provide the following broadband services for 250 wireless broadband customers over a 12-month period.*
- (B) *Wireless Broadband Service @ \$46.00 per month - \$11,500.00*
- (C) *Digital Literacy Program - \$12,500*
- (D) *Additional Resources (Educational, Healthcare, Job Resource applications) - \$15,500*
- (E) *Non Recurring Fees per device: \$1.40 each = \$300.00*
- (F) *Any remaining amount will be used to pay for the administration of surveys, materials, support, user guides, collateral, and other materials associated with the cost of administering the program.*

*TAG Mobile also requests permission to submit for reimbursement for overage charges pilot subjects incur during the pilot. As this is a pilot, overage charges are currently unknown.*

8. A description of how the ETC will market the broadband service offering(s) to low-income consumers (e.g., outreach to existing Lifeline voice subscribers, advertising in newspapers/radio, outreach through community-based organizations), the language(s) in which the ETC will market the service and copies of sample marketing materials if available; and

*TAG Mobile will market wireless broadband service for this pilot through its dealer and agent network (face to face) and through its community outreach program.*

*Our planned approach involves 3 methods of delivery to target our subscribers: online, person to person, and by telephone: This ensures that we will reach a variety of respondents, including those who may not have access to online resources due to limited digital literacy.*

*Below are some barriers to broadband adoption<sup>10</sup> along with our approach*

*Cost: low cost hardware*

*Relevance: Software applications and other resources geared towards providing relevant assistance to the user (job search, education, health)*

*Digital Literacy: A face to face approach, showing the user how to launch a training video to get them started using broad band and their devices.*

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<sup>10</sup> **Kathryn Zickuhr and Aaron Smith.** 2012. "Digital Differences." Pew Research Center's Internet & American Life Project, p 7, ("Digital Differences") attached hereto as Exhibit J.

*This ensures the likelihood that applicants of the pilot program have no broadband service and are low-income, prior to having them fill out an application. The service will be marketed in English for the pilot. The marketing material for this broadband pilot is currently under development.*

9. A description of what customer service support will be available to subscribers participating in the pilot project;

*Tier I: This tier handles basic questions both about the account and the device. They would review the account to ensure that the account is active, has a balance of available minutes/data, as well as the information is correct. They would also “troubleshoot” the devices by explaining common “How To’s” out of the user’s manual. When this does not resolve the issue, Tier I would transfer to Tier II.*

*Tier II: This tier is responsible for all advanced troubleshooting of documented issues. Any issues that would require access to additional tools like a switch or data access center would go to this tier. The Company representatives in this tier have a more in depth knowledge of how the network works to be able to isolate the possible causes of issues. For any advanced issue outside of the user’s manual that has been documented and confirmed with a resolution will also be handled by Tier II. If the purposed resolution does not resolve the issue or if the issue is unknown/unique, the call would be escalated to Tier III.*

*Tier III: This is the group that finds solutions to issues when none are currently known. This group has a deep understanding of how calls and data routes through the network to be able to check each point and make sure it is functioning. They start a new case document for the knowledge base (KB) and document the steps they attempt to go through to resolve the issue. When the resolution is found, it then moved to a pending status. When the caseID has been confirmed a second time to resolve the issue, it is added to the KB for future troubleshooting by tier II.*

- (C) A detailed explanation of how the ETC’s project will address barriers to broadband adoption other than cost, including but not limited to:
  1. Whether the ETC’s project will provide digital literacy training and what form that will take;

*The proposed pilot will provide all users with a digital literacy training guide that will be placed on the laptop computer of the pilot participant. The completion of this digital literacy training guide will be a requirement of the participants in the broadband pilot program. This digital literacy training guide will provide detailed guidelines related to how to use a computer and broadband access in the following areas:*

- *Education uses for the computer*

- *Career assessment and job search tools*
- *Email and other electronic communications tools*
- *Social media Do's and Don'ts*
- *Personal finance and budgeting*
- *Introduction to Microsoft Office programs (Word, Excel and PowerPoint)*

*Relevance: The largest barrier, relevance, is arguably a catch-all category that captures a range of adoption hurdles that people cannot crisply articulate. When almost half of non-users cite reasons such as “not interested”, and 20% of dial-up users state “nothing could get me to switch” to broadband, it seems clear that networked digital resources do not play enough of a role in their lives to justify a broadband connection”.*<sup>11</sup>

*Based on research performed by TAG Mobile, we determine that more competition in the targeted low-income space, lower prices and support subsidies, and greater availability of faster infrastructure will be welcomed by American consumers. By themselves, however, they are not likely to be enough to lure non-online users off the digital sidelines. Our research suggests that non-users don't yet see the benefits of home high-speed access. To reach the underserved, policymakers might consider partnering with ETC's and launching a more aggressive and targeted outreach efforts that educate hard-to-reach populations about the benefits of online connectivity.*

2. Whether the project will provide free or discounted hardware, including aircards, modems, laptops (notebooks), tablets, desktops, or other mobile devices, to the subscribers; who will supply and pay for the free or discounted hardware; whether the subscribers will bear any of the cost of the discounted hardware; and the cost the ETC will require the subscriber to pay; and

*Subjects receiving data usage would be provided with a laptop and 1 MBB device (either a wireless Mifi Device or an aircard.*

*Mifi Devices: The device is smaller than a deck of cards, portable, and convenient. With the push of a button, up to 5 users in a household can wirelessly access the Internet from virtually anywhere within the network on a WiFi-enabled device. Installation is easy and the battery lasts up to 4 hours on a single charge.*

*Mobile Broadband USB (Air) Cards – Fits in the palm of your hand, portable, convenient, and does not contain a battery. The user plugs it in to the USB port of the laptop and the user is able to connect wirelessly to the network. Installation is easy and no battery is required.*

*Laptops: basic laptops will be provided to the user with installed applications to assist in the learning process, provide resources to overcome digital literacy, and assist the user with becoming connected.*

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<sup>11</sup> Digital Differences at 2, 6, 9.

*There will be no cost to the subscribers for hardware or devices for the duration of the pilot program.*

- (C) The name and a description of the qualifications of any individuals or entities the ETC proposes to partner with in designing or implementing the proposed pilot project, and a detailed explanation of the role of the partner(s), if any, including whether they have existing or planned adoption efforts that provide for a more holistic approach to overcoming broadband adoption barriers, including digital literacy, equipment costs, and relevance;<sup>12</sup>

### **About PURC**

*The Public Utility Research Center (PURC) at the University of Florida is an internationally recognized academic center dedicated to research and education in utility regulation and strategy. Founded in 1972, PURC strives to enhance the understanding of issues confronting government, service providers, customers, and other stakeholders through research of academic quality, facilitated dialogues, conferences, and training programs.*

*Situated in the Warrington College of Business Administration, PURC is uniquely qualified to address the issues for this research:*

- *History and Context. PURC has extensive experience with Lifeline and low-income telecommunications issues. Dr. Jamison served on NARUC staff subcommittees and on the Separations Joint Board staff during times when state and federal regulators were working on these policies. PURC researchers have published numerous papers on the development of low-income assistance programs, their application, and their impacts. PURC researchers have also written numerous papers on broadband development, demand, and application, as well as papers and books addressing pricing, investment incentives, and investment risk.*
- *Rigorous Analyses. PURC has experience with numerous data collection and modeling issues that arise in this research. PURC has conducted several surveys of low income households, analyzed survey data in econometric models, and combined survey results with other data to complete analyses.*

*PURC has broad international experience, which will help inform this research. PURC faculty works with their academic peers at the University of Florida and the University of North Texas, and other universities throughout the United States and across the globe. Academic relationships are maintained in Portugal, France, China, Thailand, Japan, South Africa, and Spain to name a few. These relationships have led to international academic conferences, publications in academic journals, and the publication of books.*

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<sup>12</sup> See *id.* at para. 352 (explaining importance of partnerships with entities that have existing adoption programs).

***PURC’s flagship outreach program to practicing industry regulators is the “PURC/World Bank International Training Program on Utility Regulation and Strategy”. This intensive, two-week course enhances the economic, technical, and policy skills required to design and manage sustainable regulatory systems for infrastructure sectors. More than 2,600 from 150 countries have participated in this course since its inception in January 1997. Development and evaluation of low-income assistance programs are addressed in each course. In addition to this course, PURC has conducted courses on every continent except Antarctica, many of which addressed at least some of the issues that will be examined in this project.***

***Please refer to Exhibit F and Exhibit G for additional information concerning the qualifications of this partner.***

(E) A detailed explanation of the design, data gathering and evaluation component of the project, including:

1. All details regarding the design of the project(s), which includes: (a) the planning, execution and analysis of the field experiment with control groups, if applicable;<sup>13</sup> (b) explanation of how the proposed project(s) will inform the Commission concerning the causal impact of the variations on broadband service; (c) if applicable, how the project(s) will apply randomization, i.e. the process of randomly determining how consumers are assigned into control groups;<sup>14</sup> (d) how the project(s) will mitigate any sources of statistical bias, if designed as a field experiment;<sup>15</sup> and (e) how it will obtain sufficient sample size; and

2. Details of how the ETC plans to collect the standardized data that must be submitted to USAC, as described in Appendix, including whether the ETC will seek to have USAC collect that data;

3. If the ETC plans to collect data from its subscribers in addition to the standardized data that must be collected, as described in Appendix, details of the types of data the ETC plans to collect from its subscribers relating to broadband adoption and

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<sup>13</sup> See *id.* at para. 326 (encouraging ETCs to utilize control groups when developing proposals in order to better assess the impact on adoption of the project).

<sup>14</sup> For example, ETCs have the option of applying geographic randomization (*e.g.*, cluster sampling design) in their studies based on census tracts, census blocks or zip code such that one variation of a broadband offering (*e.g.*, \$10 discount amount) is offered in one zip code and a different variation (*e.g.*, \$20 discount amount) is offered in an adjacent zip code to determine which variation is more effective in increasing broadband adoption.

<sup>15</sup> Examples of statistical bias include randomization bias, attrition bias and substitution bias. See Steven D. Levitt and John A. List, *Field Experiments in Economics: the Past, the Present and the Future*, *European Economic Review*, at 6-7 (2009) (discussing the types of bias that could occur when conducting field experiments); see also John A. List, Sally Sadoff and Mathis Wagner, *So You Want to Run an Experiment? Some Simple Rules of Thumb for Optimal Experiment Design*, Carlo Alberto Notebooks, No. 125 (Dec. 2009).

how it intends to collect that data;<sup>16</sup>

*TAG Mobile has partnered with the Public Utility Research Center (PURC), at the Warrington College of Business Administration at the University of Florida to assist in the planning, executing and analyzing of data related to this broadband pilot project. PURC has extensive experience in planning, executing and analyzing telecommunications field experiments. This broadband pilot project will leverage the award-winning research PURC is currently conducting around broadband deployment and convergence and Lifeline Telephone Service. In addition, TAG Mobile will implement field experimental best practices as outlined in John A. List, Why Economists Should Conduct Field Experiments and 14 Tips for Pulling One Off, Journal of Economic Perspectives, Volume 25, pages 3-16, Summer 2011.*

*TAG Mobile will collect all data as outlined in Appendix, Block A – H of the Public Notice. TAG Mobile also plans to measure the adoption and usage rates of free (100% discounted) broadband service. The company plans to measure the rate of broadband adoption and usage of the pilot participants that receive 100% discounted broadband service as compared to the rate of broadband adoption and usage of the general population within the service area. The adoption rate data will be extracted from TAG Mobile's internal reporting systems and the broadband usage data will be requested from the underlying broadband service providers as part of the pilot program. Members of control groups will be selected from TAG Mobile's current Lifeline subscriber base and will be selected based upon answers to surveys collected and administrated by the PURC.*

*The PURC Project Team will work with TAG Mobile to design the data gathering and analytical processes for this project. This work could include discussing the research design with the FCC. The Project Team will work with TAG Mobile to design and form the treatment and control groups for the Project.*

*Should the project be approved by the FCC, TAG Mobile will collect data on customer usage of the broadband services for a period of at least 12 months. The data to be collected will be determined in the research design phase. TAG Mobile will provide to the Project Team each month's data by the 15th of the following month in a format and means mutually agreed upon by PURC and TAG Mobile. The Project Team will inspect the data to assess whether the data appears to meet the requirements of the project, is usable, and is valid. PURC will provide its opinion to TAG Mobile within 20 days after having received the data in a usable form.*

*The Project Team will work with TAG Mobile to ensure that data is collected over the term of the study period, which will be determined in consultation with the Commission. This will include monitoring whether sufficient usage data is being collected from each designated group.*

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<sup>16</sup> See *Lifeline Reform Order and FNPRM*, FCC 12-11 at para. 336 (detailing the data gathering and sharing component of the Pilot Project). In the event the ETC modifies the survey questions listed on Appendix or asks additional questions, it must include formatted datasets with the raw subscriber-level data used in the final analysis, and a data dictionary accompanying the datasets, with the exact wording used in any surveys the ETC conducts during its project.

*The primary research questions for the project are:*

- 1. What are the typical usage patterns for low-income customers and how do these patterns differ from those of representative customers?*
- 2. What applications and usage do low-income customers appear to value most?*
- 3. What service packages do low-income customers appear to find most valuable?*
- 4. What service packages and profitable pricing arrangements do low-income customers find most attractive?*
- 5. What subsidy amounts and arrangements best achieve the Commission's goals for low-income assistance?*

*In addition to the performance of the project, PURC will assist TAG Mobile with its communication with other parties, such as other researchers, the Commission, and other companies, that have direct or indirect interests in the Project as needed.*

*At the conclusion of the data collection period, the Project Team will analyze the data to answer the research questions as far as can be reasonably done with the data gathered. The Project Team will also assist TAG Mobile in discussions with the FCC regarding its analysis of the data as needed. The Project Team and TAG Mobile will mutually agree upon a schedule for data analysis.*

*All research conducted by the Project Team will be publicly available and can be used by PURC researchers for publication in academic journals. Additional questions may be asked that add value based on publications from Economics and Statistics Administration and the National Telecommunications and Information Administration in the U.S. Department of Commerce. Examples of additional questions which may be asked of subjects whether or not in the control group include but are not limited to: What type of phone the subject has, their level of education, the number of cars owned by the household (questions like these help determine income without making subjects "too uncomfortable" to give honest answers in the interest of obtaining true, high quality data.*

*TAG Mobile fully intends to collect any data that it or the PURC deems useful towards making judicious decisions with regard to the program. Items that will be taken into consideration which may not be in the appendix referenced in the Commission's Public Notice are explained in greater detail in TAG Mobile's response to item (H) below .*

- (F) A detailed explanation of how the ETC will comply with the Commission's new rules relating to determinations of subscriber eligibility for Lifeline-supported services by applying all of the consumer eligibility and enrollment procedures as detailed in section VI and Appendix C of the Lifeline Reform Order and FNPRM, and a copy of the ETC's certification form for enrollment that will be used during the Pilot Program;<sup>17</sup>

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<sup>17</sup> See *id.* at section VI, Appendix C, para. 343.

*For all participants of the Pilot program, TAG Mobile will utilize the Eligibility Determination procedures outlined in TAG Mobile’s Compliance Plan filed with the Commission in WC Docket Nos. 09-197 and 11-42. These procedures will be implemented for both new and existing TAG Mobile customers that will be participating in the Broadband Pilot Program, and will be independent from and in addition to the current Certification and Verification requirements related to TAG Mobile Lifeline service. The procedures referenced above are detailed as follows:*

*If TAG Mobile cannot determine a prospective subscriber’s eligibility for the Broadband Pilot Program by accessing income databases or program eligibility databases, TAG Mobile’s employees or agents (“Company personnel”) will review documentation establishing eligibility pursuant to the Lifeline rules.<sup>18</sup>*

*Proof of Eligibility. Company personnel will be trained on acceptable documentation required to establish income-based and program-based eligibility.<sup>19</sup> 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.<sup>20</sup>*

*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.<sup>21</sup>*

*Company personnel will examine this documentation for each Broadband Pilot Program 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.<sup>22</sup> In addition, Company personnel will fill in, where available, the last four digits of an account or other identifying number on the proof document, the date of the proof document and the expiration of the proof document. TAG Mobile will not retain a copy of this documentation. Where Company personnel conclude that proffered documentation is insufficient to establish such eligibility, TAG Mobile will deny the associated application and inform the applicant of the*

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<sup>18</sup> See Lifeline Reform Order, ¶ 100; section 54.410(b)(1)(i)(B), 54.410(c)(1)(i)(B).

<sup>19</sup> See Lifeline Reform Order, ¶ 101. See also USAC Guidance available at <http://www.usac.org/li/telecom-carriers/step06/default.aspx>.

<sup>20</sup> *Id.* and section 54.410(c)(1)(i)(B).

<sup>21</sup> See Lifeline Reform Order, ¶ 101; section 54.410.(b)(1)(i)(B).

<sup>22</sup> See Lifeline Reform Order, ¶ 101; sections 54.410(b)(1)(iii), 54.410(c)(1)(iii).

*reason for such rejection. 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 the appropriately qualified supervisory personnel at TAG Mobile's corporate headquarters in Carrollton, Texas.*

*De-Enrollment for Ineligibility. If TAG Mobile has a reasonable basis to believe that one of its Broadband Pilot Program subscribers no longer meets the eligibility criteria, TAG Mobile will notify the subscriber of impending termination in writing and give the subscriber 30 days to demonstrate continued eligibility. 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.*

#### *Subscriber Certifications for Enrollment*

*TAG Mobile will implement certification policies and procedures that enable consumers to demonstrate their eligibility for the Broadband Pilot Program to Company personnel. Every applicant will be required to complete an application/certification form containing disclosures, and collecting certain information and certifications as discussed below. Applicants that seek to enroll based on income eligibility will be referred to a worksheet showing the Federal Poverty Guidelines by household size.<sup>23</sup>*

*Applicants that do not complete the form in person will be required to submit a completed and signed application/certification to TAG Mobile by mail, facsimile, electronic mail or other electronic transmission, inclusive of the required proof of eligibility. Any evidentiary documentation submitted with the application/certification is used strictly to verify a consumer's eligibility to participate in the Broadband Pilot Program. Upon approval of the customer's application/certification, such proof of eligibility is either returned to the customer or destroyed, and is not retained by TAG Mobile, as previously stated above. In addition, Company personnel will verbally explain the certifications to consumers when they are enrolling in person or over the phone.<sup>24</sup>*

*Disclosures. TAG Mobile's application/certification forms will include the following disclosures: (1) The Broadband Pilot is a federally sponsored pilot program being developed in conjunction with the Lifeline program. Willfully making false statements to participate in the Broadband Pilot program can result in fines, imprisonment, de-enrollment or being barred from the program; (2) Broadband Pilot participation is limited to one per household; (3) a household is defined, for purposes of the Broadband Pilot 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 participate in the Broadband Pilot with 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) the Broadband*

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<sup>23</sup> See Income Eligibility Worksheet, included as part of Exhibit C.

<sup>24</sup> See Lifeline Reform Order, ¶ 123.

*Pilot program is non-transferable and the applicant may not transfer his or her program participation to any other person.*<sup>25</sup>

*Application/certification forms will also state that: (1) the program for which the consumer is applying is a Broadband Pilot program developed in conjunction with the Lifeline program, (2) the Broadband Pilot program is a government program, and (3) only eligible consumers may enroll in the program.*<sup>26</sup>

*Information Collection. TAG Mobile will also collect the following information from the applicant in the application/certification form: (1) the applicant's full name; (2) the applicant's full residential address (P.O. Box is not sufficient<sup>27</sup>); (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 the Broadband Pilot program 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; and (8) if the applicant is seeking to qualify for the Broadband Pilot program under the income-based criterion, the number of individuals in his or her household.*<sup>28</sup>

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

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<sup>25</sup> See Lifeline Reform Order, ¶ 121; section 54.410(d)(1).

<sup>26</sup> See section 54.405(c).

<sup>27</sup> See Lifeline Reform Order, ¶ 87.

<sup>28</sup> See section 54.410(d)(2).

<sup>29</sup> See Lifeline Reform Order. ¶¶ 168-69; section 54.419.

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

***In addition, the applicant will be required to authorize TAG Mobile to access any records required to verify the applicant's statements on the application/certification form and to confirm the applicant's eligibility for participation in the Broadband Pilot program. The applicant must also authorize TAG Mobile to release any records required for research and data collection related to the Broadband Pilot program.***

***A copy of TAG Mobile's certification form for enrollment that will be used during the Pilot Program is attached hereto as Exhibit C.***

- (G) A description of how the ETC will transition its broadband subscribers at the conclusion of the ETC's project once the discount has ended and any copies of any notices that the ETC would send to its subscribers explaining this transition;

***TAG Mobile intends to send notices to the subscriber indicating they have the option of continuing their service with TAG Mobile for a cost. Data concerning how many of these users actually made the transition could be obtained for the FCC pilot if requested. If the customers opt to continue the service, they will be able to retain the equipment provided in conjunction with the Pilot. If not, then TAG Mobile will require the return of the equipment. Such notice is currently being drafted.***

- (H) If the ETC and its partners intend to submit a final report to supplement the information collected on the Low-Income Broadband Pilot Program Reporting Form, a general description of the types of analysis that will be included in the final report submitted to the Commission at the end of the program. The description should include hypotheses tested and how the analysis addresses the goal of identifying effective approaches to increasing low-income broadband adoption and retention. The description may also explain how, once the study is complete, the costs of converting a non-adopter to adopter will be calculated and presented in the report; and

***TAG Mobile intends to collect additional data to supplement the information collected on the Low-Income Broadband Pilot Program Reporting Form. The type of analysis will cite data related to how outreach/marketing methods may affect the interest and perceived relevance to the user and how it relates to their usage. This data should allow the FCC to measure usage, perceived relevance, and gauge interest based on the types of marketing and outreach programs provided. This will allow TAG to determine if certain applications or resources are determined to be irrelevant to the user when one marketing approach is used versus another. If the customers opt to continue the service, the cost of resources and software applications may be affected for the program based upon data obtained by changing marketing tactics to increase perceived relevance, provide additional resources that users desire based on perceived relevance, or will be removed/reduced based on removal of unused/unnecessary resources.***

***Examples of this type of data include reports provided by Google Apps which measure email usage, and/or data provided by other potential partnerships that would provide usage data and perceived relevance of that resource based on usage. Survey information containing the users opinions would also be obtained to show perceived relevance. Please see Exhibit K which includes examples of the data reports that can be obtained from Google apps.***

(I) Any other information necessary to fully describe the project.

***Please see Exhibit I attached hereto for additional information related to TAG Mobile's proposed Pilot Program.***

II. All applications must include the following certifications, executed by an officer of the ETC under penalty of perjury:

(G) That the ETC intends to offer broadband service pursuant to the Commission's rules and regulations for the Lifeline program;

(H) That the ETC will implement all necessary procedures and efforts to prevent waste, fraud and abuse in connection with its participation in the Pilot Program, including but not limited to procedures that the ETC will have in place to prevent duplicate broadband subsidies within its subscriber base, and procedures the carrier undertakes to de-enroll subscribers receiving more than one broadband discount per household;

(I) That the ETC's broadband service offering(s) will provide sufficiently low latency to enable use of real-time applications such as Voice over Internet Protocol (VoIP) and if there are usage limits for each plan, that they are reasonably comparable to usage limits for comparable broadband offerings in urban areas;<sup>30</sup> and

(J) That the ETC will participate in the collection and sharing of anonymized qualitative and quantitative data with standardized data elements, formatting, and submission requirements, and that the ETC will participate in workshops to discuss interim and final results of the project, and how best to use limited universal service funds to increase low-income consumers' adoption of broadband services.<sup>31</sup>

***Please see the Officer Certification attached hereto as Exhibit D.***

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<sup>30</sup> See *id.* at para. 342.

<sup>31</sup> See *id.* at para. 354 (discussing ETC's required commitment to participate in workshops).