Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Telecommunications Carriers Eligible to Receive Universal Service Support	)	WC Docket No. 09-197
	)	
TIME WARNER CABLE INC.	)	
	)	
Petition for Forbearance	)	
	)	

PETITION FOR FORBEARANCE OF TIME WARNER CABLE

Pursuant to Section 10 of the Communications Act of 1934, as amended (the "Act"),[1] Time Warner Cable Inc. ("TWC") petitions the Commission to forbear from enforcing Section 214(e)(5) of the Act and Section 54.207 of the Commission's rules (which implements Section 214(e)(5))[2] in connection with TWC's pending and future applications for limited designation as an eligible telecommunications carrier ("ETC") to participate in the Lifeline program.[3] TWC seeks the same forbearance relief that the Commission provided to NTCH, Inc. and Cricket Communications, Inc. last year.[4]

As explained herein, Sections 214(e)(5) and 54.207 are intended to prevent recipients of high-cost universal service support from engaging in "cream-skimming"—*i.e.*, the practice of targeting only the lower-cost portions of a rural study area. The Commission has explained that, where a competitive ETC obtains high-cost support that is based on the cost of

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1 47 U.S.C. § 160.

2 47 U.S.C. § 214(e)(5); 47 C.F.R. § 54.207.

3 Appendix A hereto provides the specific information required by Section 1.54(a) and (e) of the Commission's rules. 47 C.F.R. §§ 1.54(a), (e).

4 *See NTCH, Inc. and Cricket Communications, Inc.*, Order, 26 FCC Rcd 13723, at ¶ 10 (2011) ("*NTCH/Cricket Forbearance Order*").

serving particularly high-cost portions of an incumbent carrier's study area without actually serving those areas, it can distort competition and potentially undermine universal service.[5] Thus, Section 214(e)(5) requires an ETC to either: (i) serve the entirety of relevant rural study areas; or (ii) complete a lengthy and complex series of boundary-modification proceedings at the federal and state levels to demonstrate that the provision of service to a subset of the incumbent carrier's service territory would not result in "cream-skimming" or otherwise harm the public interest.

Critically, however, concerns regarding cream-skimming have no application in the context of Lifeline services, as the Commission has made clear. Carriers that receive support only for serving low-income consumers, as opposed to serving high-cost areas, have no incentive or ability to engage in cream-skimming. Accordingly, because TWC is not seeking any high-cost support, but rather seeks designation as an ETC only for the limited purpose of receiving Lifeline support, enforcement of Sections 214(e)(5) and 54.207 would be unnecessary and would waste federal, state, and company resources. In fact, the requested forbearance would strongly *promote* the universal service objectives embodied in the Act and reflected in Commission policy. Therefore, TWC respectfully requests that the Commission grant this Petition expeditiously, so that low-income customers can benefit from the high-quality calling plans provided by TWC without any unnecessary delay.

I. BACKGROUND

TWC. TWC is a leading facilities-based provider of competitive voice services. It is the second-largest cable operator in the United States, with operations in 29 states and more

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[5] *See, e.g.*, *Virginia Cellular, LLC*, Memorandum Opinion and Order, 19 FCC Rcd 1563, at ¶ 32 (2003); *see also Federal-State Joint Board on Universal Service*, Recommended Decision, 12 FCC Rcd 87, at ¶ 172 (1996).

than 15 million residential and commercial customers (including nearly 5 million residential voice subscribers). In addition to its digital cable and broadband services, TWC offers interconnected voice-over Internet Protocol ("VoIP") services throughout this footprint. Indeed, TWC was the first multi-system cable operator—and one of the first service providers—to introduce a mass-market, facilities-based VoIP service, now known as Home Phone, bringing a reliable, feature-rich, competitive voice alternative to millions of residential consumers. When TWC first began providing voice service using its interconnected VoIP capabilities, it obtained interconnection and traffic-exchange for its retail voice service through commercial arrangements with third-party carriers. TWC is now transitioning to a more efficient and cost-effective business model under which various of its subsidiaries will operate as local exchange carriers, and interconnect and exchange traffic with incumbent local exchange carriers directly.

TWC Petition for Designation as an Eligible Telecommunications Carrier. Concurrently with this petition, TWC is filing a petition with the New York State Public Service Commission seeking designation as an ETC in various of TWC's franchise areas in that state. TWC plans to file similar petitions with other state commissions. Because TWC's franchise areas encompass portions of the study areas of a number of rural local exchange carriers, the requirements of Sections 214(e)(5) and 54.207 are implicated by these petitions. Critically, however, TWC seeks ETC designation only for the purpose of receiving available Lifeline support, making the cream-skimming concerns that apply in the high-cost context inapposite.

Sections 214(e)(5) and 54.207. Under Section 214(e)(1) of the Act, an ETC must offer supported services and advertise the availability of and charges for such services "throughout the *service area* for which the designation is received[.]"[6] Section 214(e)(5) of the

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[6] 47 U.S.C. § 214(e)(1) (emphasis added).

Act, in turn, provides that "[i]n the case of an area served by a rural telephone company, 'service area' means such company's 'study area' unless and until the Commission and the States . . . establish a different definition of service area for such company."[7] Section 54.207 of the Commission's rules specifies a series of procedural steps that must be followed for this purpose at the federal and state levels to ensure that the provision of service to smaller portions of those areas would not result in "cream-skimming" or otherwise harm the public interest.[8] These steps often take years to complete, at great cost to both the carrier and relevant regulators.

TWC's footprint in New York and the other states it serves overlaps with a number of rural study areas. Yet TWC does not serve the entirety of many of those study areas, and cannot economically expand its network footprint to do so. Consequently, Sections 214(e)(5) and 54.207, if enforced, would preclude TWC from operating as an ETC until the Commission and the states could redefine TWC's service areas to be narrower than the relevant rural study areas—even though the Commission has made clear that no "cream-skimming" analysis is necessary where an ETC applies only for low-income support.[9] TWC therefore seeks forbearance from the boundary-modification requirements, as the Commission has already found appropriate in the *NTCH/Cricket Forbearance Order*.

Forbearance Standard. Section 10(a) of the Act provides that the Commission *shall* forbear from applying any provision of the Act to a telecommunications carrier if the Commission determines that: (i) enforcement of such provision is not necessary to ensure that the charges, practices, classifications, or regulations by, for, or in connection with the carrier or

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7 47 U.S.C. § 214(e)(5).

8 47 C.F.R. § 54.706.

9 *See Virgin Mobile USA, L.P.*, Order, 24 FCC Rcd 3381, at ¶ 38 n.101 (2009) ("In addition, we need not perform a creamskimming analysis because Virgin Mobile is seeking eligibility for Lifeline support only.") ("*Virgin Mobile Forbearance Order*").

telecommunications service are just and reasonable and are not unjustly or unreasonably discriminatory; (ii) enforcement of such provision is not necessary for the protection of consumers; and (iii) forbearance from applying such provision is consistent with the public interest.[10] Section 10(b) of the Act further provides that in evaluating whether forbearance would be consistent with the public interest, the Commission *shall* consider whether such forbearance would promote competitive market conditions or enhance competition.[11]

II. DISCUSSION

Forbearance from enforcement of Sections 214(e)(5) and 54.207 in connection with TWC's ETC applications is appropriate and, indeed, required because: (i) enforcement is not necessary to ensure that TWC's rates, terms and conditions are just, reasonable, and non-discriminatory; (ii) enforcement is not necessary to protect consumers; and (iii) forbearance is consistent with the public interest.

A. Enforcement of Sections 214(e)(5) and 54.207 Is Not Necessary To Ensure that TWC's Rates, Terms and Conditions are Just, Reasonable, and Non-Discriminatory.

A carrier seeking forbearance from the enforcement of a provision of the Act must demonstrate that such enforcement is not necessary to ensure that the carrier's rates, terms and conditions are just, reasonable, and non-discriminatory. This prong of the analysis is easily satisfied because Sections 214(e)(5) and 54.207 have no bearing on a carrier's relationship with its customers. Rather, Sections 214(e)(5) and 54.207 serve to ensure that ETCs serving rural

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[10] 47 U.S.C. § 160(a).

[11] 47 U.S.C. § 160(b).

areas are not able to engage in "cream-skimming," while at the same time preventing ETCs from complicating certain calculations with respect to high-cost support in rural areas.[12]

Far from leading to rate increases or unreasonable service terms, forbearance would enable TWC to make Lifeline discounts available to its subscribers, thus giving consumers access to lower rates.[13] Nor would the requested forbearance in any way diminish the benefits of competition, which helps to ensure that rates are just, reasonable, and non-discriminatory.[14] To the contrary, by enabling TWC to obtain available discounts for Lifeline-eligible customers, forbearance would better enable TWC to compete with other carriers that participate in the Lifeline program. By the same token, forbearance would not prevent the Commission from enforcing Section 201 or Section 202 of the Act, which require all carriers to charge just, reasonable, and non-discriminatory rates.[15] For these reasons, enforcement of Sections 214(e)(5) and 54.207 is not necessary to ensure that a Lifeline provider's rates, term, and conditions are just, reasonable, and non-discriminatory.[16]

B. Enforcement of Sections 214(e)(5) and 54.207 Is Not Necessary To Protect Consumers.

A carrier seeking forbearance from enforcement of a provision of the Act also must demonstrate that such enforcement is not necessary to protect consumers. Again, Sections 214(e)(5) and 54.207 do not govern the relationship between the carrier and its customers and thus are not consumer protection provisions. Rather, forbearance would promote consumers'

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12 *See Virgin Mobile Forbearance Order* ¶ 38 n.101.

13 *See NTCH/Cricket Forbearance Order* ¶ 10.

14 *See, e.g., Virgin Mobile Forbearance Order* ¶ 19.

15 *See NTCH/Cricket Forbearance Order* ¶¶ 10-11; 47 U.S.C. §§ 201, 202.

16 *See Virgin Mobile Forbearance Order* ¶ 19 n.53 (citing *CTIA v. FCC*, 330 F.3d 502, 512 (D.C. Cir. 2003)).

interests by enabling them to obtain Lifeline discounts. Moreover, the requested forbearance would not affect the consumer protection provisions of the Act (*e.g.*, Sections 201, 202, and 222), or the Commission's rules—including Sections 54.101 and 54.201.[17] Similarly, the requested forbearance would not affect TWC's ability to provide E-911 or other critical services to consumers.[18] Thus, enforcement of Sections 214(e)(5) and 54.207 is not necessary to protect consumers.

C. Forbearance from the Enforcement of Sections 214(e)(5) and 54.207 Is Consistent with the Public Interest.

Finally, a carrier seeking forbearance from the enforcement of a provision of the Act must demonstrate that such forbearance is consistent with the public interest. In this case, forbearance from the enforcement of Sections 214(e)(5) and 54.207 against TWC not only is consistent with, but would strongly promote, the public interest. In particular, the requested forbearance would expedite TWC's ability to market Lifeline offerings to the public, thereby providing consumers with a valuable opportunity to obtain discounted service that includes a host of advantages.[19] Notably, TWCIS(NY) plans to offer several low-priced service plans to Lifeline subscribers, including (i) separate plans offering local-only, unlimited in-state, and unlimited nationwide calling; and (ii) "double play" and "triple" play bundles, which will facilitate consumer access to voice services, as well as high-speed data and video services. By

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[17] *See NTCH/Cricket Forbearance Order* ¶¶ 10-11; *see also* 47 U.S.C. §§ 201, 202, 22; 47 C.F.R. §§ 54.101, 54.201.

[18] *Cf. Virgin-Mobile Forbearance Order* ¶¶ 21-22.

[19] *See NTCH/Cricket Forbearance Order* ¶ 12.

offering a wide variety of low-priced plans, TWCIS(NY) will ensure that the Lifeline program meets the particularized needs of the low-income consumers it serves.[20]

The requested forbearance would expedite TWC's ability to serve low-income customers, and thus promote the public interest. In particular, forbearance would enable TWC to introduce a competitive alternative that better responds to the particular needs of low-income consumers, consistent with Commission policy generally and the specific guidance provided in Section 10(b) of the Act. At the same time, forbearance from the enforcement of Sections 214(e)(5) and 54.207 against TWC would in no way harm the public interest.[21] As explained above, such enforcement is not necessary to ensure that TWC's rates are just, reasonable, and non-discriminatory, or to otherwise protect consumers.

Furthermore, such enforcement is not necessary to advance the universal service policies set forth in Section 214 of the Act. First, as the Commission already has found, there is no need to perform a "cream-skimming" analysis where, as here, an ETC seeks to receive only low-income support.[22] Second, and perhaps more importantly, forbearance from the enforcement of Sections 214(e)(5) and 54.207 simply would expedite TWC's ability to provide Lifeline, but would not prevent state public utilities commissions from designating TWC as an ETC within *some* defined "service area" (*e.g.*, rural areas within TWC's existing footprint), nor would it negate the service obligations specified in Section 214(e)(1) of the Act and the Commission's implementing rules.

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[20] In each case, TWC will apply the Lifeline discount only to the voice component of the bundle.

[21] *Id.*

[22] *See Virgin Mobile Forbearance Order* ¶ 38 n.101.

Finally, the requested forbearance would serve the public interest because TWC will implement a compliance plan to help ensure that the eligibility of Lifeline applicants is properly verified, and that duplicative or otherwise wasteful Lifeline support is not distributed.[23]

III. ANTI-DRUG ABUSE CERTIFICATION

No party to this Petition is subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998, 21 U.S.C. Section 862.

IV. CONCLUSION

For the reasons set forth above, TWC respectfully submits that forbearance from the enforcement of Sections 214(e)(5) and 54.207 against TWC is appropriate and required.

Respectfully submitted,

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[23] A proposed compliance plan is attached as Appendix B hereto. TWC respectfully requests that the Commission approve this compliance plan at the same time the Commission grants this petition.

APPENDIX A
DESCRIPTION OF RELIEF SOUGHT

TWC hereby provides the following information required by Section 1.54(a) and (e) of the Commission's rules, 47 C.F.R. §§ 1.54(a), (e):

(1) TWC petitions the Commission to forbear from enforcing Section 214(e)(5) of the Communications Act of 1934, as amended, 47 U.S.C. § 214(e)(5), and Section 54.207 of the Commission's rules, 47 C.F.R. § 54.207.

(2) TWC seeks forbearance on behalf of itself and any subsidiaries that operate, or may operate, as local exchange carriers.

(3) TWC seeks forbearance with respect to its provision of local exchange and related services.

(4) TWC seeks forbearance with respect to: (i) those areas in New York in which TWC has sought such designation as an eligible telecommunications carrier ("ETC") from the Commission; and (ii) those areas in other states in which TWC may seek designation as an ETC from the relevant state commission pursuant to Section 214(e)(2) of the Act.

TWC has not, in a pending proceeding, requested or otherwise taken a position on the relief sought.

All supporting data upon which TWC intends to rely, for purposes of this petition, are included in the preceding narrative. TWC is not relying on any separate market analysis, and, as such, TWC is not attaching a separate appendix with supporting data.

Appendix B

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TIME WARNER CABLE COMPLIANCE PLAN

Time Warner Cable Inc. ("TWC") hereby files this compliance plan outlining the measures it will take to verify the eligibility of applicants for its Lifeline service, and to assist the Commission and state commissions to do the same. The commitments made herein are: (i) contingent upon grant of the petition for forbearance being concurrently filed with the Commission; and (ii) intended to mirror those made in compliance plans approved by the Commission in connection with forbearance petitions filed by other "Lifeline-only" service providers seeking eligible telecommunications carrier ("ETC") status.[1] Notably, the Commission has conditioned its approval of such petitions by requiring the "Lifeline-only" service provider ("L-O Provider") to:

(1) Require each eligible Lifeline consumer to self-certify under penalty of perjury at the time of enrollment and annually thereafter until a national duplicates database is in place that he or she is the head of household, receives Lifeline-supported service only from the L-O Provider, and does not receive Lifeline from any other provider;

(2) Require each eligible Lifeline consumer at the time of enrollment to initial on the certification form that, to the best of his or her knowledge, he or she is not receiving Lifeline-supported service from any other Lifeline

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[1] *See, e.g., NTCH, Inc. and Cricket Communications, Inc.*, Order, 26 FCC Rcd 13723, at ¶ 15 (2011).

provider, and requiring the L-O Provider to list as examples the brand names of at least the leading wireline and leading two wireless Lifeline providers in the area to ensure the consumer understands what is meant by "Lifeline-supported service";

(3) Make available state-specific subscriber data, including name and address of Lifeline subscribers, to the Universal Service Administrative Company ("USAC") and to each state public utilities commission where it operates for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier;

(4) 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;

(5) Establish safeguards to prevent its subscribers from receiving multiple Lifeline subsidies at the same address and safeguards to prevent individual subscribers from receiving more than one Lifeline discount;

(6) Implement a non-usage policy, if applicable, in all states where the L-O Provider provides Lifeline services to subscribers at no monthly charge, requiring the L-O Provider to identify its subscribers that have not used its Lifeline service for 60 days and not seek support for such subscribers if they do not actively use its Lifeline service during a 30-day grace period;

(7) Deal directly with the subscriber to certify and verify the subscriber's Lifeline eligibility;

(8) Explain in prominent, plain, easily comprehensible language to all new and potential subscribers that no consumer is permitted to receive more than one Lifeline subsidy;

(9) Ensure that all marketing materials for the service make clear that it is a Lifeline-supported service;

(10) Immediately de-enroll any subscriber whom the L-O Provider knows is receiving Lifeline-supported service from another ETC or knows is no longer eligible; and

(11) Submit to the Wireline Competition Bureau a compliance plan outlining the measures the carrier will take to implement the obligations contained in this order within 30 days of the effective date of this order.

This Compliance Plan describes the specific measures that TWC intends to implement to achieve these objectives. TWC intends to keep these measures in effect until such

time as the Commission implements its planned duplicates database and any other new requirements resulting from its pending Lifeline rulemaking proceeding (at which point TWC will comply with those requirements in lieu of this Compliance Plan, except as otherwise noted herein).

I. CERTIFICATION OF LIFELINE CUSTOMERS' ELIGIBILITY

A. Policy

TWC will comply with all certification and verification requirements for Lifeline eligibility established by states where it is designated as an eligible telecommunications carrier ("ETC"). In states where there are no state-imposed requirements, TWC will comply with the certification and verification procedures in effect in that state as reflected on USAC's website. For any states that do not mandate Lifeline support and/or that do not have established rules of procedure in place, TWC will certify at the outset and will verify annually consumers' Lifeline eligibility in accordance with the Commission's requirements.

B. Certification Procedures

TWC will implement certification procedures that enable consumers to demonstrate their eligibility for Lifeline assistance to TWC personnel. TWC shares the Commission's concern about potential abuse of the Lifeline program and thus is committed to the safeguards stated herein, with the belief that these procedures will prevent TWC customers from engaging in such abuse of the program, inadvertently or intentionally.

First, TWC will produce state-specific materials describing TWC's Lifeline program, and make such materials available: (i) in print to potential applicants at each TWC retail location and through direct sales representatives; (ii) in print to potential applicants by mail (in response to requests made through TWC's toll-free customer service telephone number or website); and (iii) electronically through TWC's website, which will contain a link to such

information. These materials will: (i) include detailed information about TWC's Lifeline program and state-specific eligibility requirements; and (ii) describe the enrollment process that a customer must complete prior to receiving the Lifeline discount. These materials (like all Lifeline marketing materials) also will clearly identify what plans are supported "Lifeline" plans.

Second, TWC will produce state-specific Lifeline application materials, and make such materials available: (i) in print to potential applicants at each TWC retail location and through direct sales representatives; (ii) in print to potential applicants by mail (in response to requests made through TWC's toll-free customer service telephone number or website); and (iii) electronically through TWC's website, which will contain a link to such materials. In each case, TWC will direct applicants to submit their completed applications to TWC for processing, along with any documentation necessary to establish an applicant's eligibility to participate in the Lifeline program.

Although the substance of these applications will vary on a state-by-state basis, each will:

(i) describe, in detail, the Lifeline discount available in the relevant state, and clearly identify the application as a "Lifeline" application;

(ii) require the applicant to provide his or her name and primary residential address, as well as other identifying information, to facilitate TWC's ability to check for instances of duplicative support;

(iii) require the applicant to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements—including a statement to the effect that to the best of his or her knowledge, the applicant is not receiving Lifeline-supported service from any other Lifeline provider (application materials will include the names of leading wireline and wireless Lifeline providers in the area);

(iv) in states with program-based eligibility criteria, list each qualifying program, require the applicant to identify the program(s) in which he or she participates, and, where the applicant claims program-based eligibility, require the applicant to furnish proof that he or she currently participates in such program(s), regardless of whether such proof is required pursuant to state law;

(v) in states with income-based eligibility criteria, and where the applicant claims income-based eligibility, require the applicant to certify that his or her household income does not exceed the relevant threshold (*e.g.*, 135% of the Federal Poverty Guidelines for federal default states) and provide proof of income-based eligibility;

(vi) require the applicant to certify that he or she is the head of his or her household, receives Lifeline-supported service only from TWC, and does not receive Lifeline service from any other provider; and

(vii) include a certification section where the applicant must attest and sign under penalty of perjury that the applicant's representations are true and correct.

Although the exact wording of the disclosure statements described above may vary on a state-by-state basis, depending on state-specific requirements and/or consultations with relevant state agencies, TWC expects the substance of these disclosures to be consistent with the following statements:

_____I understand that completion of this application does not constitute immediate approval for the Time Warner Cable Lifeline Credit. It may take up to 60 days for the credit to appear on my account.

_____I authorize Time Warner Cable to access any records required to verify my statements herein and to confirm my eligibility for the TWC Lifeline Credit. I also authorize Time Warner Cable to release any records required for the administration of the Time Warner Cable Lifeline Credit program.

_____I understand that I may be required to verify my continued eligibility for the Time Warner Cable Lifeline Credit at any time and that failure to do so will result in termination of the Time Warner Cable Lifeline Credit benefits.

_____I agree to notify Time Warner Cable immediately if I cease to participate in the programs I listed above.

_____I understand that Lifeline assistance is available for only one residential wired phone line per household *or* one wireless phone per household (*i.e.*, not both). I understand that I must notify Time Warner Cable if I add Lifeline on another phone line (wired or wireless), so that Time Warner Cable may discontinue my Time Warner Cable Lifeline Credit.

Except in states in which applicants are enrolled through a designated state agency, TWC will enroll Lifeline customers through direct contacts between TWC personnel and those customers. This practice is consistent with the Commission's requirement that TWC deal

directly with all customers to certify and verify their eligibility to participate in the Lifeline program.

Third, TWC personnel will take steps to ensure that applicants actually are eligible to participate in the Lifeline program. TWC will train a number of "Lifeline Representatives" to assist Lifeline applicants in determining whether they are eligible to participate based on state-specific income-based and/or program-based criteria. These Lifeline Representatives also will be trained to answer questions about Lifeline eligibility. These Lifeline Representatives will be made available to customers at TWC retail locations and/or in response to customer contacts through TWC's toll-free telephone number and website. All personnel who interact with actual or prospective customers will be trained to refer Lifeline-related matters to a Lifeline Representative.

TWC also will train specific personnel to process Lifeline applications and review required documentation to determine whether it satisfies state-specific eligibility requirements using state-specific checklists.[2] Such personnel will attest to this review of eligibility documentation on the applicable enrollment form. Where such personnel conclude that proffered documentation is insufficient to establish such eligibility, TWC will deny the associated application and inform the applicant of the reason for such rejection. In the event that TWC 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.

Fourth, TWC personnel will assist applicants in determining whether they are ineligible to participate in the Lifeline program because a member of the applicant's household already is benefiting from Lifeline support, or because the applicant him or herself already is

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[2] For states that require TWC to enroll subscribers identified by the state or as eligible in a state database, TWC will continue to rely on the state identification or database.

benefiting from a Lifeline discount. More broadly, TWC will establish safeguards to prevent subscribers from receiving multiple Lifeline subsidies at the same address and individual subscribers from receiving more than one Lifeline discount. TWC's Lifeline Representatives will explain in prominent, plain, easily comprehensible language to all new and potential subscribers that no consumer is permitted to receive more than one Lifeline subsidy. Lifeline Representatives will emphasize the "one Lifeline line per household" restriction in its contacts with potential customers. Lifeline Representatives also will inform each Lifeline applicant that he or she may be receiving Lifeline support under another name, and facilitate the applicant's understanding of what constitutes "Lifeline-supported service" and ability to determine whether he or she is already benefiting from Lifeline support, by identifying the leading wireline and leading two wireless Lifeline offerings in the relevant market by brand name.

Furthermore, as noted above, TWC's Lifeline application forms will require each applicant to provide his or her name and primary residential address. TWC will incorporate this information into its customer information database. Prior to claiming a Lifeline subsidy for a customer, TWC will check the address of each Lifeline applicant against its database to determine whether or not it is associated with a customer that already receives TWC Lifeline service, and will then review the application to ascertain whether the applicant is attempting to receive Lifeline-supported service for more than one line associated with the address. TWC will deny the Lifeline application of any such individual and advise the applicant of the basis for the denial. In addition, prior to requesting a subsidy, TWC will process and validate TWC's subsidy data to prevent duplicate same-month Lifeline subsidies (*i.e.*, "double dips").[3] Any household that is already receiving a Lifeline subsidy from TWC will be automatically prevented from

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[3] Because TWC plans to collect a monthly charge from its Lifeline customers, it is not including a "Non-Usage Policy" in this compliance plan.

receiving a second Lifeline subsidy in that same month. TWC also will immediately de-enroll any subscriber whom TWC knows is receiving Lifeline-supported service from another ETC or knows is no longer eligible.

C. Annual Verification Procedures

TWC will require every customer enrolled in the Lifeline program to verify on an annual basis that he or she is the head of his or her household, receives Lifeline-supported service only from TWC, and does not receive Lifeline service from any other provider. TWC will notify each participating Lifeline customer prior to his or her service anniversary date that he or she must confirm his or her continued eligibility in accordance with the applicable requirements. This notification will be mailed via the U.S. Postal Service to the address the subscriber has on record with TWC. The notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact TWC. Customers will have 60 days to certify under penalty of perjury that they are the head of household and receive Lifeline service only from TWC, by sending written confirmation by mail or through additional means to be established. Anyone who does not respond to the mailing and certify his or her continued eligibility will be removed from the Lifeline program.

II. ADDITIONAL MEASURES TO PREVENT WASTE, FRAUD, AND ABUSE

A. Customer Education with Respect to Duplicates

To supplement its verification and certification procedures, and to better ensure that customers understand the Lifeline service restrictions with respect to duplicates, TWC 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.

First, as noted above, TWC's Lifeline Representatives will emphasize the "one Lifeline line per household" restriction in their direct sales contacts with the potential customer. Training materials will include a discussion of the limitation to one Lifeline line per household, and the need to ensure that the customer is informed of this restriction. Furthermore, this limitation will be emphasized in scripts used by Lifeline Representatives.

Second, TWC, in its marketing materials, will reinforce the limitation of one Lifeline line per household. TWC personnel will explain in prominent, plain, easily comprehensible language to all new and potential subscribers that no consumer is permitted to receive more than one Lifeline subsidy. The following statement will appear in a conspicuous place in bold font in an offsetting color to ensure it is not overlooked:

> **Note: By law, the Lifeline program is only available for one line per household.**

This statement also will appear on TWC's website, which will note conspicuously in a number of places (*e.g.*, in the Lifeline "FAQ" section) that Lifeline can only be applied to one phone line per household, and include state-specific eligibility, enrollment, and rate and discount information. The website also will clearly identify all supported plans as "Lifeline" plans.

B. Cooperation with State and Federal Regulators

TWC will cooperate with federal and state regulators to prevent waste, fraud and abuse. More specifically, TWC 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 TWC operates for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier;

- 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

- Immediately de-enroll any subscriber whom TWC knows is receiving Lifeline-supported service from another ETC or knows is no longer eligible—whether or not such information is provided by the Commission, USAC, or a state commission.

* * * * *

TWC submits that its Compliance Plan fully satisfies the conditions set forth in prior Commission orders granting forbearance from the requirements of Section 214(e)(5) of the Communications Act of 1934, as amended, 47 U.S.C. § 214(e)(5), and Section 54.207 of the Commission's rules, 47 C.F.R. § 54.207. Accordingly, TWC respectfully requests that the Commission expeditiously approve this Compliance Plan at the same time the Commission grants TWC's related petition for forbearance.

Respectfully submitted,

By: /s/ Matthew A. Brill

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