

**Before the
Federal Communications Commission
Washington, DC 20554**

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| In the Matter of |) | |
| |) | |
| GCI Petition for Clarification |) | WC Docket No. 11-42 |
| of Annual Lifeline |) | WC Docket No. 03-109 |
| Recertification Rule |) | WC Docket No. 12-23 |
| |) | |
| |) | CC Docket 96-45 |

**COMMENTS OF THE
NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION**

The National Telecommunications Cooperative Association¹ (“NTCA”) submits these comments in response to the Wireline Competition Bureau’s Public Notice² seeking comments on the General Communication, Inc. (“GCI”) Petition for Clarification (“Petition”) of the Annual Lifeline Recertification Rule. Specifically, GCI requests that the Federal Communications Commission (“the Commission”) clarify that its recently adopted rule³ requires Eligible Telecommunications Carriers (“ETCs”) to recertify each of their Lifeline subscribers once per calendar year, not within twelve months of each individual subscriber’s last certification. NTCA

¹ NTCA is the premier industry association representing rural telecommunications providers. Established in 1954 by eight rural telephone companies, today NTCA represents nearly 600 rural rate-of-return regulated telecommunications providers. All of NTCA’s members are full service local exchange carriers (LECs) and many of its members provide wireless, cable, Internet, satellite, and long distance services to their communities. Each member is a “rural telephone company” as defined in the Communications Act of 1934, as amended (Act). NTCA’s members are dedicated to providing competitive modern telecommunications services and ensuring the economic future of their rural communities.

² *Wireline Competition Bureau Seeks Comment on GCI’s Petition for Clarification of Annual Recertification Rule*, WC Docket Nos. 11-42, 04-109 and 12-23, CC Docket No. 96-45, DA 12-1699, Public Notice (rel. October 23, 2012).

³ 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, Report and Order and Further Notice of Proposed Rulemaking*, FCC 12-11, 27 FCC Rcd. 6656 (2012) (“Lifeline Order”).

supports GCI's request and adheres to the position that re-certifying each individual subscriber once per calendar year will provide ETCs with a much more reasonable and cost-effective approach to the certification process. It also will satisfy the text of the rule and the need to eliminate waste, fraud, and abuse and otherwise control continuing growth in the Lifeline program.

An annual approach to re-certification would unnecessarily inflate the cost of compliance for participating ETCs. Under this approach, an ETC would be forced to track re-certification timing for each subscriber individually. Further, the ETC would have to undertake the re-certification process well before twelve months have passed to ensure the subscriber remains eligible for the Lifeline program and does not miss the once-every-twelve-months re-certification deadline. This approach would dictate additional staff members needed to oversee the certification process, and more sophisticated—and, thereby, expensive—tracking systems. GCI submits that its own cost of compliance would be reduced by 30 percent if the Commission were to clarify that the once-every-calendar-year approach governs.⁴

If there is any concern that a once-per-calendar-year approach may allow non-eligible subscribers to participate in the program for a substantial amount of time without detection, the current regulations compel each ETC to certify—or re-certify—its entire subscriber base using the more stringent Lifeline program rules by the end of 2012.⁵ Going forward, ETCs will need to spread out the certification process in a cost-effective manner throughout the calendar year. And, as a matter of policy, even if a participant's re-certification in the program is stretched to more than twelve months, there is nothing in the record to suggest that a once-per-calendar year-

⁴ GCI Petition for Clarification of Annual Recertification Rule (filed October 1, 2012) ("GCI Petition") at 3.

⁵ See Lifeline Order, 27 FCC Rcd. at 6715 ¶ 130.

approach presents significant risks or will result in substantial harm to the Universal Service Fund.

Finally, a once-every-twelve-months approach to re-certification would fundamentally skew the data that is submitted by ETCs to the Universal Service Administrative Company (“USAC”), undermining its accuracy and benefit. Under the current rule, each ETC must submit data in regard to its recertification efforts. However, if a subscriber was re-certified twice within a calendar year period, the subscriber’s information would apparently be included twice in the ETC’s report to USAC. This would degrade the data included in the report and, as a result, its overall value to USAC and the Commission.

As it is written, the text of the rule is ambiguous; it states that ETCs “must annually re-certify all subscribers” without determining if this equates with a once-per-calendar-year re-certification process, or within twelve months of each individual subscriber’s last certification or re-certification. However, as GCI notes in its petition, in the context of other reporting requirements, the Commission has interpreted the word “annual” to mean once every calendar year.⁶

As such, GCI has sufficiently demonstrated good cause for the Commission to clarify that its annual Lifeline eligibility recertification process requires ETCs to recertify all of the program’s participants once per calendar year, not within twelve months of each subscriber’s last certification.

⁶ GCI Petition at 6. *See, e.g.*, 47 U.S.C.A. § 548(g) (requiring the Commission to “Annually report to congress on the status of competition in the market for delivery of video programming”). The Commission itself issues the statutorily required report no more than once per calendar year, and often much more than 12 months after the preceding report.

GCI also has sufficiently demonstrated that the Commission's clarification would be in the public interest. For all of the above reasons, NTCA respectfully requests that the GCI Petition be granted.

Respectfully submitted,



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