

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

In the Matter of)	
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Lifeline and Link Up)	WC Docket No. 03-109
)	
Advancing Broadband Availability Through Digital Literacy Training)	WC Docket No. 12-23
)	

**GCI REPLY IN SUPPORT OF PETITION FOR CLARIFICATION OF ANNUAL
RECERTIFICATION RULE**

The commenters agree unanimously that the Commission should, as General Communication, Inc. (“GCI”) explained in its Petition, interpret the Lifeline annual recertification rule to require providers to recertify subscribers once per calendar year, not within twelve months of each individual subscriber’s last certification or recertification.¹ Five of the six commenters were unequivocal in their support, explaining that a once-per-calendar-year approach is consistent with the text of the regulation, achieves the goals identified in the *Lifeline Reform Order*, eliminates a source of potential customer confusion, avoids unnecessary burden, prevents distortions to annual recertification data reported by providers, and does not create a greater risk of waste, fraud or abuse than does a once-per-twelve-months approach.²

¹ See *Lifeline and Link Up Reform and Modernization*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd. 6656 (2012) (“*Lifeline Reform Order*”); 47 C.F.R. § 54.410(f); GCI Petition for Clarification of Annual Recertification Requirement, WC Docket Nos. 11-42, 12-23 and 03-109, CC Docket No. 96-45 (filed Oct. 1, 2012) (“Petition”).

² See Comments of TracFone Wireless, Inc. (filed Nov. 21, 2012); AT&T Inc. (filed Nov. 21, 2012); National Telecommunications Cooperative Association (filed Nov. 20, 2012); United

The sixth commenter, Sprint Nextel Corporation (“Sprint”), does not object to GCI’s Petition, but it seeks assurance from the Commission that there will be a safe harbor for any carrier that recertifies a subscriber within twelve months of the subscriber’s “anniversary date” or the date of his or her last certification.³ GCI does not object to Sprint’s request, but it may be unnecessary. If a carrier recertifies a subscriber within twelve months of the subscriber’s enrollment or more recent recertification, then by definition they will be recertifying no less frequently than once per calendar year, which would be fully compliant with the common-sense reading that GCI has suggested. Accordingly, there should be no practical need for the safe harbor Sprint seeks.

Separately, while TracFone supports the Petition, it also presents an understanding of the recertification rule that demonstrates confusion in the industry about its real-world application.⁴ In particular, TracFone suggests that the rule requires carriers to recertify some subscribers in the same year in which they first sign up for service. According to TracFone’s understanding of the rule, “subscribers who enroll in Lifeline between January and May of any year would have their Lifeline eligibility certified twice in that year – once at the time of enrollment and then again during the recertification process conducted for all current subscribers as of May.”⁵

GCI does not share this understanding of the rule. The new annual recertification rule states that ETCs “must annually re-certify all subscribers” except in states where a state

States Telecom Association (filed Nov. 23, 2012); and Alaska Communications Systems (filed Nov. 23, 2012).

³ See Comments of Sprint Nextel Corporation at 1 (filed Nov. 23, 2012).

⁴ See Comments of TracFone at 7-8.

⁵ *Id.* at 8. TracFone explains that this interpretation flows from FCC Form 555, recently developed by the Universal Service Administrative Company, which directs providers to identify the “Number of Subscribers Claimed on May FCC Form(s) 497.” See FCC Form 555, available at http://www.usac.org/_res/documents/li/pdf/cert-ver/CertificationFormandInstructions.pdf.

administrator or agency is responsible for recertification.⁶ The regulation is silent on whether this requirement applies literally to “all subscribers” or whether it should instead be understood to apply only to subscribers who have not otherwise provided exactly the same information previously during the same calendar year. Because only one of these interpretations is objectively reasonable—namely, that there is no requirement to conduct duplicative certifications in the same year—the Commission should clarify that this is the interpretation that applies.

A real-world example helps illustrate why this is the only reasonable application of the rule. Imagine that a customer enrolls in Lifeline service for the first time on March 15, 2014, and at the time of enrollment the ETC collects all of the information and certifications required under the Commission’s new rules. Considering that the subscriber provided all of the necessary information as part of his or her application process, there is no sound basis for reading the rule to require the subscriber to also recertify in the same year.⁷ Such a reading would impose needless burden on carriers. It would also generate consumer confusion that would result in many new customers losing service when they fail to respond to what feels like a duplicative request for the same information they provided only weeks earlier.

In sum, the Commission should clarify that the recertification rule requires providers to recertify subscribers’ eligibility once per calendar year, not within twelve months of each subscriber’s last certification. Moreover, the Commission should resolve the confusion related to

⁶ 47 C.F.R. § 54.410(f)(1).

⁷ There is no dispute that an existing customer who recertifies eligibility on March 15 of a given year would not have to recertify again until the following year. Under TracFone’s reading, however, a new customer who signed up on March 15—including by providing documentary evidence of eligibility—*would* be required to recertify later in the same year. There is simply no justification for such a duplicative process, particularly since it would appear to apply only to the subset of subscribers (new enrollees) that have most recently presented documentary evidence of eligibility.

TracFone's interpretation of the rule. In particular, it should clarify that the rule does not require subscribers to recertify eligibility in the same year in which they enroll in the Lifeline program. Reading the rule to require many subscribers to provide robust certification information twice in a year would subject carriers to completely pointless burden and expense, and it would lead to customer confusion that could result in service disconnections. Considering that ETCs are already devoting enormous resources to the recertification effort and ensuring compliance with the other rigorous new rules that the Commission has imposed, there is simply no justification for interpreting the rules in a manner that adds to the burden without providing any corresponding public benefit.

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