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

In the Matter of	)	
	)	
Lifeline 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
	)	

REPLY COMMENTS OF COX COMMUNICATIONS

Pursuant to the Wireline Competition Bureau's October 23, 2012 Public Notice, Cox Communications, Inc., on behalf of itself and its telephone operating subsidiaries (collectively, "Cox"), submits the following reply to comments filed on GCI's petition requesting clarification of the requirement that eligible telecommunications carriers (ETCs) recertify the eligibility of Lifeline subscribers on an annual basis. Cox supports interpreting the requirement to allow ETCs to re-certify once per calendar year. As noted by several of the commenters and GCI, such an interpretation would allow ETCs to manage the administrative burdens of recertification by spreading them out over the entire calendar year.[1] Commenters also argue persuasively that clarifying that "annual" can be interpreted to mean once per calendar year is reasonable and consistent with prior interpretations of the term.[2] Further, allowing per-calendar year recertification would not negatively impact the Commission's goal of eliminating waste, fraud and abuse.[3]

[1] *See* USTA Comments, p. 3, NTCA Comments, p.2., AT&T Comments, pp. 2-3.
[2] *See* USTA, p. 3.
[3] *See* USTA Comments, p. 4., NTCA Comments, pp. 3-4.

As discussed in more detail below, Cox urges the Commission to work with USAC to revise Form 555, the annual recertification reporting form, to reflect the fact that after 2012 ETCs will be able to spread their recertification efforts out over the entire year. The form, as approved for the first recertification effort in 2012 bases recertification activity on Lifeline subscribers as of June 1. While that may have been appropriate for the first round of recertifications, which began at approximately mid-year, it is not appropriate for subsequent annual recertifications and should be changed.

I. Recertification Once Per Calendar Year Should be Allowed

No commenters oppose, and most support interpreting the annual recertification requirement set forth in Section 54.410(f) to allow ETCs to recertify each subscriber once per calendar year if they choose. Cox agrees that "[i]n order to recertify their entire subscriber pools in a cost-effective way, ETCs need to spread out the work over the course of a year…"[4]. During 2012, the Lifeline Reform Order required a compressed process of re-certification that had the effect of requiring ETCs to complete the process in less than six months. ETCs were required to take a snapshot of their subscriber pool on June 1, 2012 (by using the May Form 497 report) and complete the entire recertification process for that group, including de-enrollment, by December 31, 2012.[5] In order to complete the process to allow for completion of de-enrollment by December 31st, the last re-certification had to be initiated on November 1st. ETCs with a large customer base

[4] GCI Petition, pages 4-5.

[5] Lifeline and Link Up Reform and Modernization, *Report and Order and Further Notice of Proposed Rulemaking*, 27 FCC Rcd 6656 (2012), ¶ 130, Public Notice, "Wireline Competition Bureau Reminds Carriers that they Must Re-certify Eligibility of All Lifeline Subscribers by December 31, 2012, 27 FCC Rcd 12327 (2012) ("The re-certification process is not considered "complete" until the ETC has de-enrolled all subscribers that failed to respond to a re-certification request or are no longer eligible, or where a database query by the ETC or state agency indicates the subscriber is no longer eligible and the subscriber has not provided a valid re-certification pursuant to section 54.410(d).").

therefore had to complete the work they normally would have spread over a year in five months.

If the Commission were to interpret "annually" to require recertification within twelve months of the initial certification or last recertification, it would perpetuate the cycle of the compressed recertification timeline of 2012 into future years unless carriers chose to recertify some Lifeline customers long before the anniversary of their last certification. For example, if a carrier who re-certified a Lifeline customer on August 1, 2012 as part of its first wave of recertifications wished to spread the certifications more evenly throughout 2013, it would have to recertify the customer again in January.

The flexibility of GCI's requested once-per-calendar-year interpretation will allow ETCs of all sizes the opportunity to schedule recertification according to the size of their subscriber base and their resources. ETCs could choose between completing all certifications at one time during each calendar year, doing them by month of enrollment, or actually recertifying based on individual enrollment dates. A company operating in several states might elect different methods in different states.

Cox agrees with commenters' observations that permitting calendar year recertification will not increase the potential for waste, fraud and abuse. The concern that a subscriber enrolled in January of one year, for example, theoretically could remain enrolled without re-certification until December of the following year does not represent a threat to the Commission's overall objective of reducing waste, fraud and abuse for several reasons. As USTA correctly points out, an ETC that wishes to wait that long for recertification would have to push all recertifications to the same time period, "creating an immense administrative burden that no ETC would voluntarily assume." (USTA, p. 4)

Since the main benefit of the calendar year approach is to ease administrative burden by spreading recertification out over time, it is unlikely that ETCs would incur that sort of burden simply to prolong the period between recertification. (NTCA, pp. 3-4) Further, if the ETC spreads recertification out over the maximum period for one recertification cycle (to December of the following year in the example above), the next recertification would have to occur by December 31st of the following year, ensuring the extended recertification period would not be repeated. Cox believes the record supports that a once-per-calendar year approach would not result in waste fraud and abuse or otherwise harm the Universal Service Fund.

II. Annual Reporting Should Not be Based on a June 1st Snapshot

As discussed above, in 2012 carriers had to recertify subscribers based on a snapshot of subscribers on June 1, 2012 and complete the recertification process by the end of the year. To capture the results of this 2012 process, Form 555 was developed to base the reported activity on the June 1 snapshot of Lifeline subscribers using the May Form 497 report. The circumstances surrounding recertification in 2013 and beyond will be different. ETCs will be able to spread the recertifications over the entire year. It is logical that in order to capture the recertification activity that occurs in 2013 and subsequent years, the snapshot of subscribers should be taken at the beginning of the year. Therefore, Form 555 for 2013 should be based on a snapshot of subscribers as of January 1 using the December 2012 Form 497 report. To the extent ETCs must recertify Lifeline subscribers in subsequent years, the same process should apply: the prior year's December Form 497 report should be used to provide a snapshot of subscribers at the beginning of the year.

Therefore, the Commission should work with USAC to revise Form 555 so that recertification reporting in 2013 and future years is based on a snapshot as of the beginning of the year instead of a snapshot as of June 1st.

III. Conclusion

For the foregoing reasons, Cox urges the Commission to adopt CGI's proposed interpretation of annual recertification pursuant to 47 C.F.R. 54.410(f) and revise Form 555 consistent with these comments.

Respectfully submitted,

Cox Communications, Inc.

/s/

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