



May 6, 2013

**Ex Parte**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

**Re: *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***

Dear Ms. Dortch:

On May 2, 2013, Alan Buzacott of Verizon, John Benedict of CenturyLink, Ernie Bond of AT&T, David Cohen of USTelecom, and (by telephone) Ann Morrison of FairPoint, Tim Loken of Windstream, Richard Cameron of Alaska Communications Systems, met with Radhika Karmarkar, Jonathan Lechter and Michelle Schaefer of the Wireline Competition Bureau (“Bureau”) to discuss issues concerning the current and future implementation of the Commission’s Order<sup>1</sup> reforming and modernizing the Lifeline and Link Up programs.

In the meeting, we discussed the status of states in which, pursuant to the Bureau’s Waiver Order,<sup>2</sup> Eligible Telecommunications Carriers (“ETCs”) had received limited waiver of sections 54.407(d), 54.410(b)(2)(ii), 54.410(c)(2)(ii) and 54.410(c) of the Commission’s rules which allowed more time for those states to implement a process to share consumer eligibility certifications with ETCs. The waivers expire June 1, 2013.<sup>3</sup> USTelecom noted that it anticipates filing a request for further extension of the waivers for most of the jurisdictions covered by the Waiver Order.

We also discussed the status of the National Accountability Database (“NAD”) and concerns about when and how ETCs will begin interfacing with the database when it is

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<sup>1</sup>Report and Order and Further Notice of Proposed Rulemaking, *In the Matter of Lifeline and Link Up Reform and Modernization* (WC Docket No. 11-42, *Lifeline and Link Up* (WC Docket No. 03-109, *Federal-State Joint Board on Universal Service* (CC Docket No. 96-45) and *Advancing Broadband Availability Through Digital Literacy Training* (WC Docket No. 12-23) (“Order”) (rel. Feb. 6, 2012).

<sup>2</sup>Waiver Order, *In the Matter of Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, (rel. Dec. 21, 2012).

<sup>3</sup>Id at ¶ 6.

operational. The industry representatives asked about the availability of personal subscriber information to load into the NAD in states which manage Lifeline applications.

We asked about the status of the audit guidelines for independent auditors for recipients of over \$5 million in Lifeline support. Staff informed us that a Public Notice addressing such guidelines was being drafted.

We also endorsed the GCI Petition for Clarification of the Annual Recertification Rule (“Petition”)<sup>4</sup> and asked that the Commission promptly grant it. The Petition requests clarification of 47 C.F.R. § 54.410(f) that the “annual” recertification of Lifeline subscribers requires recertification once per calendar year, not within twelve months of that subscriber’s most recent certification or recertification. Deciding otherwise would impose unnecessary and unjustified costs on ETCs without any corresponding public benefit.

With respect to recertification, we also asked about the status of the USAC recertification effort. Staff replied that USAC was working on its process.

Finally, we reviewed most of the issues raised in USTelecom’s outstanding Petition for Reconsideration<sup>5</sup> of the *Order*. Issues discussed included:

- The unnecessary requirement for verification of customers at temporary addresses by wireline ETCs
- The unfunded mandate of toll limitation service
- The lack of the necessity for ETCs to obtain recertification forms in states where the state performs the recertification function
- How ETCs should comply with requirements where the Order’s mandates apply to states or other parties
- Request for clarification that the requirement to provide service initiation dates is only for new subscribers
- Concerns about the unnecessary burdens created by redundant audit requirements and issues with the confidentiality of draft audit reports
- Clarification of the acceptable documentation of program eligibility

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<sup>4</sup> See GCI Petition for Clarification of Annual Recertification Rule, , In the Matter of Lifeline and Link Up Reform and Modernization (WC Docket No. 11-42, Lifeline and Link Up (WC Docket No. 03-109, Federal-State Joint Board on Universal Service (CC Docket No. 96-45) and Advancing Broadband Availability Through Digital Literacy Training (WC Docket No. 12-23), filed October 1, 2102.

<sup>5</sup> See Petition for Reconsideration and Clarification of the United States Telecom Association, In the Matter of Lifeline and Link Up Reform and Modernization (WC Docket No. 11-42, Lifeline and Link Up (WC Docket No. 03-109, Federal-State Joint Board on Universal Service (CC Docket No. 96-45) and Advancing Broadband Availability Through Digital Literacy Training (WC Docket No. 12-23), filed April 2, 2012.

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- Extending the time period to remove de-enrolled customers from the database
- Elimination of the requirement to include specific disclosures in Lifeline advertising
- Requirement of customer notification of the application of partial payments to service bundles initially and annually, not monthly
- Collection of only the last 4 digits of a tribal identification number, not the entire number
- The requirement to report particular information to tribal authorities

This letter is being filed electronically pursuant to Section 1.1206 of the Commission's rules. Please contact me if you have any questions.

Respectfully submitted,



David B. Cohen  
Vice-President, Policy

cc: Kimberly Scardino  
Radhika Karmarkar  
Jonathan Lechter  
Michelle Schaefer