

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

In the Matter of )  
 )  
Lifeline and Link Up Reform and ) WC Docket No. 11-42  
Modernization )  
 )

**REPLY COMMENTS OF FRONTIER COMMUNICATIONS CORPORATION**

**I. INTRODUCTION**

Frontier Communications (“Frontier”) hereby submits these brief reply comments in reference to the Federal Communications Commission’s (“Commission” or “FCC”) request for comment on its biennial Lifeline audit program.<sup>1</sup> As the nation’s fourth largest incumbent local exchange carrier (“ILEC”), Frontier generally agrees with and supports those comments made by other affected ILECs in this proceeding.<sup>2</sup> Like other ILECs, Frontier has a demonstrated history of compliance with Lifeline rules, procedures and policies, making the need for this in-depth and very expensive type of audit unnecessary.<sup>3</sup> At a minimum, Frontier supports the Bureau adopting the Commission’s recommendation that “[i]f there are no material findings in a

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<sup>1</sup> Public Notice, Wireline Competition Bureau Seeks Comment on the Lifeline Biennial Audit Plan, DA 13-2016, WC Docket No. 11-42 (rel. Sept. 30, 2013) (Public Notice); Erratum (Nov. 20, 2013); 78 Fed. Reg. 68061 (Nov. 13, 2013).

<sup>2</sup> See generally Comments of AT&T, WC Dkt. No. 11-42 (filed Dec. 13, 2013); Comments of CenturyLink, Inc., WC Dkt. No. 11-42 (filed Dec. 13, 2013); Comments of Verizon, WC Dkt. No. 11-42 (filed Dec. 13, 2013); and Comments of the United States Telecom Association, WC Dkt. No. 11-42 (filed Dec. 13, 2013) (“USTelecom”).

<sup>3</sup> See, e.g., CenturyLink at 2 (“Collectively, those audits reviewed approximately \$10.8 million in Lifeline support received by CenturyLink and resulted in a total recovery amount of less than \$1,000. Nevertheless, the Commission has determined that CenturyLink and similarly situated companies should now be subject to additional, extensive, company-wide, detailed examinations of their entire Lifeline customer base every two years at each company’s expense.”); AT&T at 3 (“the outside-audit requirement is pure administrative overkill’ given the numerous reviewers that Lifeline providers have today of their ‘overall compliance’ with the Commission’s Lifeline requirements.”) (citations omitted).

carrier's first independent audit report, the Wireline Competition Bureau may, in its discretion, relieve the carrier of its obligation to perform an independent audit in the next biennial audit cycle.”<sup>4</sup>

Regarding the mechanics of the audit itself, Frontier will not reiterate all of the points made in ILEC comments but these reply comments emphasize the need for modifications to three particular aspects of the Commission's audit plan: (1) Modification of the sample call requirement; (2) Modification of the audit date proposal; (3) Providing for confidentiality for draft audit reports.

## **II. THE PROPOSAL FOR AUDITING CUSTOMER CARE CALLS IS INEFFECTIVE**

The record demonstrates, and Frontier's experience confirms, that the Commission should modify Objective 1 Procedure 3's direction for the auditor to “[m]onitor 10 random incoming calls to telephone number(s) used as customer care for the Lifeline program.” Frontier, like other ILECs,<sup>5</sup> does not have a customer care number devoted exclusively to Lifeline issues; all inbound customer service calls, including Lifeline calls, come into the main call center for their area. Accordingly, it is unlikely that 10 random calls into the call center would be related to Lifeline issues. Frontier agrees with Verizon that, it would be far “more efficient to allow auditors to review calls that the provider has identified as being related to Lifeline.”<sup>6</sup> To do so would ensure a much more efficient use of auditor time because the calls screened would all be pertinent to Lifeline. This efficiency also eliminates unnecessary expense on the part of the

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<sup>4</sup> Lifeline and Link Up Reform and Modernization, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6783-84 ¶ 295 (2012). Frontier supports the comments of the Independent Telecommunications and Telecommunications Alliance (“ITTA”) that argue in favor of audit relief for compliant parties. Comments of ITTA, WC Dkt. No. 11-42 (filed Dec. 13, 2013).

<sup>5</sup> See CenturyLink at 9, USTelecom at 7, Verizon at 7.

<sup>6</sup> Verizon at 7.

audited party, which does not pay for the auditor's time spent waiting for Lifeline calls amongst other issues important to Frontier customers contacting the call centers.

**III. THE AUDIT PERIOD SHOULD BE SHORTENED AND LIMITED TO ONE CALENDAR YEAR**

Frontier joins the numerous commenters that have questioned why the Commission adopted a November-April audit period<sup>7</sup> and supports revising the audit period to include only one calendar year. Frontier's financial reporting is done on a quarterly basis, with quarters ending in March, June, September and December. The Commission should revise its audit to comport with these timeframes to avoid adding an undue and unnecessary administrative burden of artificially separating out the audit's timeframes. It would also be more administratively efficient for the audit to cover a single calendar year to better coincide with existing record keeping activities. Doing so would be one simple step that would not alter the outcome of the audit—the procedures of interest to the Commission would remain the same regardless of the months chosen—but would make the process smoother for the audited parties.

**IV. THE DRAFT AUDIT REPORT SHOULD BE AFFORDED CONFIDENTIAL TREATMENT, IF NECESSARY AT ALL**

Frontier agrees with USTelecom and others that “draft audit reports should remain confidential and available only to the ETC until finalized.”<sup>8</sup> Nexus Communications provides a compelling rationale that “[b]y their very nature, draft reports contain tentative findings and analysis that has not been fully vetted, corrected, refuted or explained by ETCs, and based on the first round of comments by the ETC, the auditors could change their draft findings.”<sup>9</sup> That begs

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<sup>7</sup> See, e.g., CenturyLink at 8, USTelecom at 6, Verizon at 5,

<sup>8</sup> USTelecom at 5-6.

<sup>9</sup> Comments of Nexus Communications, WC Dkt. No. 11-42, 3-4 (filed Dec. 13, 2013).

the question that USTelecom succinctly but effectively presents: “[W]hat function are the Commission and USAC intended to have with respect to a draft report?”<sup>10</sup> Unless that question can be explained in a manner consistent with the Order, the record does not support the mere collection of the draft report, let alone the public release of a draft document which is inherently susceptible to significant revisions that may affect the report’s outcome. Accordingly, the Commission should not collect the draft reports, or at a minimum, should afford confidentiality protection to those audit drafts.

## V. CONCLUSION

For the foregoing reasons Frontier requests the Commission to modify its draft audit plan in a manner consistent with ILEC comments, especially including those elements enumerated above, in order to ensure a more fair and efficient process.

Respectfully submitted,

/s/

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<sup>10</sup> USTelecom at 6.