

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission)	
Investigation of the Intrastate)	Case No. 97-632-TP-COI
Universal Service Discounts.)	
)	
In the Matter of the Petition of)	
TracFone Wireless, Inc., dba Safelink)	Case No. 10-614-TP-UNC
Wireless for Designation as an Eligible)	
Telecommunications Carrier.)	

ENTRY

The Commission finds:

- (1) Pursuant to its May 21, 2009, Supplemental Finding and Order and July 8, 2009, Entry on Rehearing, the Commission granted TracFone Wireless, Inc. dba SafeLink Wireless (TracFone or company) a conditional designation as an eligible telecommunications carrier (ETC) for the limited purpose of provisioning federal Lifeline service for an interim one-year period of time. The Commission indicated that, at the conclusion of the interim period, it will review the company's operations for compliance with the Federal Communications Commission's (FCC) ETC requirements, including those set forth in CC Docket 96-45, *In the Matter of the Federal-State Board on Universal Service*, and the requirements delineated in the Commission's Orders pertaining to TracFone's request for ETC designation (Supplemental Finding and Order at 9). The Commission clarified that:

[I]t is not our intent that TracFone's operations and service to customers would automatically cease at the end of the one-year time frame. Rather, we intend that the company will continue to provide its Lifeline service without interruption, subject to verification of compliance, until the Commission orders otherwise. To this end, the company should work with the Commission staff to verify its compliance with the FCC's ETC requirements and the Commission's Order of May 21, 2009.

(Entry on Rehearing at 4).

- (2) As part of TracFone's requisite ETC obligations is the requirement to contribute to the state of Ohio's 9-1-1 fund for all of its Ohio wireless subscribers, including Lifeline. Additionally, TracFone is required to contribute to the Ohio Telephone Relay Service (TRS) based on the provisioning of service to all of its Ohio customers. The Commission noted that it reserves the right to perform an audit regarding TracFone's contributions into Ohio's 9-1-1 and TRS funds. The Commission also directed TracFone to make available to the Commission staff, upon request, information concerning TracFone's contributions into these funds (Supplemental Finding and Order at 13).

Further, the Commission noted that TracFone's application for rehearing was denied specific to the company's arguments objecting to the Commission's conditioning of TracFone's ETC designation to the company's contribution for all of its Ohio wireless subscribers, including Lifeline, to the state of Ohio's 9-1-1 and TRS funds and to the payment of the company's annual assessment (Entry on Rehearing at 7, 8).

- (3) TracFone was required to file a Compliance Plan addressing its Lifeline subscriber certification and verification processes. TracFone's Compliance Plan was approved pursuant to the Commission's Entry of November 18, 2009. The Commission notes that, pursuant to TracFone's Compliance Plan, the company was directed to maintain specified data regarding its Lifeline operations and to submit such information to the Commission staff on a quarterly basis (Supplemental Finding and Order at 12). Currently, TracFone has submitted two such quarterly reports for the Commission staff's review.
- (4) Based on the limited volume of information provided to date, the Commission determines that it is not yet able to draw any reliable conclusions regarding TracFone's certification and verification processes based on the information filed pursuant to the company's Compliance Plan. While the Commission continues to review TracFone's performance, the company must continue to submit the requisite quarterly report data until ordered otherwise.

Further, consistent with the obligations set forth above in Finding (2) regarding TracFone's requisite contributions to the Lifeline and TRS funds, the company is directed to provide the Commission

staff, by June 2, 2010, with a demonstration of its contributions to both the 9-1-1 and TRS funds specific to its ETC operations and revenue in Ohio.

- (5) TracFone is directed to continue to provide the Commission staff with all data presented to the FCC for the purpose of recertifying or verifying subscriber Lifeline eligibility.
- (6) TracFone is further directed to provide all records and documents requested by the Commission staff for the purpose of monitoring the company's provision of Lifeline service and compliance with the terms and conditions of the Commission's Orders regarding TracFone's ETC designation.
- (7) Finally, the Commission has decided to close Case No. 97-632-TP-COI, and address ETC designations in company-specific dockets. Therefore, the Docketing Division is directed to transfer the documents identified on the attached Appendix from Case No. 97-632-TP-COI to Case No. 10-614-TP-UNC which is a docket reserved solely for consideration of TracFone's designation as an ETC.

It is, therefore,

ORDERED, That, consistent with Finding (4), TracFone must provide the Commission staff, by June 2, 2010, with a demonstration of its contribution to both the 9-1-1 and TRS funds specific to its ETC operations and revenue in Ohio. It is, further,

ORDERED, That TracFone must continue to abide by the terms and conditions of its Compliance Plan. It is, further,

ORDERED, That TracFone continue to informally provide quarterly reports to the Commission staff, consistent with Finding (4). It is, further,

ORDERED, That TracFone continue to provide the Commission staff with all data presented to the FCC for the purpose of recertifying or verifying subscriber Lifeline eligibility. It is, further,

ORDERED, That TracFone provide all records and documents requested by the Commission staff, consistent with Finding (6). It is, further,

ORDERED, That the Docketing Division transfer the designated documents consistent with Finding (7). It is, further,

ORDERED, That a copy of this Entry be served upon TracFone, and the Ohio Consumers' Counsel.

THE PUBLIC UTILITIES COMMISSION OF OHIO


Alan R. Schriber, Chairman


Paul A. Centolella


Valerie A. Lemmie

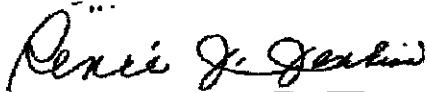

Steven D. Lesser


Cheryl L. Roberto

JSA/dah

Entered in the Journal

MAY 13 2010



Renee J. Jenkins
Secretary

Appendix

<u>03/05/2010</u>	Service notice.
<u>03/05/2010</u>	Entry ordering TracFone's motion for protective order be granted. (JA)
<u>02/17/2010</u>	Supplement to compliance plan and amended motion for protective order filed on behalf of TracFone Wireless, Inc. by D. McGuire Mercer.
<u>11/23/2009</u>	Confidential document target, revised compliance plan filed on behalf of TracFone Wireless by R. Lee. (44 pages)
<u>11/23/2009</u>	Motion for protective order filed on behalf of TracFone Wireless, Inc for designation as an eligible telecommunications carrier in the state of Ohio for the limited purpose of offering Lifeline service to qualified households filed by M. Brecher.
<u>11/23/2009</u>	Revised Compliance plan filed on behalf of TracFone Wireless, Inc. by D. McGuire Mercer.
<u>11/19/2009</u>	Notice of change in lifeline service filed on behalf of TracFone Wireless, Inc. by D. McGuire Mercer.
<u>11/18/2009</u>	Service Notice
<u>11/18/2009</u>	Entry ordering that the Compliance Plan be approved pursuant to Finding (3); that TracFone abide by the terms and conditions of the Compliance Plan; that TracFone informally provide quarterly reports to the Commission staff consistent with Finding (4); that TracFone comply with Findings (5), (6), and (7).
<u>09/22/2009</u>	Additional information provided by TracFone Wireless, Inc. for the limited purpose of receiving support from the federal universal service fund to offer lifeline service to low income Ohio households filed by M. Brecher.
<u>09/15/2009</u>	Service Notice
<u>08/12/2009</u>	Compliance plan filed by M. Brecher on behalf of TracFone Wireless, Inc.
<u>07/20/2009</u>	Compliance plan filed by D. Mercer on behalf of Tracfone Wireless, Inc.
<u>07/08/2009</u>	Entry ordering that the application for rehearing is granted in part and denied in part as stated above; that TracFone's motion for leave to

file its reply memorandum is denied in accordance with Finding (16); that TracFone's motion for an extension of time to file its compliance plan is granted pursuant to Finding (18).

- 06/25/2009 Motion for leave to file reply to the Office of the Ohio Consumers' Counsel memorandum contra filed on behalf of TracFone Wireless, Inc. by D. Mercer.
- 06/18/2009 Memorandum contra TracFone's motion for partial rehearing and conditional motion for waiver by the Office of the Ohio Consumers' Counsel electronically filed by Mary V. Edwards on behalf of D.Bergmann.
- 06/18/2009 Motion for extension of time to file compliance plan filed by M. Brecher on behalf of TracFone Wireless, Inc.
- 06/08/2009 Motion for partial rehearing and conditional motion for waiver of TracFone Wireless, Inc. dba SafeLink Wireless by D. McGuire Mercer.
- 05/21/2009 Service Notice.
- 05/21/2009 Finding ordering that TracFone is granted conditional designation as an ETC for the limited purpose of Lifeline Service for an interim one-year period of time consistent with finding (6).
- 05/18/2009 Second supplement provided in support of petition for designation as an eligible telecommunications carrier in the state of Ohio for the limited purpose of offering Lifeline service to qualified households filed on behalf of Tracfone Wireless, Inc. d/b/a Safelink Wireless by D. McGuire Mercer.
- 05/13/2009 Response to comments by the Office of the Ohio Consumers' Counsel filed by M. Brecher on behalf of TracFone Wireless, Inc.
- 05/13/2009 Confidential document: Amendment and supplemental information provided in support of petition filed by M. Brecher on behalf of TracFone Wireless, Inc. (24 pgs)
- 05/13/2009 Motion for protective order filed on behalf of TracFone Wireless, Inc. by D. Mercer.
- 05/13/2009 Amendment and supplemental information provided in support of petition for designation as an eligible telecommunications carrier in the state of Ohio for the limited purpose of offering lifeline service to

qualified households filed on behalf of TracFone Wireless, Inc. by D. Mercer.

05/11/2009 Comments electronically filed by Mrs. Mary V. Edwards on behalf of Terry L. Etter and Office of the Ohio Consumers' Counsel.

04/06/2009 Letter in support of the application of TracFone Wireless, Inc. filed by K. McEldowney on behalf of Consumer Action.

03/19/2009 Notice of filing Federal Communications Commission order filed on behalf of TracFone Wireless, Inc. by M. Brecher.

09/05/2008 Application for certification for status as a nonrural eligible telecommunications carrier filed on behalf of TracFone Wireless, Inc. by D. McGuire Mercer.