

**Sprint**



Together with NEXTEL

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November 2, 2007

**By Electronic Filing**

Ms. Ann Cole  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee FL 32399-0862

**Re: Proposed Amendment of Rule 25-4.0665, F.A.C., Lifeline Service  
Docket No. 070572-TL**

Dear Ms. Cole:

Pursuant to the Commission's October 4, 2007 Notice of Rulemaking in the above-captioned docket, please find enclosed for filing on behalf of Sprint Nextel Corporation and its wholly-owned subsidiaries providing wireless telecommunications services in the State of Florida ("Sprint Nextel") written comments on the Proposed Amendment of Rule 25-4.0665, F.A.C., Lifeline Service.

If you have any questions, please do not hesitate to contact me at 404-649-0003.

Sincerely,

/s/ Douglas C. Nelson

Douglas C. Nelson  
Attorney, State Regulatory Affairs

Enclosure

cc: Curtis Williams, Robert Casey, Kira Scott

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Proposed amendment of Rule 25-4.0665, F.A.C., Lifeline Service	Docket No. 070572-TL
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**COMMENTS OF SPRINT NEXTEL**

Pursuant to the Florida Public Service Commission's October 4, 2007 Notice of Rulemaking in the above-captioned matter, Sprint Nextel Corporation on behalf of its wholly-owned subsidiaries providing wireless telecommunications services in the State of Florida ("Sprint Nextel" or "Company") provides the following comments on the proposed amendment of Rule 25-4.0665, Florida Administrative Code, Lifeline Service.

**I. Introduction**

Sprint Nextel is a national commercial mobile radio service ("CMRS") provider and is designated as an ETC in twenty-four (24) jurisdictions. Sprint Nextel offers wireless telecommunications services in Florida, and two of its operating entities have been designated as eligible telecommunications carriers ("ETCs") in portions of Florida by the Federal Communications Commission ("FCC"), authorizing them to provide Lifeline service in those areas.<sup>1</sup> NPCR, Inc. ("Nextel Partners") is designated as an ETC in portions of the panhandle of Florida, mostly to the north and west of Tallahassee. Sprint Spectrum L.P., d/b/a Sprint PCS ("Sprint PCS") is designated as an ETC and authorized to provide Lifeline service in a broader area covering roughly 50% of the state.

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<sup>1</sup> *In the Matter of Federal-State Joint Board on Universal Service; Sprint Corporation; Application for Designation as an Eligible Telecommunications Carrier in the State of Alabama, Florida, Georgia, New York, North Carolina, Tennessee and Virginia*, CC Docket No. 96-45, Order, DA 04-3617 (rel. Nov. 18, 2004); *In the Matter of Federal-State Joint Board on Universal Service; NPCR, Inc. d/b/a Nextel Partners; Application for Designation as an Eligible Telecommunications Carrier in the State of Alabama, Florida, Georgia, New York, Pennsylvania, Tennessee and Virginia*, CC Docket No. 96-45, Order, DA 04-2667 (rel. Aug. 25, 2004), corrected by Erratum (Sept. 13, 2004); see also 47 C.F.R. § 54.401.

Sprint Nextel has participated regularly in the development of Lifeline rules over the past year, including the Rule Development Workshops held on February 6, 2007 and July 27, 2007, and has filed post-workshop Comments on February 27, 2007 and August 10, 2007. (Sprint Nextel's February 27, 2007 and August 10, 2007 post-workshop Comments are attached as Exhibits B and C and are incorporated herein by reference.) Sprint Nextel also has voluntarily participated and plans to continue to participate in the automatic enrollment process itself, retrieving information on prospective Lifeline subscribers from the Commission's secure website and attempting to enroll them in Sprint Nextel's Lifeline service. During the period of rule development, however, Sprint Nextel has noted several significant practical problems associated with the automatic enrollment process as applied to wireless providers and has also consistently noted concerns with regard to the Commission's authority to apply Lifeline rules to wireless providers. Now that the rules have been formally proposed, we would like to take this opportunity to reiterate these comments and concerns as well as suggest some changes to improve the proposed rules, particularly with regard to the significant challenges faced by wireless providers in enrolling Lifeline subscribers. Although we do not believe the Commission has authority to impose the proposed automatic enrollment rules on wireless ETCs for the reasons restated herein, we submit suggested changes to the proposed rules in a voluntary effort to work constructively with the Commission to arrive at rules that are both effective and workable for all Lifeline providers.

## **II. The Commission's Authority**

As Sprint Nextel pointed out in our February 27, 2007 post-workshop Comments (Exhibit A), the Commission must ensure that each rule it proposes to apply to wireless ETCs is consistent with the authority granted to the Commission under state and federal law. Wireless providers are not regulated by the Commission with regard to the rates, terms and conditions of service. Florida law expressly provides that "wireless telecommunications, including commercial mobile radio service providers" are "exempt from oversight by the commission, except to the extent delineated in this chapter or specifically authorized by federal law."<sup>2</sup> Thus, consistent with §364.011, Florida Statutes, the Commission may promulgate Lifeline rules affecting wireless providers only to the extent that its authority to do so is delineated in Chapter 364, Florida Statutes, or to the extent "specifically authorized by federal law."

Chapter 364's Lifeline provisions apply only to "eligible telecommunications carriers" as defined in §364.10(2)(a) and thus expressly exclude wireless providers. Section 364.10(2)(a) provides, "[f]or the purposes of this section, the term 'eligible telecommunications carrier' means a telecommunications company, as defined by s. 364.02, which is designated as an eligible telecommunications carrier by the commission pursuant to 47 C.F.R. s. 54.201."<sup>3</sup> "Telecommunications company" is defined to expressly exclude CMRS providers.<sup>4</sup> Thus, neither §364.10 nor any other section of Chapter 364 delineates Commission jurisdiction over wireless ETCs.<sup>5</sup>

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<sup>2</sup> 364.011, Florida Statutes.

<sup>3</sup> 364.10(2)(a).

<sup>4</sup> 364.02(14)(c). "The term 'telecommunications company' does not include ... a commercial mobile radio service provider."

<sup>5</sup> The draft rules indicates they are intended to implement §§364.10 and 364.105 by specific authority vested in 350.127(2) and 364.10(3)(j), Florida Statutes. None of these statutes apply to wireless providers.

Federal law, however, does provide that an ETC must comply with some, but not all state Lifeline rules or regulations in states such as Florida that have established their own Lifeline program.<sup>6</sup> Specifically, federal law provides that an ETC must comply with state rules or regulations regarding five specific issues:

- 1) Eligibility criteria, as specified in 47 C.F.R. §§ 54.409(a) and 54.415(a);
- 2) Certification of income-based eligibility, as specified in 47 CFR §54.410(a)(1);
- 3) Verification of continued eligibility, as specified in 47 C.F.R. § 54.410(c)(1);
- 4) Procedures for resolving disputes concerning eligibility and the termination of Lifeline assistance due to ineligibility, as specified in 47 C.F.R. § 54.405(c)-(d); and
- 5) Recordkeeping requirements, as specified in 47 C.F.R. § 54.417(a).

Accordingly, although Chapter 364 does not provide the Commission with authority to make rules requiring wireless providers to comply with Lifeline requirements, wireless ETCs have an independent obligation under federal law to comply with certain state rules regarding the five issues specified above. As it relates to enrollment procedures, however, none of the federal regulations above requires an ETC that is not otherwise regulated by the state to utilize the state procedures. Rather, the ETC is only required to comply with the state eligibility criteria and the certification procedures for documenting an applicant's income-based eligibility. *See* 47 C.F.R. §§ 54.409(a) and 54.410(a)(1).

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<sup>6</sup> Of course, the Commission needs authority delegated by the Legislature to make state Lifeline rules and regulations. In this rulemaking, the Commission must consider the scope of its authority as granted by the Legislature.

Notwithstanding its voluntary participation in the automatic enrollment process and its participation in this rulemaking, Sprint Nextel fully reserves its rights regarding whether the Commission has authority to impose or enforce the proposed automatic enrollment rules on wireless ETCs.

### **III. Comments on Lifeline Enrollment Process and the Proposed Rules**

In order to work constructively toward rules that are both effective and workable, Sprint Nextel provides the following Comments on its own Lifeline enrollment process and specific suggestions for changes to the proposed rules.

#### **A. Sprint Nextel's Lifeline Enrollment Process and Objectives**

In those instances when Sprint Nextel receives an email notification from the Commission through the automatic enrollment process, Sprint Nextel's enrollment process involves first screening applicants to ensure they reside in Sprint Nextel's designated ETC service area, then sending a Lifeline application packet to inform the applicants of the rates, terms and conditions of the Lifeline plan and to obtain a signature self-certifying that they are eligible. The first step of confirming they are in Sprint Nextel's designated ETC service area takes less than a week, after which an application is promptly sent. If the applicant responds in a timely fashion, the enrollment will be completed well within the sixty (60) day limit set forth in the proposed rules. However, the deadline cannot be met if the applicant does not return the application, and may not be met if the application not timely returned.

Alternatively, in those instances when an applicant applies directly to Sprint Nextel by submitting a completed application, the process to verify the applicant's eligibility and initiate service usually requires only one week or less to complete.

As noted in Sprint Nextel's August 10, 2007 post-workshop Comments, wireless providers such as Sprint Nextel face unique challenges in enrolling Lifeline subscribers that make the Commission's automatic enrollment process less effective. For instance, Sprint Nextel has had trouble verifying whether Lifeline applicants are existing customers based on the information in the data file provided by the Commission through the automatic enrollment process (e.g., the address, account name, and/or the telephone number provided may not match Sprint Nextel's records). The practical effect of this is that we cannot match an applicant who has represented that they are an existing customer with an account. In some cases, applicants may give a landline number on the application instead of their Sprint Nextel wireless number. Unfortunately, account numbers and/or full social security numbers would be the most effective way to eliminate the confusion.

Regardless of whether an applicant is matched to an existing account, in order to complete an enrollment, a wireless provider such as Sprint Nextel must provide the prospective Lifeline subscriber with a Lifeline application packet to, among other things, inform the applicant of the rates, terms and conditions of the Lifeline plan offered. If the information on the plan is not provided and agreed to by the applicant, existing customers would have their present plan switched without knowing the details of the new Lifeline plan and new customers would not have any information whatsoever on the rates, terms and conditions of service. Prospective Lifeline subscribers are not provided with the details of the plan when they fill out the application through the Department of Children

and Families or the Commission, so an application packet must be mailed to them at the address they provide during the auto enrollment process.

In addition, Sprint Nextel must also obtain information from the applicant to determine whether he or she is an eligible resident of Tribal lands. Under the federal Lifeline program, a resident of Tribal lands may qualify for Lifeline assistance under a supplemental set of federally-mandated eligibility criteria. A Tribal resident is also eligible to receive enhanced Lifeline assistance that may reduce his or her monthly bill to as little as \$1, and can similarly reduce initial service activation charges to a greater extent than non-Tribal residents. Thus, it is essential for Sprint Nextel to obtain this additional information from applicants that is not available through the Commission's on-line application process.

Although it is necessary, this intermediary step of having to mail and await the return of the Lifeline application is perhaps the most significant impediment to increasing Lifeline subscribership for Sprint Nextel. While many applications have been sent out, the rate of returned applications is extremely low.

As noted in Sprint Nextel's post-workshop Comments filed on both February 27, 2007 and August 10, 2007, Sprint Nextel's plan to streamline its Lifeline application process for all jurisdictions where it is designated as an ETC is to develop and publicize its website where prospective Lifeline subscribers can obtain information about Sprint Nextel's Lifeline plan and download application materials for their state of residence. Indeed, we believe that the most efficient way to improve Lifeline enrollment in Florida is to eliminate the intermediate step of mailing out a Lifeline application packet. Ideally, the prospective Lifeline subscriber would be provided access to the Sprint Nextel Lifeline website to obtain information on the rates, terms and conditions of service and download



the application, complete it and return it for processing. The Lifeline website would assist not only individual applicants, but also social service agency workers in obtaining information about the Company's Lifeline offerings. For example, a social worker could help a qualified consumer download, fill out and submit the applications materials before the consumer left the social worker's office. Thus, the Lifeline website can be used to improve the present automatic enrollment process even for those elderly and others who do not have access to the Internet and need assistance in applying for the social programs that qualify them for Lifeline and for Lifeline itself by eliminating the same intermediary step of having to mail out the Lifeline application. Thus, as the Commission develops additional outreach efforts to assist such individuals, use of the Sprint Nextel website will be helpful in facilitating the exchange of information and providing access to the application materials necessary for enrollment.

While the proposed rules implementing the Commission's version of automatic enrollment certainly do not prohibit Sprint Nextel from using its Lifeline website as a means of promoting and boosting Lifeline enrollment, they do divert resources and create expense by mandating that Sprint Nextel participate in a second, less productive process that results in few returned and completed applications. Sprint Nextel intends to continue to participate voluntarily in the automatic enrollment process but believes it would wise for the Commission to encourage alternatives that may be more productive and efficient instead of mandating a single automatic enrollment process.

## **B. Requested Changes to Proposed Rules**

Consistent with the discussion above, Sprint Nextel respectfully requests two changes to the proposed revisions to 25-4.0665, Lifeline Service. The suggested language is reflected in Exhibit A:

First, and as a good faith proposal for encouraging effective alternatives, Sprint Nextel respectfully requests the Commission change paragraph (3) to provide flexibility for providers to choose an efficient and effective alternative to the existing auto-enrollment process as long as it is coordinated with the Department of Children and Families and the Commission, meets Commission's stated goal of "allow[ing] low-income individuals to automatically enroll in Lifeline following enrollment in a qualifying public assistance program" and fulfills the statutory requirement that state agencies ensure automatic enrollment of Lifeline subscribers. The requested changes would permit Sprint Nextel, for example, the option of coordinating with those agencies to use its Lifeline website to efficiently and immediately inform prospective applicants about the rates, terms and conditions of its Lifeline service and applicants to quickly download and mail the application directly, potentially eliminating the step of first mailing an application. This proposal substantially accomplishes the objectives of Sections 364.10 and 364.105, Florida Statutes, by permitting the quick and efficient automatic enrollment of lifeline subscribers

Second, Sprint Nextel respectfully requests the Commission to amend paragraph (3)(b) to require that subscribers be enrolled no later than 60 days from receipt of the email notification *OR*, in the case of wireless providers who cannot enroll a Lifeline subscriber without disclosing and receiving consent for the rates, terms and conditions of the Lifeline plan, no later than 45 days from the date the provider receives a completed

application. Wireless providers thus will have a reasonable amount of time to process an application once it is received.

#### **IV. Conclusion**

Sprint Nextel appreciates the opportunity to submit these Comments on the proposed rules and its good faith proposal for flexibility to implement alternatives, and would be pleased to provide further information or clarification to the Staff or Commissioners.

Respectfully submitted this 2<sup>nd</sup> day of November, 2007,

/s/ Douglas C. Nelson

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233 Peachtree Street, NE Suite 2200  
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Attorney for Sprint Nextel

Exhibit A

*(Suggested Changes are in bold italics)*

25-4.0665 Lifeline Service

(1) No change.

(2) No change.

(3) All eligible telecommunications carriers shall participate in the Lifeline service Automatic Enrollment Process. For purposes of this rule, the Lifeline service Automatic Enrollment Process is an electronic interface between the Department of Children and Families, the Commission, and the eligible telecommunications carrier *or an alternative enrollment process coordinated between the Department of Children and Families, the Commission, and the eligible telecommunication carrier* that allows low-income individuals to automatically enroll in Lifeline following enrollment in a qualifying public assistance program.

(a) The Commission shall send an e-mail to the eligible telecommunications carrier informing the eligible telecommunications carrier that Lifeline service applications are available for retrieval for processing.

(b) The eligible telecommunications carrier shall enroll the subscriber in the Lifeline service program as soon as practicable, but no later than 60 days from the receipt of the e-mail notification *or no later than 45 days from the date the eligible telecommunications carrier receives a completed application*. Upon completion of initial enrollment, the eligible telecommunications carrier shall credit the subscriber's bill for Lifeline service as of the date the eligible telecommunications carrier received the e-mail notification from the Commission.

(c) The eligible telecommunications carrier shall maintain a current e-mail address with the Commission, which the Commission will use to inform the eligible telecommunications carrier that new Lifeline service applications are available for retrieval for processing.

(d) The eligible telecommunications carrier shall maintain with the Commission the names, e-mail addresses and telephone numbers of one primary and one secondary company representative who will manage the user accounts on the Commission's secure website.

(e) Within 20 calendar days of receiving the Commission's e-mail notification that the Lifeline service application is available for retrieval, the eligible telecommunications carrier shall provide a facsimile response to the Commission via the Commission's dedicated Lifeline service facsimile telephone line at (850) 413-7142, identifying the customer name, address, telephone number, and date of the application for:

1. misdirected Lifeline service applications;
2. applications for customers currently receiving Lifeline service; and
3. rejected applicants, which shall include the reason(s) why the applicants were rejected.

In lieu of a facsimile, the eligible telecommunications carrier may file the information with the Office of Commission Clerk.

(f) Pursuant to Section 364.107(1), F.S., information filed by the eligible telecommunications carrier in accordance with subsection (3)(e) of this rule is confidential and exempt from Section 119.07(1), F.S. However, the eligible telecommunications carrier may disclose such information consistent with the criteria in

Section 364.107(3)(a), F.S. For purposes of this rule, the information filed by the eligible telecommunications carrier will be presumed necessary for disclosure to the Commission pursuant to the criteria in Section 364.107(3)(a)4, F.S.

(4) All eligible telecommunications carriers shall provide current Lifeline service company information to the Universal Service Administrative Company (USAC) at [www.lifelinesupport.org](http://www.lifelinesupport.org) so that the information can be posted on the USAC's consumer website.

**FLORIDA PUBLIC SERVICE COMMISSION**

Proposed Amendment of Rule 25-4.0665 )  
F.A.C., Lifeline Service ) Undocketed  
)  
)

**POST-WORKSHOP COMMENTS OF SPRINT NEXTEL**

Sprint Nextel Corporation on behalf of itself and its wholly-owned subsidiaries providing wireless telecommunications services in the State of Florida (collectively "Sprint Nextel") provide the following Post-Workshop comments on the draft Lifeline rules prepared by Florida Public Service Commission ("Commission") Staff and discussed at the February 6, 2007 Rule Development Workshop. Sprint Nextel appreciates the opportunity to review the draft rules and participate in the Workshop and believes a candid discussion by interested parties prior to formal proposal of rules by the Commission is an effective way to approach rulemaking. Sprint Nextel further believes that significant progress can be made to improve outreach and enrollment efforts to increase Lifeline program participation in Florida through the joint efforts of the Commission, the Department of Children and Families, the telecommunications industry, the Office of Public Counsel, the American Association of Retired Persons, and others, and we commend Commission staff for its leadership role in this endeavor.

**I. Introduction**

Sprint Nextel is a national commercial mobile radio service ("CMRS") provider and is designated as an ETC in twenty-four (24) jurisdictions. Sprint Nextel offers wireless telecommunications services in Florida, and two of its operating entities have

been designated as eligible telecommunications carriers (“ETCs”) in portions of Florida by the Federal Communications Commission (“FCC”), authorizing them to provide Lifeline service in those areas.<sup>1</sup> NPCR, Inc. (“Nextel Partners”) is designated as an ETC in portions of the panhandle of Florida, mostly to the north and west of Tallahassee. Sprint Corporation n/k/a Sprint Nextel Corporation (“Sprint PCS”) is designated as an ETC and authorized to provide Lifeline service in a broader area covering roughly 50% of the state.

Sprint Nextel is committed to taking a constructive approach to the development of Lifeline rules. Sprint Nextel recognizes, and believes the Commissioners and Staff recognize, that the PSC faces jurisdictional limitations in developing Lifeline rules to apply to wireless ETCs. However, as evidenced by Sprint Nextel’s active participation in this rule development, we believe that jurisdictional limits need not be a hindrance to the development of final rules that are both effective in their purpose and legally defensible.

## **II. The Commission’s Authority**

As the rulemaking proceeds, the Commission must ensure that each rule it proposes to apply to wireless ETCs is consistent with the authority granted to the Commission under state and federal law. Wireless providers are not regulated by the Commission with regard to the rates, terms and conditions of service. Florida law expressly provides that “wireless telecommunications, including commercial mobile radio service providers” are “exempt from oversight by the commission, except to the

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<sup>1</sup> *In the Matter of Federal-State Joint Board on Universal Service; Sprint Corporation; Application for Designation as an Eligible Telecommunications Carrier in the State of Alabama, Florida, Georgia, New York, North Carolina, Tennessee and Virginia*, CC Docket No. 96-45, Order, DA 04-3617 (rel. Nov. 18, 2004); *In the Matter of Federal-State Joint Board on Universal Service; NPCR, Inc. d/b/a Nextel Partners; Application for Designation as an Eligible Telecommunications Carrier in the State of Alabama, Florida, Georgia, New York, Pennsylvania, Tennessee and Virginia*, CC Docket No. 96-45, Order, DA 04-2667 (rel. Aug. 25, 2004), corrected by Erratum (Sept. 13, 2004); see also 47 C.F.R. § 54.401.



extent delineated in this chapter or specifically authorized by federal law.”<sup>2</sup> Thus, consistent with §364.011, Florida Statutes, the Commission may promulgate Lifeline rules affecting wireless providers only to the extent that its authority to do so is delineated in Chapter 364, Florida Statutes, or to the extent “specifically authorized by federal law.”

Chapter 364’s Lifeline provisions apply only to “eligible telecommunications carriers” as defined in §364.10(2)(a) and thus expressly exclude wireless providers. Section 364.10(2)(a) provides, “[f]or the purposes of this section, the term ‘eligible telecommunications carrier’ means a telecommunications company, as defined by s. 364.02, which is designated as an eligible telecommunications carrier by the commission pursuant to 47 C.F.R. s. 54.201.”<sup>3</sup> “Telecommunications company” is defined to expressly exclude CMRS providers.<sup>4</sup> Thus, neither §364.10 nor any other section of Chapter 364 delineates Commission jurisdiction over wireless ETCs.<sup>5</sup>

Federal law, however, does provide that an ETC must comply with some, but not all state Lifeline rules or regulations in states such as Florida that have established their own Lifeline program.<sup>6</sup> Specifically, federal law provides that an ETC must comply with state rules or regulations regarding five specific issues:

- 1) Eligibility criteria, as specified in 47 C.F.R. §§ 54.409(a) and 54.415(a);

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<sup>2</sup> 364.011, Florida Statutes.

<sup>3</sup> 364.10(2)(a).

<sup>4</sup> 364.02(14)(c). “The term ‘telecommunications company’ does not include ... a commercial mobile radio service provider.”

<sup>5</sup> The draft rule indicates that it is intended to implement §§350.123, 364.0252, 364.10, 364.105, 364.17, 364.18, and 364.183(1), Florida Statutes. These statutes do not apply to all telecommunications providers. For example, price-regulated ILECs are exempt from the §§364.17 364.18, and none of the cited statutes apply to wireless providers.

<sup>6</sup> Of course, the Commission needs authority delegated by the Legislature to make state Lifeline rules and regulations. In this rulemaking, the Commission must consider the scope of its authority as granted by the Legislature.

- 2) Certification of income, as specified in 47 CFR §54.410(a)(1);
- 3) Verification of continued eligibility, as specified in 47 C.F.R. § 54.410(c)(1);
- 4) Procedures for resolving disputes concerning eligibility and the termination of Lifeline assistance due to ineligibility, as specified in 47 C.F.R. § 54.405(c)-(d); and
- 5) Recordkeeping requirements, as specified in 47 C.F.R. § 54.417(a).

Accordingly, although Chapter 364 does not provide the Commission with authority to make rules requiring wireless providers to comply with Lifeline requirements, wireless ETCs have an independent obligation under federal law to comply with state rules regarding the five issues specified above, and the Commission has jurisdiction with respect to such state rules pursuant to §364.011 because they are “authorized by federal law.”

## **II. Comments on Specific Portions of the Draft Rules**

In general, Sprint Nextel propose the following guidelines that the Commissioners and Staff may wish to consider as they develop the rules further:

1. Be consistent with FCC default rules wherever possible and provide ETCs who operate in multiple jurisdictions the flexibility to maintain consistent Lifeline programs and practices throughout.
2. For each proposed rule or portion thereof that is to be applied to wireless ETCs, consider whether the rule meets the limitation of 364.10 (i.e. that the Commission has authority under Chapter 364, Florida Statutes, or that it is specifically authorized by federal law).

3. Minimize information gathering to what is essential for administering and improving the program and avoid requiring providers to create costly new reporting processes.
4. Ensure that the Rules are competitively and technologically neutral.

Sprint Nextel provides the following specific comments on the draft rules in order to continue to provide constructive input in the rule development process. As discussed in detail above, the Commission must ensure it has specific jurisdiction for each rule it proposes to apply to wireless ETCs and Sprint Nextel fully reserves its rights to assess jurisdiction as the rulemaking process continues. For each rule addressed below, we begin with the draft rule showing Sprint Nextel's suggested strikes and additions (underlined) and then proceed to Sprint Nextel's comments on the rule.

**A. Application of Lifeline Discount**

~~25-4.0665 (3) - The Lifeline service discount shall be applied to the basic local exchange service rate, or the telephone portion of any service offering which combines basic local exchange service with nonbasic service (e.g., a service package combining basic local exchange service with call waiting, call forwarding, and voicemail).~~ In accordance with 47 C.F.R. 54.403(b), which is incorporated herein by reference, the Lifeline service discount shall be applied to reduce their lowest tariffed (or otherwise generally available) residential rate for the services enumerated in 47 C.F.R. 54.401(a)(1) through (a)(9), and charge Lifeline consumers the resulting amount.

For wireless ETCs such as Sprint Nextel, the rule as proposed is not acceptable for two reasons. First and foremost, neither Chapter 364 (Florida Statutes) nor federal law authorizes the Lifeline discount on service offerings other than the lowest generally available residential rate.

Pursuant to Section 364.10(2)(a) of the Florida Statutes, a telecommunications company<sup>7</sup> designated as an eligible telecommunications carrier is required to “provide a Lifeline Assistance Plan to qualified residential subscribers, as defined in a commission-approved tariff or price list . . .” (Emphasis added). This Lifeline Assistance Plan shall consist of “basic local exchange telephone service.” *See, e.g.*, Fl. Stat. § 364.10(d)-(f). Section 364.10 thus contemplates that an ETC’s Lifeline Assistance Plan shall be the carrier’s basic local exchange service offering (in other words, a single service offering) reduced by the Lifeline service credits approved by the Commission. Accordingly, it does not appear that the Commission would be authorized by state law to require a telecommunications company designated as an ETC to apply the Lifeline service discounts to a bundled service offering. If the Commission is not authorized to implement such a requirement for carriers subject to its regulatory jurisdiction, it certainly would not have the requisite authority to apply the proposed rule to wireless carriers who are exempt from Commission jurisdiction.<sup>8</sup>

Similarly, as set forth in the Federal Communications Commission’s (“FCC”) universal service rules, Lifeline is defined, in part, as “a retail local service offering: (1) [t]hat is available only to qualifying low-income consumers; (2) [f]or which qualifying low-income consumers pay reduced charges as a result of application of the Lifeline support amount described in [47 C.F.R. §] 54.403.” 47 C.F.R. § 54.401(a) (emphasis added).

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<sup>7</sup> Under Florida law, commercial mobile radio service providers, like Sprint Nextel, are excluded from the Commission’s regulatory jurisdiction as they are not considered “telecommunications companies” under the State statutes. *See* Fl. Stat. § 364.02(14)(c).

<sup>8</sup> In addition to the state law exemption afforded wireless carriers, the Commission is further restricted from regulating the rates and entry of wireless carriers under 47 U.S.C. § 332(c)(3)(A).

FCC Rule 54.403 defines both the amount of federal Lifeline support available and the limitations on the application of such support. Pursuant to 47 C.F.R. § 54.403, federal Lifeline support is comprised of four assistance credits or “Tiers.” “Tier One” support is equal to the monthly “tariffed rate in effect for the primary residential End User Common Line charge<sup>9</sup> of the incumbent local exchange carrier serving the area in which the qualifying low-income consumer receives service.” “Tier Two” support is equal to \$1.75 per month. “Tier Three” support is equal to “one-half the amount of any state-mandated Lifeline support or Lifeline support otherwise provided by the carrier, up to a maximum of \$1.75 per month.” If applicable, “Tier Four” provides up to an additional \$25 per month for an eligible resident of Tribal lands, provided the additional support “does not bring the basic local residential rate... below \$1 per month.”

Application of the federal Lifeline support credits to a qualifying customer’s basic residential rate is governed by 47 C.F.R. § 54.403(b), which provides in pertinent part:

Eligible telecommunications carriers that charge federal End User Common Line charges or equivalent federal charges shall apply Tier-One federal Lifeline support to waive the federal End-User Common Line charges for Lifeline consumers. Such carriers shall apply any additional federal support amount to a qualifying low-income consumer’s intrastate rate, if the carrier has received the non-federal regulatory approvals necessary to implement the required rate reduction. Other eligible telecommunications carriers shall apply the Tier-One federal Lifeline support amount, plus any additional support amount, to reduce their lowest tariffed (or otherwise generally available) residential rate for the services enumerated in Sec. 54.101(a)(1) through (a)(9), and charge Lifeline consumers the resulting amount.

47 C.F.R. § 54.403(b) (emphasis added). In other words, an ETC may only apply federal

Lifeline support to reduce the cost of the carrier’s lowest cost residential service offering that includes all the FCC-defined “supported services.”

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<sup>9</sup> The “End User Common Line” charge is also referred to as the “Subscriber Line Charge” or “SLC.”

In adopting 47 C.F.R. § 54.403(b), the FCC unambiguously determined that an ETC must apply the federal Lifeline support it receives to the carrier's lowest available rate for the supported services:

These rules require that carriers offer qualified low-income consumers the services that must be included within Lifeline service, as discussed more fully below, including toll-limitation service. ILECs providing Lifeline service will be required to waive Lifeline customers' federal SLCs and, conditioned on state approval, to pass through to Lifeline consumers an additional \$1.75 in federal support. ILECs will then receive a corresponding amount of support from the new support mechanisms. Other eligible telecommunications carriers will receive, for each qualifying low income consumer served, support equal to the federal SLC cap for primary residential and single-line business connections, plus \$1.75 in additional federal support conditioned on state approval. The federal support amount must be passed through to the consumer in its entirety. In addition, all carriers providing Lifeline service will be reimbursed from the new universal service support mechanisms for their incremental cost of providing toll-limitation services to Lifeline customers who elect to receive them. The remaining services included in Lifeline must be provided to qualifying low-income consumers at the carrier's lowest tariffed (or otherwise generally available) rate for those services, or at the state's mandated Lifeline rate, if the state mandates such a rate for low-income consumers.

*Universal Service Order*, ¶ 368 (emphasis added).

Likewise, in formulating its initial universal service recommendations to the FCC in 1996, the Federal-State Joint Board on Universal Service (the "Joint Board") determined that the "Lifeline rate" to be made available to qualified, low-income consumers shall be "the carrier's lowest comparable non-Lifeline rate reduced by at least the \$5.25 [now \$8.25] amount of federal support." *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket 96-45, *Recommended Decision*, FCC 96J-3, ¶ 424 (rel. Nov. 8, 1996).

Accordingly, all ETCs must apply the federal Lifeline support discounts to reduce the cost of the carrier's lowest residential rate.

The second shortcoming of the rule as drafted is that it relies on the “basic local exchange service rate,” which defines the calling scope based on a local exchange area. Most wireless providers, including Sprint Nextel, offer customers calling plans that have a national scope with no extra charges based on whether the calls is terminated outside the local exchange. This type of calling plan gives Lifeline customers a valuable alternative to traditional local exchange service.

**B. Online Self-Certification Form**

**25-4.0665 (6) - All ETCs shall either accept the “Lifeline and Link-Up Florida On-Line Self Certification Form” as proof of a subscriber’s eligibility for Lifeline and Link-Up Florida and Lifeline Service or elect to link the ETC’s own Lifeline website to the Commission’s “Lifeline and Link-Up Florida On-Line Self Certification Form” webpage to permit subscribers who access the Commission’s website to apply for service directly with the ETC.**

Draft rule (6) is intended to simplify the application process, ensure consumers have easy, centralized access to Lifeline applications, and eliminate unnecessary steps to applying for Lifeline. Sprint Nextel agrees with these objectives and, for the most part, with the means embodied in the proposed rules. It serves both the customer and the provider well to minimize the steps in the application process and to make it as simple as possible. To streamline its Lifeline application process for all jurisdictions where Sprint Nextel is designated as an ETC, the Company is developing a website interface where interested consumers can obtain information about Sprint Nextel’s Lifeline plan and download application materials for their State of residence.

Therefore, it is important that the new Lifeline rules permit (not require) an arrangement whereby the Florida PSC “Lifeline and Link-Up Florida On-Line Self

Certification Form” webpage can be linked to ETC-specific Lifeline websites for ETCs who elect to maintain such websites. (Such a link, for example, would connect a customer who accesses the Commission’s Lifeline website and chooses to apply for Lifeline service from Sprint Nextel to the Sprint Nextel Lifeline webpage.) Such an arrangement eliminates the intermediate step in which the Commission forwards notice of the online application to the ETC and an ETC employee retrieves the information from the PSC website. By directing the consumer directly to the ETC’s website, the consumer is also able to receive detailed information on the Lifeline service plan and the serving carrier can obtain the prospective customer’s self-certification of eligibility. Furthermore having multiple web links would allow the prospective customer to compare the different ETCs’ offerings thus providing the end user with a competitive choice. This website interface will assist not only individual consumers, but also social service agency workers in obtaining information about the Company's Lifeline offerings. For example, a social worker could help a qualified consumer download, fill out and submit the applications materials before the consumer left the social worker's office.

Such an arrangement accomplishes two goals: First, it provides a single Commission website to be publicized as part of the Commission’s outreach efforts and a single portal to funnel Lifeline applicants to all ETCs, even those without websites. Second, it provides the flexibility to put the consumer directly in touch with ETCs that maintain Lifeline websites, thereby facilitating the exchange of information and expediting the application process.

### **C. Documentation**

**25-4.0665 (7) – The ETC must accept Public Assistance eligibility determination letters, such as those provided for food stamps and Medicaid,**



**and public housing lease agreements, as proof of the subscriber's eligibility for Link-Up and Lifeline enrollment and verification.**

This rule references the acceptance of Medicaid approval letters, etc. for purposes of Lifeline "enrollment." As Staff has affirmed, self-certification of program participation is all that is required for Lifeline enrollment and no documentation is required. This section should be changed and moved to the annual verification requirements section to make it clear that documentation of program eligibility is required for verification only.

**D. Methods of Submitting Applications**

**~~25-4.0665 (8) ETCs must allow customers the option to submit Link-Up or Lifeline applications via mail, facsimile or electronically. ETCs must also allow customers the option to mail or facsimile copies of supporting documents.~~**

Sprint Nextel believes this rule is unnecessary and that it may both risk consumer confusion and needlessly increase the cost and complexity of administering the Lifeline program. As discussed above, Sprint Nextel believes the intent of this rulemaking is to simplify the application process, ensure consumers have easy, centralized access to Lifeline applications, and eliminate unnecessary steps to applying for Lifeline. Presently, Sprint Nextel maintains two national Lifeline toll-free numbers for consumers and we include the numbers in our outreach materials. As discussed above, we also plan to augment our outreach efforts with a single new website where interested consumers can obtain information about the Company's Lifeline service offering and download copies of the applicable application materials for their State of residence. Sprint Nextel believes the Commission should provide ETCs the flexibility to create an efficient, standardized application process and not set arbitrary requirements that, while well-intended, may

result in inefficient, confusing and redundant processes that ultimately could confuse consumers and complicate the application process. Such requirements will be particularly time-consuming and burdensome for providers, like Sprint Nextel, that operate as ETCs in multiple jurisdictions.

**E. Application Receipt**

**~~25-4.0665 (9) - ETCs shall provide the subscriber with an application receipt. The receipt must include the date the ETC received the subscriber's application along with a list of the documents, if any, that were provided with the application. The receipt shall be provided within 3 days of the ETC receiving the application.~~**

This receipt requirement is also referenced in draft rule (16) and Sprint Nextel recommends striking it there as well. From a policy standpoint, Sprint Nextel believes this rule is unnecessary and would needlessly increase the cost of administering the Lifeline program. A Lifeline subscriber who is concerned about the status of an application may check on the status of the applications at any time by calling Sprint Nextel. From a legal standpoint, Sprint Nextel believes the Commission does not have sufficient jurisdiction to enforce such a requirement on wireless ETCs. Neither state law nor federal rules provide authorization to require ETCs to provide Lifeline application receipts.

**F. Social Security Number Requirements**

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**Staff Draft 25-4.0665 (10) - ETCs shall only require an existing customer of the ETC wishing to apply for Lifeline service to provide the last four digits of the customer's social security number for application for Lifeline and Link-Up service and to verify continued eligibility for the programs.**

Sprint Nextel recognizes that consumers may be reluctant to provide a social security number when applying for Lifeline service due to concerns over identity theft and fraud. This concern is relevant for all applicants for telecommunications and other services, not just Lifeline applicants. Sprint Nextel and other ETCs have implemented measures to protect the confidentiality of sensitive information provided by applicants for service and those same procedures apply to information provided by Lifeline applicants. A full social security number is required to verify the identity of the applicant at the time new service is initiated. This is true whether the new applicant seeks to be enrolled in a Lifeline service plan or any other Sprint Nextel service. Presently, Sprint Nextel does not differentiate between existing customers and new customers in processing Lifeline applications. However, it would be possible to no longer require existing customers of Sprint Nextel who wish to switch to a Lifeline service plan to provide a social security number when applying for Lifeline. Sprint Nextel's suggested changes to the proposed rule clarify that a new applicant for Lifeline service who is not a Sprint Nextel customer already may be asked to provide a full social security number as part of the service application process.

**G. Notice of Pending Termination**

**25-4.0665 (15) – If an ETC believes that a subscriber no longer qualifies for Lifeline service, the ETC must provide 60 days written notice prior to the termination of Lifeline service. The notice of pending termination shall contain the telephone number at which the subscriber can obtain information about the subscriber's Lifeline service from the ETC. If the ETC is a local exchange telecommunications company, the notice shall also inform the subscriber of the availability, pursuant to Section 364.105, F.S., of discounted residential basic local telecommunications service.**

The requirement in Section 364.105, Florida Statutes, that discounted residential basic local telecommunications service be provided at 70 percent of the residential local telecommunications service rate for subscribers who no longer qualify for Lifeline applies only to local exchange telecommunications companies. A local exchange telecommunications company is "any company certificated by the commission to provide local exchange telecommunications service in this state on or before June 30, 1995."<sup>10</sup> Wireless ETCs are not local exchange telecommunications companies and are therefore not required to provide the discounted service addressed in Section 364.105. Therefore, it is counterproductive to require wireless ETC to inform subscribers that the discounted service is available. This will only cause confusion and frustrate consumers. Sprint Nextel requests that the draft rule be changed to eliminate the requirement that ETCs who are not local exchange telecommunications companies inform subscribers who no longer qualify for Lifeline that the discounted service is available.

#### **H. Toll Blocking and Toll Limitation**

Sprint Nextel proposes these changes if the rule is not stricken in its entirety.

**25-4.0665 (19) - Each ETC shall offer the consumer the option of toll limitation as defined in 47 C.F.R. 54.400(d) blocking all toll calls or, if technically feasible, placing a limit on the number of toll calls the consumer can make. The ETC may not charge the consumer an administrative charge or other additional fee for toll limitation blocking options. An ETC may block a Lifeline service subscriber's ability to complete outgoing toll calls access to all long distance service, except for toll-free numbers, and may block the availability to accept collect calls when the subscriber owes an outstanding amount for toll long distance service or amounts resulting from collect calls. The ETC may not impose a charge for blocking toll long distance service. The ETC shall remove the block at the request of the subscriber without additional cost to the subscriber upon payment of the**

<sup>10</sup> Section 364.02(8) Florida Statutes.

**outstanding amount. An ETC may charge a service deposit before removing the block.**

**25-4.0665 (20) – An ETC may not collect a service deposit in order to initiate Lifeline service if the qualifying subscriber voluntarily elects toll blocking or toll limitation. If the qualifying subscriber elects not to place toll blocking limitation on the line, an ETC may charge a service deposit.**

Sprint Nextel understands from the discussion during the Workshop that staff will eliminate these draft rules because they are virtually identical to the text of 364.10 (2) (b) and (c) and 364.10 (3)(g), Florida Statutes, which apply to telecommunications companies who are ETCs under state law. (Florida rule drafting practice prohibits such verbatim duplication of legislative provisions in state commission regulations.) Sprint Nextel agrees that the rules should be removed. However, if they are not eliminated, the rules either should be clarified to apply only to telecommunications company ETCs as they do under Chapter 364 or, if they are to be applied more broadly, they should be changed to be consistent with FCC rules and definitions with respect to “toll limitation,” “toll blocking,” and “toll control.” (47 C.F.R. Section § 54.400) (See proposed alternative changes above.) This would not change the effect of the rules with respect to permitting consumers to avoid a deposit if they accept toll limitation or prohibiting ETCs from charging for toll limitation. Sprint Nextel would be pleased to provide further details on this distinction if needed.

#### **H. Non-Payment and Outstanding Debt**

##### **25-4.0665**

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**~~(22) An ETC may not discontinue basic local exchange telephone service to a Lifeline subscriber because of nonpayment by the subscriber of charges for nonbasic services billed by the telecommunications company, including long distance. A subscriber who receives Lifeline service shall be required to pay all applicable basic local exchange service~~**

~~fees, including the subscriber line charge, E-911, telephone relay system charges, and applicable state and federal taxes.~~

~~(23) An ETC may not refuse to connect, reconnect, or provide Lifeline service because of unpaid toll charges or nonbasic charges other than basic local exchange service.~~

~~(24) An ETC may require that payment arrangements be made for outstanding debt associated with basic local exchange service, subscriber line charges, E-911, telephone relay system charges, and applicable state and federal taxes.~~

These draft rules reproduce almost word-for-word Chapter 364.10 (3) (d), (e) and (f), Florida Statutes, which apply to telecommunications company<sup>11</sup> ETCs. As such, it is appropriate to eliminate these proposed rules on the same basis as the draft rule on toll limitation above. However, if these rules are not eliminated, they either should be clarified to apply only to telecommunications company ETCs consistent with the Florida Statutes or, if they are to be applied more broadly, they should be changed to take account of the fact that “basic” and “nonbasic” service distinctions do not have any significance or usefulness in the context of wireless service plans. Sprint Nextel would be pleased to provide further details on these terms if needed.

#### **I. Reporting Requirements**

**25-4.0665 (25) ETCs offering Link-Up and Lifeline service must submit quarterly annual reports to the Commission’s Director of Competitive Markets & Enforcement no later than October 31<sup>st</sup>. ~~two weeks following the ending of each quarter as follows: First Quarter (January 1 through March 31); Second Quarter (April 1 through June 30); Third Quarter (July 1 through September 30); Fourth Quarter (October 1 through December 31).~~ The quarterly annual reports shall include the following data if it is produced by the ETC in the normal course of administering its Lifeline program:**

**(a) The number of Lifeline subscribers for each month during the quarter.**

<sup>11</sup> See footnote 5, *supra*.

- (b) The number of subscribers denied Lifeline service for each month during the quarter, including the reasons the subscribers were denied.
- (c) The number of subscribers who received Link-Up for each month during the quarter.
- (d) The number of new Lifeline subscribers added each month during the quarter.
- (e) The number of Lifeline subscribers removed from Lifeline service for each month during the quarter
- (f) The number of Lifeline subscribers removed from Lifeline service for each month during the quarter for each of the following reasons:
  - 1. Non-payment;
  - 2. No longer eligible to receive benefits;
  - 3. Abandoned Service;
  - 4. Switched Phone Companies; and
  - 5. Other (specify).
- (g) The number of Lifeline subscribers who have ancillary services in addition to basic telephone service during the quarter.
- (h) The number of Lifeline subscribers who have bundled service offerings during the quarter.
- (i) The number of subscribers who received discounted service, pursuant to Section 364.105, F.S., for each month during the quarter.
- (j) The number of subscribers who have Link-Up and Lifeline through subsection (2) of this rule during the quarter.
- (k) The number of residential access lines with Lifeline service that were resold to other carriers each month during the quarter.
- (l) The entity that submitted each Lifeline application to the ETC during the quarter and whether the application was accepted or denied.

The detailed reporting requirements set forth in this draft rule present a significant cost burden for all ETCs in terms of the hours needed to create each report on a quarterly basis. Further, the rule would require Sprint Nextel and likely other ETCs to create new recordkeeping processes solely for the purpose of complying with the rule, adding further significant costs. As the industry participants urged at the Workshop and during the January 10, 2007 informal meeting, the Commission must balance the benefits and utility of having the information available with the added costs of greater and more frequent

reporting. The Commission must also consider whether its goals can be met at lower cost, including whether existing information is available that substantially accomplish the statutory purpose, as required by §120.54(1)(d), Florida Statutes. Sprint Nextel urges the Commission to identify and adopt the lowest cost alternative by identifying the specific need and use for each piece of data rather than simply casting as broad a net as possible because the data could be useful at some point. Once a specific use for the piece of data under consideration is identified, its value must be balanced with the cost of collecting and remitting the data.

Sprint Nextel believes that the information provided to the FCC by ETCs on a quarterly basis through Form 497 provides sufficient data for the Commission to monitor periodically the progress in increasing Lifeline subscribership and meets the least-cost requirement imposed by §120.54(1)(d). The rationale for providing additional data on a quarterly basis is not sufficiently developed to justify the cost. More detailed reporting is provided presently on an annual basis and that practice should continue.

Staff indicated during the January 10<sup>th</sup> informal meeting that it is not the Commission's intent to require ETCs to create new reporting/recordkeeping processes to collect data that they do not collect already in the course of administering Lifeline programs. Consistent with that statement, Sprint Nextel believes the draft rules should be changed to reflect that ETCs are required to report only the information requested if they collect it in the course of administering their Lifeline program.<sup>12</sup> This would provide most of the information the Commission seeks and avoid creating additional reporting burdens.

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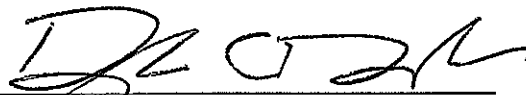
<sup>12</sup> For instance, as discussed above, the distinctions of "basic service" and "ancillary services" do not apply in the context of a wireless ETC's Lifeline service plan.



**III. Conclusion**

Sprint Nextel appreciates the opportunity to participate in the workshop and provide the foregoing comments. We are willing also to provide any further information or clarification to the staff or commissioners to assist in developing the rules.

Respectfully submitted this 27th day of February, 2007,



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**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

Proposed Amendment of Rule 25-4.0665	)	
Florida Administrative Code,	)	Undocketed
Lifeline Service	)	
	)	

**POST-WORKSHOP COMMENTS OF SPRINT NEXTEL**

Sprint Nextel Corporation on behalf of its wholly-owned subsidiaries providing wireless telecommunications services in the State of Florida ( “Sprint Nextel” or “Company”) provide the following brief Post-Workshop comments on the draft Lifeline rules prepared by distributed on or about July 13, 2007 and discussed at the July 27, 2007 Rule Development Workshop.

**I. Introduction**

Sprint Nextel is a national commercial mobile radio service (“CMRS”) provider and is designated as an ETC in twenty-four (24) jurisdictions. Sprint Nextel offers wireless telecommunications services in Florida, and two of its operating entities have been designated as eligible telecommunications carriers (“ETCs”) in portions of Florida by the Federal Communications Commission (“FCC”), authorizing them to provide Lifeline service in those areas.<sup>1</sup> NPCR, Inc. (“Nextel Partners”) is designated as an ETC in portions of the panhandle of Florida, mostly to the north and west of Tallahassee. Sprint Spectrum L.P., d/b/a Sprint PCS (“Sprint PCS”) is designated as an ETC and

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<sup>1</sup> *In the Matter of Federal-State Joint Board on Universal Service; Sprint Corporation; Application for Designation as an Eligible Telecommunications Carrier in the State of Alabama, Florida, Georgia, New York, North Carolina, Tennessee and Virginia*, CC Docket No. 96-45, Order, DA 04-3617 (rel. Nov. 18, 2004); *In the Matter of Federal-State Joint Board on Universal Service; NPCR, Inc. d/b/a Nextel Partners; Application for Designation as an Eligible Telecommunications Carrier in the State of Alabama, Florida, Georgia, New York, Pennsylvania, Tennessee and Virginia*, CC Docket No. 96-45, Order, DA 04-2667 (rel. Aug. 25, 2004), corrected by Erratum (Sept. 13, 2004); see also 47 C.F.R. § 54.401.

authorized to provide Lifeline service in a broader area covering roughly 50% of the state.

Sprint Nextel has participated regularly in the development process for Lifeline rules and previously attended the Rule Development Workshop held on February 6, 2007. In its Comments filed after that prior Workshop, Sprint Nextel included a discussion of the jurisdictional limitations of the Florida Public Service Commission ("FPSC") in developing Lifeline rules to apply to wireless ETCs. To avoid redundancy, we incorporate those comments by reference here and note that Sprint Nextel fully reserves its rights to assess jurisdiction as the rulemaking process continues. Sprint Nextel reiterates its commitment to active participation in Lifeline rule development and restates its belief that jurisdictional limits need not be a hindrance to the development of final rules that are both effective in their purpose and legally defensible.

Sprint Nextel also reiterates the guidelines proposed in its previous Comments that the Commissioners and Staff may wish to consider as they develop the rules further:

1. Be consistent with FCC default rules wherever possible and provide ETCs who operate in multiple jurisdictions the flexibility to maintain consistent Lifeline programs and practices throughout.
2. For each proposed rule or portion thereof that is to be applied to wireless ETCs, consider whether the rule is consistent with the Commission's authority.
3. Minimize information gathering to what is essential for administering and improving the program and avoid requiring providers to create costly new reporting processes.

4           Ensure that the Rules are competitively and technologically neutral.

Finally, Sprint is concerned that the draft rules under consideration will impose additional and unnecessary regulatory costs upon the Company. Manual processes in particular may be expensive to implement. Accordingly, Sprint believes that there likely is a lower cost regulatory alternative to some of the processes now under discussion.

## **II. Comments on Specific Rules Proposed for Development**

### **A. Proposed Rule 25-4.0665 (3), Lifeline Service Automatic Enrollment Process**

Sprint Nextel notes that the proposed rules seek to formally incorporate the automatic enrollment process that Commission Staff has developed over the past several months in which ETCs are notified by email that data files on prospective Lifeline subscribers are available for download from a secure website maintained by the Commission. ETCs then go about enrolling subscribers who are eligible according to their own process. It is Sprint Nextel's understanding that the data files on prospective Lifeline subscribers are obtained by Commission Staff through the Lifeline website maintained by the FPSC and also through referrals from the Department of Children and Family Services ("DCF"). Sprint Nextel and other ETCs have thus far complied voluntarily with the process during what could be described as a testing phase of development.

Although the automatic enrollment process that Commission Staff has been developing has required Sprint Nextel and other ETCs to adopt additional manual

processes to receive Lifeline applications, it has two main advantages: First, Commission Staff has been thoughtful in providing a single interface for ETCs to receive referrals (through the secure website) so that applications received by both the website and the DCF come in through the same channel. Second, the process is flexible in that it acts as a referral of Lifeline subscribers and does not seek to implement a one-size-fits-all internal enrollment process once the subscriber's information is referred. ETCs can develop their own processes for determining whether the subscriber is a customer, determining whether the subscriber is in an ETC designated area, etc.

The process, however, is not perfect, and Sprint Nextel urges the Commission Staff to allow more time to iron out the rough edges under the current voluntary arrangement before formally incorporating the process by rulemaking. It is Sprint Nextel's understanding that most ETCs are voluntarily complying with the process today, so there is little need to rush to implement the process through formal rules. Following are a few examples of the problems Sprint Nextel has experienced: The Company has not received email notifications consistently when there are applications in the queue. On some occasions, Sprint Nextel has had trouble verifying whether Lifeline applicants are existing customers based on the information in the data file provided by the FPSC (e.g. the address, account name, and/or the telephone number provided may not match Sprint Nextel's records) . In some cases, applicants may give a landline number on the application instead of their Sprint Nextel wireless number. Unfortunately, account number and/or full social security numbers would be the most effective way to eliminate the confusion, although there are policy and legal reasons why requiring such information

may be inadvisable. These are issues that may be worked out over time, which is precisely why the voluntary testing period should be extended.

As the rules are developed, Sprint Nextel agrees with the comments made during the Rule Development Workshop that the term "Automatic Enrollment Process" should be defined and should specifically reference the process discussed above that Commission Staff has developed over the past several months to refer prospective Lifeline subscribers through an email notification to ETCs who then may download the information from the secure website.

Sprint Nextel encourages the Commission to avoid defining the Automatic Enrollment Process so narrowly that it would not permit the process to evolve. For example, as ETCs develop their own Lifeline enrollment websites, the Commission may wish to incorporate links to those sites into the Commission's own "Lifeline and Link-Up Florida On-Line Self Certification Form" webpage. This would allow the Commission and ETCs to further streamline the Lifeline application process and allow ETCs to develop standard online applications processes for all jurisdictions where they are designated as an ETC. By linking the "Lifeline and Link-Up Florida On-Line Self Certification Form" webpage to ETC-specific Lifeline websites for ETCs who elect to maintain such websites, the Commission may be able eventually to eliminate the intermediate step in which the Commission forwards notice of the online application to the ETC and an ETC employee retrieves the information from the FPSC website. By directing the consumer directly to the ETC's website, the consumer is also able to receive detailed information on the Lifeline service plan and the serving carrier can obtain the prospective customer's self-certification of eligibility. Furthermore having multiple web

links would allow the prospective customer to compare the different ETCs' offerings thus providing the end user with a competitive choice. This website interface will assist not only individual consumers, but also social service agency workers in obtaining information about the Company's Lifeline offerings. For example, a social worker could help a qualified consumer download, fill out and submit the applications materials before the consumer left the social worker's office.

Such an arrangement accomplishes two goals: First, it provides a single Commission website to be publicized as part of the Commission's outreach efforts and a single portal to funnel Lifeline applicants to all ETCs, even those without websites. Second, it provides the flexibility to put the consumer directly in touch with ETCs that maintain Lifeline websites, thereby facilitating the exchange of information and expediting the application process. Sprint Nextel stresses that it is not advocating that such a process be mandated, just that any definition of "Automatic Enrollment Process" not preclude voluntary development and evolution of the online Lifeline application process.

Sprint Nextel agrees that sixty (60) days from the date the email notification is received should be long enough to enroll a subscriber. However, the timeline should not apply if the ETC is unable to complete the enrollment due to a failure of the prospective Lifeline subscriber to respond with required information. For example, Sprint Nextel's enrollment process involves first screening applicants to ensure they reside in our ETC designated area, then sending a Lifeline application packet to inform the applicant of the rates, terms and conditions of the Lifeline plan and obtain a signature certifying that they

are eligible. The first step of confirming they are in our designated area takes less than a week and an application is promptly sent. If the applicant responds in a timely fashion, the enrollment will be completed well within sixty (60) days. However, if the applicant does not return the application or returns it late, the deadline will not be met.

Sprint Nextel agrees with many of the comments made during the Rule Development Workshop that 25-4.0665(3)(e) is problematic. First, the detail required to categorize applications as misdirected, disconnected, etc. would create burdensome new manual processes. The Company encourages the Commission to consider whether the information is truly necessary before doing so. To the extent reporting on any of the categories is necessary, Sprint Nextel supports simplifying and consolidating the categories as much as possible. Specifically, Sprint Nextel supports the comments of Mr. McCabe of TDS and Mr. Casey of the Commission Staff that the category of “disconnected Lifeline customer applications” (25-4.0665(3)(e)(2)) be consolidated with the category for “rejected applicants” (25-4.0665(3)(e)(4)). Second, the Company agrees that ten (10) days is not enough to have feedback on the status of applications. For instance, the difficulty discussed above in determining whether the applicant is an existing customer based on the information provided by the PSC is causing substantial delay. Third, Sprint Nextel agrees that both choices for providing the information called for in proposed rule 25-4.0665(3)(e) - - confidentially filing the information with the Office of Commission Clerk or faxing the information - are burdensome. Sprint Nextel supports the suggestion that the secure website be modified to allow ETCs to provide such information electronically in a standard format as long as it can be accomplished by the same simple login process that is used to retrieve applicant information.



**B. Proposed Rule 25-4.0665 (4), Faxing of "Misdirected" Hard Copies of Lifeline Service Applications**

Sprint Nextel agrees with the comments of Ms. Sirianni of BellSouth that ETCs be given the choice of notifying "misdirected" applicants who have submitted applications outside of Automatic Enrollment Process directly instead of requiring the ETC to go through the extra manual process of faxing the misdirected application to the PSC. Like BellSouth, Sprint Nextel presently sends a letter to applicants who are not in Sprint Nextel's ETC designated area.

**III. Conclusion**

Sprint Nextel appreciates the opportunity to submit these comments on the July 27, 2007 Rule Development Workshop, and is also willing to provide any further information or clarification to the Staff or Commissioners to assist in developing the rules.

Respectfully submitted this 10th day of August, 2007,

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