

BEFORE THE PUBLIC UTILITY COMMISSION OF
OREGON

In the Matter of

Virgin Mobile USA, L.P.)	PETITION FOR WAIVER OF
)	CERTAIN REQUIREMENTS
Petition for Waiver of Certain)	UNDER OAR 860-033-0035(3)
Requirements of OAR 860-033-0035(3))	
<hr/>)	Docket No. UM 1522

Pursuant to OAR 860-033-0001(2), Virgin Mobile USA, L.P. (“Virgin Mobile”) respectfully requests that the Commission waive the requirement contained in the second sentence of OAR 860-033-0035(3). The Petitioner asks for expedited treatment of this Petition.

In support of this Petition, the Petitioner respectfully states as follows:

1. Petitioner requests a partial waiver of OAR 860-033-0035(3). The rule states:

An Eligible Telecommunications Provider that offers OTAP or Lifeline supported service at no charge to the low-income customer must require the customer to call the Eligible Telecommunications Provider to activate the OTAP or Lifeline supported service. The Eligible Telecommunications Provider must require the low-income customer to provide the last four digits of his or her social security number or Tribal identification number before activating the OTAP or Lifeline supported service.

2. Virgin Mobile requests a permanent waiver of the requirement in the second sentence of OAR 860-033-0035(3) that requires the Lifeline customer to provide the last four digits of his or her social security number (“SSN”) or Tribal Identification Number (“TIN”) before activating the Lifeline supported service.

3. Virgin Mobile provides prepaid wireless Lifeline service under its Assurance Wireless brand in Oregon pursuant to its designation as an Eligible Telecommunications Provider (“ETP”) in Order No. 12-015 (Docket UM 1522) on January 23, 2012. Since July of

2012, Virgin Mobile has offered Lifeline service supported by the Federal Universal Service Fund (“USF”) Lifeline Program to low-income Oregon customers at no charge, including the provision of a free handset. It now serves approximately 20,000 Oregon Lifeline customers.

4. Since Virgin Mobile began to provide Lifeline service in Oregon, it has directed customers to use a slightly different process to activate the Lifeline process than the process in OAR 860-033-0035(3). Rather than use a four-digit SSN or TIN, Virgin Mobile requires customers to use a six-digit personal identification number (“PIN”).

5. The Virgin Mobile Lifeline process works as follows:

- At the time a customer submits an application for Lifeline service, he or she is required to select a unique six-digit PIN that must meet strict guidelines to ensure sufficient privacy and security protection (e.g., the PIN cannot contain more than three consecutive numbers). The customer provides the PIN as well as his or her date of birth and the last four digits of his or her SSN.
- Once the Commission Staff determines that a customer meets the Lifeline eligibility criteria and notifies Virgin Mobile, the company sends the customer a Lifeline approval letter. Separately, Virgin Mobile ships a mobile phone to the customer. Virgin Mobile never hands a mobile phone out in-person to an applicant.
- Consistent with the first sentence of OAR 860-033-0035(3), Virgin Mobile requires an eligible customer to call a designated toll-free number to activate his or her Lifeline service through a programming process. In that process, the customer must confirm his or her identity by entering his or her unique PIN, which was created solely for use with the Virgin Mobile Lifeline service, to complete the activation process.
- Virgin Mobile does not seek Federal USF Lifeline reimbursement for a customer until that customer has successfully completed the activation process.

6. Technically, Virgin Mobile complies with the last sentence of OAR 860-033-0035(3) because it does obtain the SSN or TIN number from a customer in the application process before Lifeline is activated. However, because the rule could be

interpreted to require the SSN/TIN to be used as part of the activation process, Virgin Mobile files this waiver request because it cannot comply with OAR 860-033-0035(3) if so interpreted.

7. Use of a Virgin Mobile PIN in the activation process serves the same purpose as use of a SSN/PIN; namely it provides customer-specific, unique information to prevent fraudulent activation of a Lifeline account. In fact, use of a PIN may provide greater privacy and security protection to a customer because it is used only for one purpose whereas a SSN/TIN may be disseminated more broadly, enhancing the likelihood of theft. Use of a PIN for the sole purpose of obtaining Virgin Mobile Lifeline service is like use of a PIN to access a bank account. Both uses are designed to minimize fraud by restricting access only to the customer with unique knowledge of a PIN.

8. The six-digit PIN process is used by Virgin Mobile in every jurisdiction where it offers Lifeline service. If Virgin Mobile had to use a four-digit customer identifier, it would have to modify its activation process only for Oregon.

9. Virgin Mobile is not aware of any customer complaint regarding its current use of a six-digit PIN in the activation process, so granting Virgin Mobile's waiver request would not impact customers. It would not impact Commission Staff because if the Staff wanted to tie a customer's PIN and SSN, it could do so because these numbers are provided in the application process.

10. In Order 12-015, the Commission granted several waivers of its administrative rules in OAR 860-033-0001 *et seq.* when it approved Virgin Mobile's request for ETC status. These waivers¹ were granted because Virgin Mobile's Lifeline

¹ See Exhibit I to the Stipulation attached to Order No. 12-015.

process could not technically comply with certain rules, and the waivers had no adverse impact on the Residential Service Protection Fund (“RSPF”) or the public interest. So, too, waiver of OAR 860-033-0035(3) will have no adverse impact on the RSPF or the public. Granting a waiver of this rule, as with the other waivers, makes common sense because Virgin Mobile’s six-digit process performs the same function as the rule’s four-digit process. Both require customer-specific, unique information to complete the activation process required by the rule to minimize fraud. Requiring Virgin Mobile to modify its nationwide system would require unnecessary costs to obtain a result that provides no greater customer protection or fraud prevention security than its current system.

11. This Commission is authorized to grant rule waiver requests for good cause shown under OAR 860-033-0001(2). Virgin Mobile has established good cause by this Petition and respectfully requests a partial waiver of OAR 860-033-0035(3) as soon as possible.

Dated this 24th day of March, 2014.

GARVEY SCHUBERT BARER

By: /s/ Judith A. Endejan
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Virgin Mobile USA, L.P.

By: _____

Its: _____

Dated: _____

UM 1522 – CERTIFICATE OF SERVICE

I hereby certify that, on this 24th day of March, 2014, I served the foregoing **PETITION FOR WAIVER OF CERTAIN REQUIREMENTS UNDER OAR 860-033-0035(3)** of the Virgin Mobile USA, L.P. in Docket UM 1522 upon each party listed in the UM 1522 Public Utility Commission of Oregon Service List by email and, where paper service is not waived, by U.S. mail, postage prepaid, and upon the Commission by email and by sending one original and one copy by U.S. mail, postage prepaid, to the Commission's Salem offices.

(W denotes waiver of paper service)

(C denotes service of Confidential material authorized)

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Dated this 24th day of March, 2014.

/s/ Yvonne Szehner
Yvonne Szehner



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Please reply to JUDITH A. ENDEJAN
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March 24, 2014

Oregon Public Utility Commission
Attention: Filing Center
3930 Fairview Industrial Drive SE
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Re: Docket No. UM 1522
OAR 860-033-0035(3)

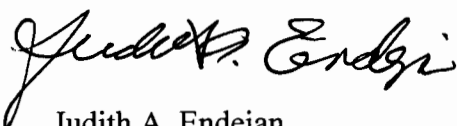
Dear Sir or Madam:

Enclosed for filing please find an original and one copy of Petition for Waiver of Certain Requirements Under OAR 860-033-0035(3). Petitioner asks for expedited treatment of this Petition.

Please do not hesitate to contact me should you have any questions regarding this filing.

Sincerely,

GARVEY SCHUBERT BARER

By 
Judith A. Endejan

Enclosure