



Oregon

Theodore R. Kulongoski, Governor

Public Utility Commission

550 Capitol Street NE, Suite 215

Mailing Address: PO Box 2148

Salem, OR 97308-2148

Consumer Services

1-800-522-2404

Local: 503-378-6600

Administrative Services

503-373-7394

June 3, 2010

UM 1437 Service List

RE: Notice of *Ex Parte* Communication

The purpose of this letter is to notify all parties to docket UM 1437 of certain communications between Chairman Ray Baum and two likely witnesses for the Commission Staff on matters related to TracFone Wireless, Inc.

Chairman Baum serves as the Chairman of the National Association of Regulatory Utility Commission (NARUC) Telecommunications Committee and as the State Chair for the Federal-State Joint Board on Universal Service. As part of his duties, Chairman Baum monitors issues related to federal telecommunications and universal service reform and relies on Commission Staff for technical support. Some of these issues involve TracFone's activities before the Federal Communications Commission (FCC) and services provided in other states.

Since the filing of TracFone's state application in UM 1437, Chairman Baum has had communications with two members of the Commission Staff related to TracFone's activities outside of Oregon.

- Kay Marinos, Program Manager of Competitive Issues, sent Chairman Baum three e-mails providing Chairman Baum background information about TracFone and the status of certain FCC actions. Ms. Marinos also briefed Chairman Baum on TracFone's business model and SafeLink offer.
- Jon Cray, Program Manager for the Residential Service Protection Fund, drafted reply comments for Chairman Baum and other Commissioners to respond to TracFone's request for clarification from the FCC on the "one per household rule." Mr. Cray also forwarded several e-mail messages to Chairman Baum pertaining to Staff's discovery of various attempts to sell a TracFone issued SafeLink handset on eBay or Craigslist.

Whether these communications met the definition of *ex parte* communications under OAR 860-012-0015 is unclear. Nonetheless, in the interest of full disclosure, we treat them as such in docket UM 1437. Copies of the e-mails to Chairman Baum and the reply comments sent to the FCC are enclosed and will be placed in the record. Pursuant to OAR 860-012-0015(7), any party may file a written rebuttal to the *ex parte* communication, with service to other parties to the proceeding.

A handwritten signature in black ink, appearing to read "m grant", is positioned above the typed name.

Michael Grant
Chief Administrative Law Judge
Public Utility Commission of Oregon

Enclosures

MARINOS Kay

From: MARINOS Kay
Sent: Tuesday, November 10, 2009 5:27 PM
To: BAUM Ray
Cc: HARI Celeste
Subject: TracFone Briefing Materials
Attachments: TracFone Briefing Nov 09.doc; PWL White Paper 11-9-09.doc

Ray,

Here's some material for your briefing on TracFone. The first file is our summary of key items, the second is Commissioner Kane's white paper on prepaid wireless Lifeline providers (note the quotes from OPUC filed comments). See you at 10:00 on Thursday.

Kay

TracFone's Safelink Lifeline Program

Safelink Offer

- Prepaid wireless service - no bills, credit checks, contracts
- TracFone resells networks of AT&T, T-Mobile, Verizon Wireless
- Free refurbished phone
- About one hour of free calling per month (average Lifeline reimbursement in state divided by \$0.20 per minute)
- Additional minutes can be purchased in bundles at \$0.20 per minute (prepaid cards)
- Minutes can be used for local, national and international calling
- Access to 911 always available regardless of minutes left
- Free minutes downloaded to phone at beginning of each month
- Service good for one year without ongoing certification
- Phones available at retail locations (e.g., Walmart) but customer must contact TracFone directly to become eligible for Safelink
- Customer self-certifies eligibility, head of household status, and that this is only Lifeline phone in household

Business Model

- Grab for last remaining wireless carriers – the poor – at other phone customers' expense
- TracFone created new brand "Safelink" specifically for Lifeline program
- Advertise as totally "free" government supported service (now referred to by some as "Obama phones")
- FUSF reimbursement of \$10 per handset per month
- Company says it kicks in \$3.50, but this is debatable; story varies state to state
- Generally doesn't take money from state Lifeline programs – why not?
- Phones are refurbished and likely inexpensive to provide
- Expensive subsidized minutes at \$0.20, additional minutes at \$0.20 (average revenue of other cellular voice providers is \$0.05 per minute, costs are probably \$0.03)
- Can draw Lifeline reimbursement for full year without tracking/monthly verification
- Questionable verification of eligibility (income/govt. welfare program, head of household, and only Lifeline phone in household) – unbelievable number of customers signed up very quickly
- Low costs - no billing, sold through retail outlets (e.g., Walmart)
- Don't pay state 911 surcharges or contribute to state Lifeline funds due to prepaid nature of service

Is This Good for Consumers?

- NASUCA has expressed doubts; questions the business model and lack of customer choice
- Most prepaid customers use 200 minutes per month; that would cost \$26.40 beyond the “free” minutes and becomes more expensive than other providers’ discounted offerings with more minutes
- Lifeline customers cannot choose other TracFone plans – Net10 (\$0.10 per minute plus handset cost) and Straight Talk (1000 minutes for \$30 plus handset cost); TracFone promised Net10 plan originally but never really offered it
- Many customers may not know what they are certifying to (especially in ethnic markets)
- Some questions about handset compatibility with 911
- Likely that SafeLink users also have landline but like the “free” cell phone service; may not understand their alternatives
- TracFone won’t even provide maps of coverage and service levels to us; what do they provide to customers in this regard?
- Constantly asking for “special treatment” and leave service quality issues at doorsteps of underlying carriers (who may not be ETCs)

Increasing Demands on FUSF (Despite FCC’s Prediction that it Wouldn’t)

- Claiming support funds at alarming rate
 - June 2009 payments to TracFone were \$162 million annualized (10 states)
 - September 2009 payments grew to \$280 million annualized (18 states)
 - Potential for \$3B low-income fund if 100% eligible subscribers receive service
- Potential for Fraud
 - Issues of customer self-certification for eligibility (income/govt. welfare program, head of household, and only Lifeline phone in household)
 - No bill rendered so address verification problematic
 - Unbelievably large number of customers in short time
 - Yearlong subsidy payments to TracFone without verification of active subscribers
 - Seeking clarification of “household” definition for homeless shelters and other group homes
 - No FCC auditing or meaningful oversight
- More prepaid resellers looking to do similar program - Virgin Mobile has FCC forbearance too

Company Uses Pressure Tactics to Gain Regulatory Approval

- Enlisted some members of Congress and consumer groups to pressure FCC for action
- Since FCC designation, on a roll over states to approve, building pressure as more states approve – who can be against poor people having free phone for emergencies?
- Pressured state 911 agencies, complained to FCC about slowness (can now self-certify after 90 days if PSAPs don't act)
- Use media to pressure agencies; run press releases if they meet resistance:
 - “Free Cell Phone Service for Nearly 450,000 of Philadelphia Area’s Poorest Residents Blocked by Handful of City and County Officials”
 - “SafeLink Wireless Ads Ask: Why is Alabama Being Silenced?”
 - “Free Cell-phone Service in Doubt: TracFone Reconsiders Offer After State Insists on Payment of 911 Tax” (Ohio)
 - Oregon’s OEM/911 folks (allegedly spoke to Governor who supports program)

A Few States are Now Resisting

- Alaska – petition incomplete, state business registrations not in order
- Oklahoma – do not recognize FCC forbearance
- South Carolina – no payment into state USF
- Colorado – no payments for 911
- Oregon?

Prepaid Wireless Lifeline White Paper

BACKGROUND:

Since 2004, TracFone has filed several petitions seeking relief from statutory and rule requirements related to the provision of Lifeline service and receipt of Lifeline support, including but not limited to the following:

- On June 4, 2004, TracFone filed with the FCC a Petition for Forbearance from Section 214(e) & FCC rule requirements that ETCs provide services, at least in part, over their own facilities. The company simultaneously filed petitions for ETC designation in several states. On September 8, 2005, the FCC approved the forbearance petition subject to the following conditions:
 - (1) TracFone will not be eligible to receive support for other supported services under the Low Income program (i.e., Link-Up) nor will it be eligible to receive support from other support mechanisms requiring ETC designation (i.e. High Cost program);
 - (2) TracFone must provide its Lifeline customers with 911 and E911 access regardless of activation status and availability of prepaid minutes;
 - (3) TracFone must provide its Lifeline customers with E911-compliant handsets and replace, at no additional charge, non-compliant handsets of existing customers who obtain Lifeline-supported service;
 - (4) TracFone must obtain a certification from each Public Safety Answering Point (PSAP) where TracFone provides Lifeline service confirming that TracFone complies with condition # 2;
 - (5) TracFone must require its customers to self-certify at time of service activation and annually thereafter that they are the head of household and receive Lifeline-supported service only from TracFone;
 - (6) TracFone must establish safeguards to prevent its customers from receiving multiple TracFone Lifeline subsidies at the same address; and
 - (7) Within 30 days of the Order date, TracFone must file with the FCC a plan outlining measures it will take to implement these requirements.

- On October 11, 2005, TracFone submitted its compliance plan in which it stated, among other things, that it would notify each Lifeline customer on the anniversary of his/her enrollment that the consumer must confirm his or her continued eligibility. TracFone also maintained that it "shares the Commission's stated concern about abuse of the Lifeline program and that the potential for multiple Lifeline-supported services per consumer is an industry-wide problem."

- On April 9, 2008, the FCC approved TracFone's plan for complying with the conditions imposed in the TracFone Forbearance Order. The Commission also granted TracFone's petitions to be designated an ETC in several states and the District of Columbia. In doing so, the FCC noted issues of TracFone non-compliance with the 911/E911 requirements imposed by the TracFone Forbearance Order and further conditioned TracFone's designation to be an ETC. The Commission also renewed its concerns about waste, fraud and abuse in the Lifeline program and determined that it had "carefully crafted the conditions of the Forbearance Order to meet important regulatory goals." With the understanding that TracFone would comply with all of the conditions imposed by the TracFone Forbearance Order, and with the caveat that the FCC may institute its own inquiry to "ensure that the universal service support an ETC receives is being used for the purpose for which it was intended," TracFone was designated an ETC.
- On April 27, 2009, hardly a year following its federal designation as an ETC, and only months after it initiated service, TracFone filed a Petition for Modification of the annual verification condition initially imposed by the TracFone Forbearance Order. Without giving any public interest justification for seeking freedom from one of the FCC's "carefully crafted" conditions, TracFone sought to replace annual verification by every customer with annual verification by a "statistically-valid sample." On June 1, 2009, TracFone supplemented its Petition for Modification to provide some justification for its request. It contends that it can only comply with the annual verification requirement by (1) contacting its customers via direct mail and requesting that they complete an enclosed form and send it back to TracFone or (2) contacting its customers by electronic mail. However, TracFone claims many of its customers do not have access to electronic mail and on average only 15 percent of customers who receive a direct mailing actually send a response. TracFone is thus concerned that as many as 85% of Lifeline customers will lose their Lifeline benefits even if they remain qualified. Because no other operational ETC is subject to this annual verification requirement, TracFone argues, it is placed at a competitive disadvantage.
- On May 4, 2009, TracFone filed a Petition For Waiver of FCC Rule 54.403(a)(1), which limits Tier One Lifeline support for all ETCs to the amount of the relevant ILEC's SLC (which can be up to \$6.50 per month per customer). TracFone wants to be able to collect a flat \$6.50 regardless of the amount of the relevant ILEC SLC. (NOTE: In March 2009, TracFone had filed a Petition for Rulemaking wherein it asked that the rules be changed so that all ETCs are able to collect the full \$6.50 per customer per month support).
- On June 5, 2009, the FCC issued Public Notices seeking comment on the April 27 and May 4 petitions. Comments were due July 6 and replies were due July 20.
- On July 17, 2009, TracFone filed a letter requesting that the FCC clarify the scope of the "one-per-household" rule for Lifeline support. Specifically, TracFone asks

the FCC to (1) clarify that its rule that carriers can receive support for only a single telephone line in an eligible consumer's principal residence is not intended to limit the availability of Lifeline-supported service to only one qualified low-income resident per homeless shelter, and (2) provide guidance on how ETCs may enroll residents of shelters in their Lifeline programs without risking violation of the rule. On October 21, 2009, the FCC issued a Public Notice seeking comment on this issue (and extended it to include other group living facilities such as nursing homes, assisted-living facilities, apartment buildings, trailer-home communities, halfway houses, and group homes). Comments are due November 20, 2009 and replies are due December 7, 2009.

Similar to TracFone, Virgin Mobile, also a prepaid wireless reseller, has been granted forbearance from ETC facilities requirements. iWireless and Head Start Communications have similar forbearance petitions pending before the FCC. It is reasonable to assume that other prepaid wireless companies granted forbearance and approved to collect Lifeline support may well follow up with further requests for relief, similar to the above-described actions taken by TracFone.

**ARGUMENTS AND SUPPORTING INFORMATION AGAINST APPROVAL OF
APRIL 27 AND MAY 4 PETITIONS:**

- (1) *Granting TracFone's petitions (and similar petitions by other prepaid wireless carriers, such as iWireless, Virgin Mobile, Head Start Telecommunications) could lead to explosive growth in an already overburdened FUSF by increasing subsidies to TracFone and other prepaid wireless CETCs.*
- From OR PUC's July 6, 2009 comments: As an example, within a relatively short time, even without the requested waiver, TracFone's SafeLink Lifeline plan could increase funding requirements by as much as \$160 million in just the first ten states where it has been introduced. TracFone has yet to begin receiving support for six other states where it has already received CETC designation, and it has applications pending in at least eight more states, including California. If its current rate of subscription continues, it could potentially double the funding requirements of the Lifeline program.
 - From PA PUC July 20, 2009 reply comments: Reminds the FCC that forbearance and ETC designation of prepaid wireless carriers represent an increase in FUSF costs. The PA PUC is concerned because Pennsylvania contributes approximately \$125 million in support compared to support distributed to providers in Pennsylvania.
 - From ITTA's July 6, 2009 comments: Analysis of TracFone's proposal should include consideration of its impact on the size of the Fund, and issues generally related to affordability. These are matters highly suited to investigation in the comprehensive reform proceedings.

- Data from USAC FCC Filings – TracFone Lifeline Disbursements to date (first disbursements were received 3Q08):

STATE	2008 SUPPORT	1Q 09 SUPPORT	2Q 09 SUPPORT	TOTAL
Tennessee	\$949,124	\$2,634,906	\$3,887,399	\$7,471,429
Virginia	\$714,220	\$2,251,496	\$3,051,053	\$6,016,769
Florida	\$3,645,554	\$8,714,607	\$10,887,676	\$23,247,837
Massachusetts	\$0	\$756,777	\$2,967,891	\$3,724,668
New York	\$0	\$953,047	\$6,029,219	\$6,982,266
Georgia	\$0	\$814,452	\$4,118,234	\$4,932,686
Pennsylvania	\$0	\$190,893	\$836,610	\$1,027,503
Michigan	\$0	\$180,199	\$3,200,344	\$3,380,543
North Carolina	\$0	\$0	\$2,272,582	\$2,272,582
Delaware	\$0	\$0	\$36,203	\$36,203
TOTAL	\$5,308,898	\$16,496,377	\$37,287,211	\$59,092,486
Total Lifeline Program Support	\$771.7 M			

TracFone's disbursements more than doubled from 1Q to 2Q '09. If one assumes that its support for these ten states will continue to double each quarter for 3Q and 4Q, total support for 2009 would be close to \$150 million. The addition of potentially 14 more states between 3Q09 and the end of 2010, including California, could potentially add another \$200 million or more new support for those new states by the end of 2010. If one conservatively assumes that support in the first ten states will double in 2010 (for the whole year, not each quarter), TracFone's draw for 2010 could meet or exceed \$500 million. Note that **TOTAL Lifeline Program Support** for 2008 was **\$771.7 million**.

(2) *Before granting the April and May 2009 petitions, the FCC should assess the degree to which plans such as TracFone's actually benefit low-income consumers.*

- From OR PUC's July 6, 2009 comments: SafeLink is advertised as a "free" cellular service with no costs to the subscriber. The reality is that such subscribers receive up to 68 free (subsidized) minutes and a refurbished handset.

TracFone data presented in an ex parte presentation, however, indicates that its prepaid customers use approximately 200 minutes per month on average (which is low relative to the industry average of over 700 minutes per month). At TracFone's 20 cents per minute charge, the additional 132 minutes cost the average subscriber \$26.40 per month. Additionally, the SafeLink per minute charge (\$.20) is high by current wireless standards and is double another TracFone offering, Net10 (\$.10 per minute). TracFone also recently introduced a new (non-Lifeline) service, Straight Talk, on a trial basis. For \$30 per month, the plan offers 1000 minutes, 1000 texts/MMS, and 30 MB of data over Verizon Wireless' network. If a \$13.50 Lifeline discount were applied to this service, an eligible customer could receive it for \$16.50 a month, compared to paying \$26.40 per month for 200 minutes under the Safelink plan. Finally, compare SafeLink's \$.20 per minute charge with data in the FCC's *Thirteenth Report* indicating that average revenue per voice minute for the wireless industry was \$.05 at the end of 2007.

- From NASUCA's July 6, 2009 comments: TracFone asserts that granting the waiver will "greatly benefit Lifeline-eligible consumers by allowing TracFone to offer them the maximum Lifeline benefit. Currently, the maximum benefit is 68 minutes of free airtime per month." Yet, just recently in Ohio, TracFone was granted ETC status based on a commitment to give customers 68 free minutes per month. This commitment applies throughout the state, regardless of whether the SLC of the ILEC is at the \$6.50 cap. On the other hand, in Delaware, TracFone offers only 41 minutes, despite the SLC being at \$6.45. Without knowing TracFone's cost structure, it is hard to say what amount of free minutes ought to match the Lifeline support. In a recent article on TracFone, an analyst asserted that TracFone's cost of providing service for which it receives \$10 in federal funding is \$3 (Article: "Providing Cellphones for the Poor," NYT, June 15, 2009).
 - From NASUCA's July 6, 2009 comments: When TracFone's petitions for ETC designation in certain states were pending before the FCC, it proposed that Lifeline customers would have a choice of a discount applied to its TracFone or Net10 service. The TracFone Lifeline plan would be equivalent to TracFone's retail Value Plan, which costs \$9.99 per month for 50 minutes of airtime. Additional TracFone Lifeline minutes would be \$.20. The Lifeline Net 10 plan would provide 100 free minutes per month and additional minutes would cost \$.10, but Lifeline customers would have to purchase a handset for \$30 or more. Now that TracFone is actually offering prepaid wireless service with Lifeline support, it offers one product, which is branded as SafeLink. TracFone's separation of Lifeline service from its other retail offerings makes it difficult to determine how the Lifeline dollars it receives are applied.
- (3) *Lifeline customers should not be limited to only certain plans, and certainly not plans that offer minimal discounted service levels with high per-minute rates above those levels, as TracFone offers. Instead, prepaid wireless customers*

should be offered Lifeline discounts on services offered to all customers, as is customary with other carriers offering Lifeline discounts for their services.

- OR PUC July 6, 2009 comments: The Oregon PSC believes that Lifeline customers should not be limited to minimal service levels or low usage at high per-minute rates. Instead, Lifeline customers should have access to plans that best meet their calling needs and that include services comparable to those available to other customers.
 - PA PUC July 20, 2009 reply comments: The Oregon PSC is properly concerned that Lifeline customers should not be limited to minimal service levels or low usage at high per-minute rates.
- (4) *Grant of TracFone's Petition for Waiver of FCC Rule 54.403(a)(1) so that it may collect the full \$6.50 Tier One support amount in all of its serving areas would violate the FCC's historical application of the competitive neutrality principle to universal service matters. Since TracFone also filed a Petition for Rulemaking asking for permanent relief of the rule for all ETCs, the FCC should take up the issue within the context of the rulemaking, and the rulemaking should be evaluated as part of comprehensive USF reform.*
- From NASUCA's July 6, 2009 comments: Grant of TracFone's petition to receive reimbursement of the maximum Tier One reimbursement of \$6.50 would violate the FCC's universal service competitive neutrality principle. Providing TracFone with a greater level of reimbursement per Lifeline customer than another ETC in the same market does not appear fair or neutral. TracFone did, however, file a Petition for Rulemaking seeking a generic rule that would allow all ETCs to seek the maximum Tier One support of \$6.50 in all service areas.
 - From ITTA's July 6, 2009 comments: Supports the consumer welfare interests that both petitions address, but recommends that the FCC reject the instant Petition for Waiver, and instead consider the Petition for Rulemaking within the overall comprehensive USF reform proceedings. Tier One support is designed to offset the SLC, currently capped at \$6.50. The correlation of Tier One support and the SLC reflects the fact that this level of support was found to be a reasonable proxy for interstate loop costs, and ILECs that provide Lifeline support are entitled to support equal to the SLC they charge. That level of support is extended to CETCs. In both petitions, TracFone asks the FCC to disassociate Tier One support from the SLC and to instead arbitrarily fix support at \$6.50 per month. The instant Petition for Waiver seeks to confer benefit of this change only on TracFone, which would be anti-competitive and would enable TracFone to offer Lifeline customers an incentive borne of regulatory action that its competitors cannot match. Also, such a disassociation begs the question as to whether support should be modified so that it is based on a benchmark Lifeline rate that enables eligible subscribers to obtain service at a uniform rate.

Alternatively, if support continues to be based on the notion of relieving subscribers of interstate costs, does a uniform discount rate conflict with that approach, and does that uniform rate compound or otherwise mirror the ill effects of the identical support rule? If, as TracFone claims, the SLC is not a reasonable proxy for Lifeline support to wireless CETCs, then that is precisely the type of issue that is best approached within the larger USF proceeding. The instant Petition would enjoy greater credibility if it proposed an alternative cost-based proxy for all wireless carriers, rather than a narrowly tailored result intended to benefit only the Petitioner. Also, if the TracFone proposal were taken up in the USF comprehensive reform proceedings, it could be weighed against other possible revisions to the Lifeline program.

- From NASUCA's July 20, 2009 reply comments: Both ITTA and NASUCA pointed out that the petition for waiver would inure to TracFone's sole benefit. NASUCA agrees with ITTA that the issue should be analyzed in the larger comprehensive reform proceeding.

(5) *The Petition for Modification of annual verification requirements could lead to abuse of the Lifeline program.*

- From the DC PSC's July 6, 2009 comments: TracFone has added an attractive element to Lifeline by offering prepaid wireless service without usage charges or the need for yearly contracts. However, the very flexibility which TracFone offers is a possible opportunity for abuse of the Lifeline program by people who "double dip" by receiving more than one Lifeline subsidy per household, or who continue the Lifeline program after they are no longer eligible. It is important to protect the integrity of the program by appropriate verification processes. The Commission's rules allow for ETCs to verify annually continued eligibility using a statistically valid random sample of their Lifeline subscribers. However, these rules were designed for wireline ETCs, with a stationary customer base paying monthly bills, or wireless ETCs with long term users. When the Commission considered TracFone's forbearance and designation requests it recognized that use of the Lifeline program by a prepaid wireless reseller with no facilities of its own posed additional challenges to be sure that the program did not suffer from fraud, waste or abuse. Nothing has changed in the months between the Commission's reaffirming the TracFone conditions in the Designation Order and TracFone's seeking to avoid those conditions. There is still the potential for abuse and TracFone should be held to the conditions it agreed upon when it became eligible to become an ETC. Indeed, it is worth pointing out that TracFone has not yet even once complied with the Commission's requirements for annual verification because barely a year has passed since it was granted federal ETC status, which preceded state certification and the initiation of service. Moreover, the conditions imposed by the FCC were derived from conditions suggested by TracFone itself when it was lobbying on behalf of its Petition for Forbearance. At that time, TracFone offered that it "will require every consumer enrolled in its Lifeline program to verify his/her eligibility on an annual basis, or more frequently if

required by the applicable state.” It is clear that even TracFone recognized the potential for damage to the Lifeline system if its proposal were adopted without condition. Yet now, barely a year after becoming eligible to provide Lifeline service and before it has had to comply with its own conditions, TracFone wants out. Its Petition did not even bother to give a reason. Only weeks later, and probably after being instructed by the FCC staff, did TracFone try to provide a public interest justification for modification of the condition. Even that public interest reason, fear of losing Lifeline customers, is entirely speculative and uninformed by any experience. We remain concerned that TracFone's effort to abdicate its responsibilities has the potential to cause harm to the Lifeline program. Instead of notifying customers by e-mail or direct mail, which TracFone claims would be onerous, expensive, and inefficient because many of its prepaid customers do not have e-mail, the DC PSC suggests that it send frequent texts to its Lifeline customers informing them that they may lose their Lifeline benefits unless they contact TracFone. Furthermore, TracFone coordination with state low-income program administrators can also help overcome concerns about waste, fraud and abuse in the Lifeline program.

(6) *The impact of TracFone's pattern of continuing requests for relief should be examined before further decisions are made.*

- From PA PUC's July 6, 2009 Comments: The April and May 2009 petitions are the latest in a series of pleadings in which TracFone regularly asks the FCC to grant it special accommodations or regulatory exemption from the statutory and regulatory obligations imposed on other Lifeline providers. TracFone's history is replete with such requests. One example is a petition to the FCC wherein TracFone sought modification of another condition in the forbearance order that TracFone obtain Public Safety Answering Point (PSAP) verification that TracFone's customers' 911 calls will actually be delivered to the appropriate PSAP. The FCC granted TracFone the requested relief. In another proceeding, TracFone opposed the Pennsylvania Emergency Management Agency (PEMA) request to revoke its "self-certification" that it complies with state laws governing 911 services based on the agency's expert conclusion that TracFone is not complying with state law. The Pennsylvania PUC has a pending petition before the FCC seeking reconsideration of the relief granted from the obligation to obtain PSAP verification. The PUC also has an accompanying request asking the FCC to reexamine the 2005 forbearance decision and related TracFone decisions. Reexamination of the forbearance decision is appropriate in light of the FCC's statement that it would do so if the "predictive effect" were different from what was anticipated. The unending special accommodation and exemption petitions are stark evidence that the predictive effect is very different than that anticipated.
- From ITTA's July 6, 2009 comments: The FCC has already conferred significant benefit upon TracFone and other wireless carriers by enabling them to obtain

Lifeline support that is based on recovery of costs that they never incur and which they do not assess to their end-users.

MARINOS Kay

From: MARINOS Kay
Sent: Thursday, November 12, 2009 11:47 AM
To: BAUM Ray
Subject: TracFone - NY Times article

Ray, here's the link to the article on TracFone you wanted.

<http://www.nytimes.com/2009/06/15/technology/15cell.html? r=1>

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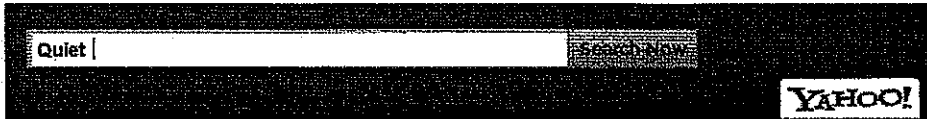
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Courtesy: Muhammad/The New York Times

Leon Simmons, 52, of the Bronx, N.Y., is disabled with emphysema. He received his free cellphone from Tracfone in April.

By MATT RICHTER
Published: June 14, 2009

John Cobb, 59, a former commercial fisherman who is disabled with cirrhosis of the liver and emphysema, lives in a studio apartment in Greensboro, N.C., on a fixed monthly income of \$674. He has been hoping to receive more government assistance, and in February, he did.

Living with Less



The Recession's Impact
Faces, numbers and stories from behind the downturn.

It came in the form of a free cellphone and free service.

Mr. Cobb became one of a small but rapidly growing number of low-income Americans benefiting from a new wrinkle to a decades-old federal law that provided them with subsidized landline telephone service.

In a twist, wireless carriers are receiving subsidies to provide people like Mr. Cobb with a phone and typically 68 minutes of talk time each month. It is a form of wireless

welfare that puts a societal stamp on the central role played by the mobile device.

Mr. Cobb's cellphone is a Motorola 175. "I feel so much safer when I drive. If I get sick, I can call someone. If I break down, I can call someone," Mr. Cobb said. "It's a necessity."

The users are not the only ones receiving government assistance. Telecommunications industry analysts said the program, while in its infancy, could benefit mobile phone

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carriers, who face a steep challenge of their own: most Americans already own a cellphone, so the poor represent a last untapped market.

"The low hanging fruit is gone, and the wireless companies are going after the nooks and crannies," said Roger Entner, a wireless industry analyst with Nielsen. "Oh, the poor: How can we sign them up?"

Carriers can receive up to \$10 a month in government subsidies, sufficient to cover what amounts to about \$3 in service, Mr. Entner said.

Since November, the number of customers receiving free or subsidized wireless service has doubled to 1.4 million, he said. To be eligible for the program, known as Lifeline, a person must meet federal low-income guidelines or qualify for one of a handful of social service programs, including food stamps or Medicaid.

The opportunity has prompted interest from the nation's biggest carriers, including Sprint Nextel and AT&T. But at the forefront is a much smaller company, Tracfone, a Florida provider of prepaid mobile service that has become the face of the fledgling subsidized cellphone.

Tracfone began providing its service, called SafeLink, in Tennessee in August and now does so in 16 states, including New York, North Carolina and Pennsylvania, and the District of Columbia, according to its Web site. Each time it enters a market — which generally requires state approval — it runs television ads telling people how easy it is to get a free Motorola phone, like Mr. Cobb's.

The company says the economy makes the audience particularly receptive. "We'll read that more people are signing up for food stamps and look at our numbers and see volume rising," said Jose Fuentes, director of government relations for Tracfone. "It's not scientific proof," he added. "But we know times are tough."

He declined to say how many subscribers have signed up. But he said Tracfone, whose paid service has 10 million subscribers, sees the Lifeline service as an opportunity to make some money but, more pointedly, to eventually convert the subsidized customers into paying ones if their fortunes turn around and they no longer qualify for a free phone.

"It could make for a good business," Mr. Fuentes said.

According to Nielsen, 90 percent of Americans have at least one cellphone. That leaves 32 million, including the infirm, still up for grabs. "And the race is on to get them," Mr. Entner said.

He said the overwhelming majority of Americans with subsidized wireless service receive it through Tracfone.

One of them is Leon Simmons, 52, of the Bronx, N.Y., who did stints in the Navy, at the Post Office and as a security guard before becoming disabled with emphysema. His wife, who works a minimum wage job at a laundry, heard about the Tracfone service and he got a phone in April.

The free phone is not, as it is for some others in the program, their sole form of telecommunications. Out of the roughly \$1,600 they make each month after taxes, they pay \$159 for a landline telephone, high-speed Internet and cable television. But the cellphone, Mr. Simmons says, gives him the flexibility to tell his wife or daughter his comings and goings or to stay in touch when he is at the doctor.

According to the Federal Communications Commission, Lifeline service was started in 1984 to ensure that everyone had telephone service for emergencies. The Telecommunications Act of 1996 opened competition to new wireline and wireless providers.



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More recently, companies, particularly Tracfone, have started pursuing the wireless opportunity. Still, most of the \$800 million in subsidies last year went for landline service even as more Americans cut the cord in favor of exclusively using a mobile phone.

The subsidy money comes from a tax applied to phone bills. Carriers seeking eligibility for it apply to state utility commissions, though several states have ceded their jurisdiction in the matter to the F.C.C.

The issue has created controversy in some states over how and even whether to subsidize wireless service. In California, for example, the public utilities commission plans to debate on Thursday a proposal to extend Lifeline services to wireless — a matter backed by companies like AT&T and Sprint and T-Mobile.

The Greenlining Coalition, a nonprofit advocacy group for low-income residents, has lobbied the state to “move the California Lifeline program into the 21st century,” according to public documents provided for the hearing on Thursday.

But State Assemblyman Felipe Fuentes, who represents a district in Los Angeles, says the California legislature should ask some tough questions before moving ahead — particularly if people contemplate making wireless their only form of communication. Chiefly, he wants to know whether wireless service satisfies crucial aspects needed in lifeline, like reliability in an emergency.

“What if the phone isn’t charged, or junior doesn’t know how to use it?” Mr. Fuentes asked.

Across the country, Mr. Simmons from the Bronx says he likes being able to communicate when he is on the go. And he does not see what all the fuss is about when it comes to cellphones.

“People walk around with their head stuck into these things, not paying attention to what’s going on around them,” he said. Even though he thinks these people look silly, he said, he is going to use his cellphone.

Why not? he said. “It’s free.”

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A version of this article appeared in print on June 15, 2009, on page B1 of the New York edition.

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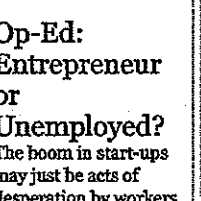


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MARINOS Kay

From: MARINOS Kay
Sent: Friday, April 02, 2010 9:33 AM
To: BAUM Ray
Cc: CRAY Jon W.; HARI Celeste; CONWAY Bryan
Subject: FCC decision - Lifeline in homeless shelters

Ray, I am passing along this bit of news from Bob Casey so you are aware of the "transparency" of the FCC's interactions with a certain wireless provider. (Bob Casey is staff in Florida and heads up our ETC group.) According to Bob, the FCC gave verbal approval to TracFone for homeless shelters before even issuing a public decision on the outstanding issue. Personally, I think this should have been part of a referral to the Joint Board since it has significant ramifications.

Kay

From: Bob Casey [mailto:BCasey@PSC.STATE.FL.US]
Sent: Friday, April 02, 2010 9:27 AM
Subject: FCC Lifeline one credit per household rule

A question came up regarding TracFone providing Lifeline phones to residents of homeless shelters and the FCC one Lifeline credit per household rule.

A TracFone representative called me back in October 2009 to advise me that the FCC had approved SafeLink to provide Lifeline telephones to individuals living in homeless shelters.

Having doubts about the FCC providing "verbal approval" for anything, I called and spoke with Beth McCarthy at the FCC the next day to confirm, which she did. Apparently, pressure from Congress caused the verbal approval. Legislators were receiving calls from homeless shelters wanting to provide SafeLink phones to residents.

TracFone received verbal approval to proceed with its plan to provide Lifeline phones and service to individuals living at homeless shelters. The decision was made with consultation of USAC and USAC auditors. SafeLink will be responsible for documentation of each Lifeline customer and documentation that the phones are being shipped to a legitimate homeless shelter. It will be Safelink's burden to show the phones are provided to only Lifeline-eligible consumers. The approval is on a nationwide basis.

Beth also said there will still be a Public Notice coming out asking for comments on the one Lifeline credit per household rule.

SafeLink said it will take a while for it to set up its system for providing the phones to individuals in homeless shelters. The first thing Safelink has to do is set up a listing of all homeless shelters in the United States.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
)
Reply Comment on TracFone Request for) WC Docket No. 03-109
Clarification of Universal Service Lifeline)
Program "One-Per-Household" Rule as)
Applied to Group Living Facilities)

**COMMENTS OF THE
PUBLIC UTILITY COMMISSION OF OREGON**

The Public Utility Commission of Oregon ("OPUC") submits the following reply comments on TracFone Wireless, Inc. ("TracFone") July 17, 2009 request for clarification of Universal Service Lifeline Program "one-per-household" rule as applied to group living facilities.¹

The OPUC recommends that the FCC not act on TracFone's clarification request and, instead, address the policy issue raised in the clarification request in the comprehensive Federal Universal Service Fund ("FUSF") reform proceedings.

TracFone seeks guidance on how residents of homeless shelters can be enrolled in the program without violating the one-per-household rule. Granting the provision of Lifeline service to homeless shelters is not a small policy matter. Extending Lifeline support to just half of the estimated 2.1 million homeless adults would cost \$129 million a year.² That is on the top of the more than \$1.1 billion in estimated Lifeline support

¹ *Comments Sought on TracFone Request for Clarification of Universal Service Lifeline Program "One-Per-Household" Rule as Applied to Group Living Facilities, WC Docket No. 03-109, Public Notice DA 09-2257 (rel. October 21, 2009).*

² *National Coalition for the Homeless, How Many People Experience Homelessness? (July 2009) available at http://www.nationalhomeless.org/factsheets/How_Many.html.*

disbursement in 2010.³ Any increase to the already strained FUSF needs to be carefully examined. Further, there remain significant concerns about tracking, eligibility verification, and general waste and fraud in the program that must be addressed before extending its reach.

TracFone claimed it "is not aware of any comparable reports of waste, fraud and abuse which have permeated the low-income programs, especially Lifeline".⁴ Contrary to TracFone's claim, the OPUC found evidence of fraud and abuse in its state corollary of the federal Lifeline program, known as the Oregon Telephone Assistance Program. On December 5, 2006, the OPUC opened an investigation of VCI Company, a provider of wireline services, based on staff audits that cast suspicion on the accuracy of reimbursements from the Oregon Telephone Assistance Program.⁵ The investigation found that the OPUC had reimbursed VCI for approximately 58,000 customers who either had discontinued service, were served by other carriers, or had duplicate entries. As a result of the investigation, the OPUC issued an order on September 26, 2007 requiring VCI to remit to the OPUC \$203,391.97 in state sponsored Lifeline funds.⁶ This translated into an overpayment of \$581,000 in USAC federally disbursed Lifeline monies from the FUSF. In addition, the FCC issued a Notice of Apparent Liability for Forfeiture and ordered VCI Company to forfeit \$1,047,500 for USAC reimbursement for customers in Minnesota, Oregon and Washington on August 14, 2007.⁷ The OPUC was not

³ *Universal Service Administrative Company, Federal Universal Service Support Mechanisms Fund Size Projections for First Quarter 2010 (November 2, 2009), at 16.*

⁴ *In the Matter of Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight, WC Docket No. 05-195, Comments of TracFone Wireless, Inc. (November 13, 2008)*

⁵ *In the Matter of Vilaire Company Incorporated, dba VCI Investigation into Oregon Telephone Assistance Program billings as well as revenue and remittance reporting, UM 1288, Order No. 06-663 (December 8, 2006)*

⁶ *In the Matter of Public Utility Commission of Oregon, v. VCI Company f/k/a Stan Efferding and Stanley Johnson, dba Vilaire, and VCI Company, a Washington corporation, UM 1288, Order No. 07-424 (September 26, 2007)*

⁷ *In the Matter of VCI Company Apparent Liability for Forfeiture, File No. EB-07-IH-3985, NAL/Acct. No. 200732080033. FRN No. 0015783004 (August 14, 2007)*

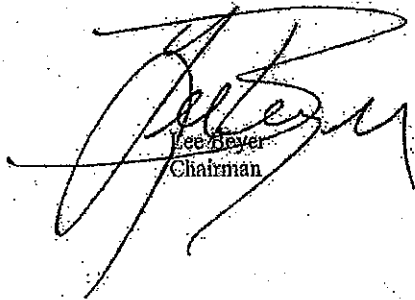
immune to these incidences of fraud, abuse and waste with wireline services despite a database tracking system that includes an automated monthly eligibility verification of all Lifeline customers in Oregon. The risks are greater for prepaid wireless services because the mobility of the homeless population makes tracking extremely challenging.

We recognize the importance of Lifeline-supported services and want to extend these benefits to as many eligible Oregonians as possible. However, the FCC must protect public funds by ensuring accuracy, accountability, and integrity in the FUSF programs. We urge the FCC to consider any changes to the FUSF program only in the comprehensive reform proceedings.

December 7, 2009

Respectfully submitted,

THE PUBLIC UTILITY COMMISSION OF OREGON



Lee Bever
Chairman



John Savage
Commissioner



Ray Baum
Commissioner

GRANT Michael

From: CRAY Jon W.
Sent: Thursday, April 15, 2010 5:41 PM
To: BAUM Ray
Cc: MARINOS Kay; THOMPSON Julie
Subject: TracFone & eBay

Importance: High

Ray,

Julie Thompson discovered that a person is attempting to sell what appears to be their TracFone issued SafeLink handset and service on eBay. The seller, who appears to be from Massachusetts, claims on the website that he obtained the handset with 80 minutes of free service for 30 months through "government assistance". He advertises that there are approximately 24 to 26 months left for the free service. Although it may appear isolated, Julie's discovery is a prime example of why tracking and eligibility verification is crucial in preventing Lifeline abuse, fraud and waste. This situation concerns me and makes me wonder how many possible recipients are selling or giving away their free handsets and service in less public and blatant circumstances to ineligible individuals.

What are your thoughts about reporting her findings to interested parties (e.g. state of MA, USAC, FCC)? In the meantime, we will continue to monitor it on eBay. Thus far, one person has bid on it.

Thanks,
Jon

From: THOMPSON Julie
Sent: Wednesday, April 14, 2010 4:58 PM
To: CRAY Jon W.; MARINOS Kay; HARI Celeste
Subject: FW: Tracfone



TracFone-with-free
-minutes-for...

http://cgi.ebay.com/TracFone-with-free-minutes-for-2-yrs-NOT-a-Joke-read_W0QQitemZ200460151099QQcmdZViewItemQQptZCell_Phones?hash=item2eac5b293b

Julie Thompson
Oregon Public Utility Commission
PO Box 2148
Salem OR 97308-2148
503-373-7915

Recipient
BAUM Ray
MARINOS Kay
THOMPSON Julie

Read
Read: 4/19/2010 7:15 AM
Read: 4/19/2010 8:09 AM



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CATEGORIES FASHION MOTORS STORES DAILY DEAL

Back to home page | Listed in category: Cell Phones & PDAs > Cell Phones & Smartphones

Watch this item



(TracFone) with free minutes for 2 yrs. NOT a Joke,read

Item condition: Used
Time left: 3d 05h (Apr 17, 2010 22:39:50 PDT)
Bid history: 1 bid

Current bid: **US \$45.00**
Your max bid: US \$
(Enter US \$46.00 or more)

Price: **US \$100.00**

Shipping: **\$11.00** US Postal Service Priority Mail Medium Flat Rate Box See more services | See all details
Estimated delivery within 12-13 business days.

Returns: 7 day money back, buyer pays return shipping | Read details

Seller info

jondoe1313 (21 ☆)
92% Positive feedback

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Other item info

Item number: 200460151099
Item location: fall river, MA, United States
Ships to: Worldwide
Payments: PayPal See details

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Description Shipping and payments

Seller assumes all responsibility for this listing.

Last updated on 06:33:23 AM PDT, Apr 11, 2010 [View all revisions](#)

Item specifics - Cell Phones & Smartphones

Carrier:	TracFone	Cellular Band:	Not a Joke,Just ask me,call me this is real
Contract:	Prepaid	Camera:	None
Brand:	Motorola	Features:	Calendar, SMS-Text Messaging, MMS Enabled, Speakerphone, Global Ready, Color Screen, Bluetooth Enabled
Model:	W175g	Condition:	Used
Style:	Bar	Color:	Black

[See reviews](#)

Detailed item info

Product Description

My phone, my wayConverlent extrasFunMessages

Details

Weight: 84 g
Phone Book Capacity: 500

Vibrating Alert: Yes
Ring Tones: 35

Battery

Battery: Lithium Ion
Talk Time: 390 min

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This is NOT a joke,I am serious.I need money and this is what I am doing. This is a excellent condition tracfone w175g..standard model,nothing special. But ,this comes with my sim card which is registered to me paul somers and I have government assistance which allowed me to get this phone for free for next 30 months..2 1/2 years,I have used it so there's about 24-26 months left. With this phone comes 80 mins every month on the 1st of the month,free. You never once have to pay for anything or talk to a stranger on the phone,just simply have the phone powered on anytime between the 1st and the 3rd(In case people forget) of every month and you will automatically receive 80 minutes. Yes this may be a little bit wrong but I am in such a struggle; This is not a joke or a scam either You can call me or lock up anything you want. It come with charger phone sim card,If you have any questions at all please feel free to ask. Thank You. God Bless,Hope This works I sure need this to sell good


00099

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eBay official time

GRANT Michael

From: CRAY Jon W.
Sent: Monday, April 19, 2010 12:00 PM
To: MARINOS Kay; THOMPSON Julie; BAUM Ray
Subject: FW: TracFone & eBay

FYI

From: Pamela Gallant [mailto:PGallant@usac.org]
Sent: Monday, April 19, 2010 11:57 AM
To: CRAY Jon W.
Subject: RE: TracFone & eBay

Thank you Jon. I just heard about this from someone at the DC PSC too. I will refer this to USAC's Internal Audit Division and will make sure the FCC is aware. Please let me know if you obtain any additional information about this type of thing.

Thanks,

Pam

From: CRAY Jon W. [mailto:jon.cray@state.or.us]
Sent: Monday, April 19, 2010 2:04 PM
To: Beth McCarthy; Pamela Gallant; dan.rumelt@fcc.gov
Cc: THOMPSON Julie; MARINOS Kay; BAUM Ray
Subject: TracFone & eBay
Importance: High

Good morning,

Last week, Julie Thompson discovered that a person is attempting to sell what appears to be their TracFone issued SafeLink handset and service on eBay. The seller, who appears to be from Massachusetts, claims on the website that he obtained the handset with 80 minutes of free service for 30 months through "government assistance". He advertises that there are approximately 24 to 26 months left for the free service. Please see the attached for a snapshot of the original posting.

<<TracFone-with-free-minutes-for-2-yrs-NOT-a-.pdf>>

Today, Julie learned that the seller reposted the sale since the reserve price was not met by the 5 original bids.

http://cgi.ebay.com/TracFone-with-free-minutes-for-2-yrs-NOT-a-Joke-read_W0QQitemZ200462432124QQcategoryZ3312QQcmdZViewItemQQ_trksidZp4340.m263QQ_trkparmsZalگو%3DDLSL%252B%26SIC%26its%3D1%252BC%252BP%26itu%3DUCI%252BUA%252BP%252BFICS%252BUFI%252BIUM%252BDDSIC%26otn%3D18%26po%3D%26ps%3D63%26clkid%3D9118914058772789219

Although it may appear isolated, Julie's discovery is a prime example of why tracking and eligibility verification is crucial in preventing Lifeline abuse, fraud and waste. This situation concerns me and

makes me wonder how many possible recipients are selling or giving away their free handsets and service in less public and blatant circumstances to ineligible individuals.

Per our chairman, Ray Baum, I am forwarding this information to you. Pam, do you by any chance have the Lifeline contact for the state of MA so that I may forward him this e-mail?

Thanks,

Jon

GRANT Michael

From: CRAY Jon W.
Sent: Monday, April 19, 2010 9:32 AM
To: BAUM Ray
Cc: THOMPSON Julie; MARINOS Kay
Subject: FW: Tracfone Ebay

Please see Julie's e-mail below for the latest eBay update on the TracFone branded Safelink phone and service.

Thanks,
Jon

From: THOMPSON Julie
Sent: Monday, April 19, 2010 9:12 AM
To: CRAY Jon W.
Subject: Tracfone Ebay

Just FYI – the “Safelink” Tracfone that was for sale on Ebay was reposted, I believe there may have been a reserve price that was not met by the 5 bids that were placed.

Julie Thompson
Oregon Public Utility Commission
PO Box 2148
Salem OR 97308-2148
503-373-7915

GRANT Michael

From: CRAY Jon W.
Sent: Wednesday, April 21, 2010 2:32 PM
To: THOMPSON Julie; MARINOS Kay; BAUM Ray
Subject: FW: TracFone eBay Listing

FYI

From: CRAY Jon W.
Sent: Wednesday, April 21, 2010 8:24 AM
To: 'Jamie Susskind'
Cc: Gina Spade; Elizabeth McCarthy; Pamela Gallant
Subject: RE: TracFone eBay Listing

Thanks, Jamie. I appreciate the update.

Regards,
Jon Cray, Program Manager
Residential Service Protection Fund
Public Utility Commission of Oregon
550 Capitol St. NE, Suite 215
P.O. Box 2148
Salem, OR 97308-2148
Telephone: (971) 239-5847
E-Mail: jon.cray@state.or.us
www.rspf.org

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From: Jamie Susskind [mailto:Jamie.Susskind@fcc.gov]
Sent: Wednesday, April 21, 2010 6:26 AM
To: CRAY Jon W.
Cc: Gina Spade; Elizabeth McCarthy; Pamela Gallant
Subject: TracFone eBay Listing

Hi Jon,

I work with Beth McCarthy on the universal service low-income programs here at the Commission. Beth informed me of your email regarding the individual attempting to sell their Safelink handset and service on eBay. We referred the matter to TracFone, and they are now taking actions to resolve the situation.

Please let Beth or me know if you have further questions on this issue.

Thanks,

Jamie

Jamie N. Susskind
Attorney Advisor

Wireline Competition Bureau, TAPD
Federal Communications Commission
Direct Dial: (202) 418-1525
jamie.suskind@fcc.gov

**** Non-Public: For Internal Use Only ****

GRANT Michael

From: CRAY Jon W.
Sent: Thursday, April 29, 2010 12:02 PM
To: BAUM Ray
Cc: THOMPSON Julie; MARINOS Kay
Subject: FW: Tracfone on eBay
Attachments: TracFone-with-free-minutes-for-2-yrs-NOT-a-.pdf

FYI

From: CRAY Jon W.
Sent: Thursday, April 29, 2010 12:01 PM
To: 'Hinton, Cary (PSC)'
Subject: RE: Tracfone on eBay

Hi Cary,

Please see the attached for the PDF copy of the eBay sale and if you have any further questions or concerns, don't hesitate to let me know how I may be of help.

Regards,

Jon Cray, Program Manager
Residential Service Protection Fund
Public Utility Commission of Oregon
550 Capitol St. NE, Suite 215
P.O. Box 2148
Salem, OR 97308-2148
Telephone: (971) 239-5847
E-Mail: jon.cray@state.or.us
www.rspf.org

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From: Hinton, Cary (PSC) [<mailto:CHinton@psc.dc.gov>]
Sent: Thursday, April 29, 2010 11:52 AM
To: PUC.RSPF
Subject: Tracfone on eBay

Hi Jon:

I got a call from 2 staff @ the FCC's Office of the Inspector General regarding that eBay listing for TracFone Lifeline service which Chairman Baum sent around to the NARUC telecom listserv. The FCC staff is now interested in looking at this item. However, eBay no longer includes the item listing in its Search history. Did you by any chance make a copy of that page or print out a copy of the page that you could scan and send me a PDF copy which I can forward to the FCC staff?

Thanks,

Cary B. Hinton

Policy Advisor to the Chairman

Public Service Commission of the District of Columbia

1333 H Street, NW

East Tower - Suite 729

Washington, D.C. 20005

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Watch this item



(TracFone) with free minutes for 2 yrs. NOT a Joke,read

Item condition: Used
Time left: 3d 05h (Apr 17, 2010 22:39:50 PDT)
Bid history: 1 bid

Current bid: US \$45.00
Your max bid: US \$
(Enter US \$46.00 or more)

Price: US \$100.00

Shipping: \$11.00 US Postal Service Priority Mail Medium Flat Rate Box See more services | See all details
Estimated delivery within 12-13 business days.

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Seller info

Jondoe1313 (21 stars)
92% Positive feedback

Ask a question
Save this seller
See other items

Other item info

Item number: 200460151099

Item location: fall river, MA, United States

Ships to: Worldwide

Payments: PayPal
See details

Share Print
Report item

Description Shipping and payments

Seller assumes all responsibility for this listing.

Last updated on 06:33:23 AM PDT, Apr 11, 2010 View all revisions

Item specifics - Cell Phones & Smartphones

Carrier: TracFone
Contract: Prepaid
Brand: Motorola

Cellular Band: Not a Joke,Just ask me,call me this is real!
Camera: None
Features: Calendar, SMS-Text Messaging, MMS Enabled, Speakerphone, Global Ready, Color Screen, Bluetooth Enabled

Model: W175g
Style: Bar

Condition: Used
Color: Black

See reviews

Detailed item info

Product Description

My phone, my way Convenient extras Fun Messages

Details

Weight: 84 g
Phone Book Capacity: 500

Vibrating Alert: Yes
Ring Tones: 35

Battery
Battery: Lithium Ion
Talk Time: 390 min

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This is NOT a joke,I am serious.I need money and this is what I am doing. This is a excellent condition tracfone w175g..standard model,nothing special. But ..this comes with my sim card which is registered to me paul somers and I have government assistance which allowed me to get this phone for free for next 30 months..2 1/2 years,I have used it so there's about 24-26 months left. With this phone comes 80 mins every month on the 1st of the month,free. You never once have to pay for anything or talk to a stranger on the phone,just simply have the phone powered on anytime between the 1st and the 3rd(in case people forget) of every month and you will automatically receive 80 minutes. Yes this may be a little bit wrong but I am in such a struggle, This is not a joke or a scam either You can call me or look up anything you want. It come with charger phone sim card,If you have any questions at all please feel free to ask. Thank You. God Bless,Hope This works I sure need this to sell good

00099

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eBay official time

GRANT Michael

From: CRAY Jon W.
Sent: Thursday, April 29, 2010 5:02 PM
To: 'Elizabeth McCarthy'; 'dan.rumelt@fcc.gov'; 'Hinton, Cary (PSC)'; 'Pamela Gallant'
Cc: BAUM Ray; MARINOS Kay; THOMPSON Julie
Subject: More TracFone & Craigslist



2010042916115390
4.pdf

Here's another one from Dayton, OH:

<http://dayton.craigslist.org/mob/1688416020.html>

From: CRAY Jon W.
Sent: Thursday, April 29, 2010 1:06 PM
To: Elizabeth McCarthy; 'dan.rumelt@fcc.gov'; 'Hinton, Cary (PSC)'; Pamela Gallant
Cc: BAUM Ray; MARINOS Kay; THOMPSON Julie
Subject: TracFone & Craigslist
Importance: High

Good afternoon,

We discovered that a person is attempting to sell what appears to be their TracFone issued SafeLink handset and service on Craigslist. The seller, who appears to be from Gloversville, CT, claims on the website that "Its a pre-paid tracfone. Every month between the 1st-3rd about 70 minutes are added on for free." Please either click on the following link or see the attached for a snapshot of the posting.

<http://albany.craigslist.org/mob/1713984865.html>

<< File: 20100429121210081.pdf >>

Thank you,

Jon Cray, Program Manager
Residential Service Protection Fund
Public Utility Commission of Oregon
550 Capitol St. NE, Suite 215
P.O. Box 2148
Salem, OR 97308-2148
Telephone: (971) 239-5847
E-Mail: jon.cray@state.or.us
www.rspf.org

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Tracking:

Recipient

'Elizabeth McCarthy'

'dan.rumelt@fcc.gov'

'Hinton, Cary (PSC)'

'Pamela Gallant'

BAUM Ray

MARINOS Kay

THOMPSON Julie

Read

Read: 4/29/2010 5:08 PM

Read: 4/30/2010 8:04 AM

[dayton craigslist > for sale / wanted > cell phones](#)

[email this posting to a friend](#)

Avoid scams and fraud by dealing locally! Beware any deal involving Western Union, Moneygram, wire transfer, cashier check, money order, shipping, escrow, or any promise of transaction protection/certification/guarantee. [More info](#)

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Tracfone with minutes - \$25 (Dayton)

Date: 2010-04-12, 12:28PM EDT

Reply to: sale-hbued-1688416020@craigslist.org [Errors when replying to ads?]

Great Deal for someone who just wants a simple phone. I have a "Tracfone" with 164 minutes already on it. It will get 74 minutes on it on the first of the month for the next 5 months. I bought a new phone and dont need it anymore. 937~242~3169

- Location: Dayton
- it's NOT ok to contact this poster with services or other commercial interests

PostingID: 1688416020

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GRANT Michael

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Sent: Thursday, April 29, 2010 1:06 PM
To: 'Elizabeth McCarthy'; 'dan.rumelt@fcc.gov'; 'Hinton, Cary (PSC)'; 'Pamela Gallant'
Cc: BAUM Ray; MARINOS Kay; THOMPSON Julie
Subject: TracFone & Craigslist

Importance: High

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<http://albany.craigslist.org/mob/1713984865.html>



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1.pdf

Thank you,

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Public Utility Commission of Oregon
550 Capitol St. NE, Suite 215
P.O. Box 2148
Salem, OR 97308-2148
Telephone: (971) 239-5847
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www.rspf.org

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Recipient

'Elizabeth McCarthy'
'dan.rumelt@fcc.gov'
'Hinton, Cary (PSC)'
'Pamela Gallant'
BAUM Ray
MARINOS Kay
THOMPSON Julie

Read

Read: 4/29/2010 3:02 PM
Read: 4/29/2010 2:02 PM
Read: 4/29/2010 1:32 PM

albany craigslist > for sale / wanted > cell phones

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Motorola phone w. aprox 400 minutes remaining, prepaid - \$35 (Gloversville)

Date: 2010-04-28, 2:26AM EDT

Reply to: sale-kcjme-1713984865@craigslist.org [Errors when replying to ads?]

Motorola W175g

Phone works great, comes with Close to 400 Minutes, rarely use it. Its a pre-paid tracfone. Every month between the 1st-3rd about 70 minutes are added on for free. The only thing wrong with the phone is the battery cover is missing off the back, but the battery hasn't fallen out once since the back was lost. I have a contract phone and im looking for \$\$ To pay my bill so i am willing to take less as long as its in a reasonable price. 200 Minutes for a tracfone cost \$39.99 and 450 minutes cost \$79.99... so you figure with the minutes on the phone now, the minutes alone are close to \$50. The phone it self only cost \$9.99, I'm not trying to sound desperate, but not working at the moment and could use any extra cash to get my phone bill paid. If interested send me an email, or you can text my cell phone, 518-224-2302. Please no spammers, and only text if interested!!!!

Basic info:

Size: 4.45 x 1.65 x 0.55 inches

Weight: 2.96 ounces

Included battery: Lithium-ion

Talk time: Up to 6.5 hours

Standby time: Up to 18 days

Included accessories:

Battery

AC Adapter

SIM Card

Call nationally, internationally or roam at local call rates. Color Screen, Crystal Talk™ Voice Enhancement, Voicemail, Call Waiting, Caller ID, Handsfree Speaker, Text Messaging, Vibration Alert, Phone Book with up to 500 Entries, Includes 35 Ringtones, Alarm Clock. TRACFONE Airtime Balance Display shows you how much airtime you've used and how much is left, so you control your cost.

Motorola phone w. aprox 400 minutes remaining, prepaid

Page 2 of 2

- Location: Gloversville
- it's NOT ok to contact this poster with services or other commercial interests

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