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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

September 1, 2010

Arizona Corporation Commission

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VIA OVERNIGHT DELIVERY

Arizona Corporation Commission
Utilities Division
1200 West Washington
Phoenix, AZ 85007-2996

Re: Petition of TracFone Wireless Inc. for Designation as an Eligible
Telecommunications Carrier, Docket No. T-20664A-09-0148

Dear Madam/Sir:

Enclosed please find an original and 13 copies of Supplemental Joint Status Report. An additional copy is included to be date-stamped and returned in the enclosed envelope. Please contact me if you have any questions about this submission.

Sincerely,

Debra McGuire Mercer

Counsel for TracFone Wireless, Inc.

Enclosures

BEFORE THE ARIZONA CORPORATION COMMISSION
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COMMISSIONERS

KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

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ARIZONA CORP COMMISSION
DOCKET CONTROL

PETITION OF TRACFONE WIRELESS, INC.)
FOR DESIGNATION AS AN ELIGIBLE) DOCKET NO. T-20664A-09-0148
TELECOMMUNICATIONS CARRIER)

SUPPLEMENTAL JOINT STATUS REPORT

On July 16, 2010, a meeting among the Parties to this proceeding was convened at the offices of the Commission. Parties in attendance included TracFone Wireless, Inc. ("TracFone"), petitioner for designation as an Eligible Telecommunications Carrier ("ETC"), the Arizona Local Exchange Carriers Association ("ALECA"), and Commission Staff ("Staff"). The purpose for the meeting was to afford the Parties an opportunity to discuss issues regarding TracFone's petition for designation as an ETC and to attempt to find resolutions to issues upon which the Parties may disagree.

By Procedural Order issued by Administrative Law Judge, Yvette B. Kinsey, June 25, 2010, the status conference scheduled for July 1, 2010 at 10:00 a.m. has been vacated, and the Parties have been directed to make a joint filing within 30 days of the Procedural Order updating the Commission on the resolution of any disputed issues and/or requesting the scheduling of a status conference.

On July 26, 2010, the Parties submitted a joint status report in which they requested an additional 21 days to continue their discussions and indicated that they would file an additional status report by August 16, 2010. By Procedural Order issued August 3, 2010 in this proceeding,

the presiding administrative law judge ordered the parties to make an updated joint filing on or before August 31 updating the Commission on the resolution of any disputed issues.

In this report, the Parties apprise the Administrative Law Judge and the Commission with regard to the three issues which were addressed during the meeting between the parties.

1. TracFone ETC Service Area

ALECA has questioned whether TracFone should be designated as an ETC to provide Lifeline service on tribal lands. Eligible Residents of Tribal Lands is defined at Section 54.400(e) of the Federal Communications Commission's rules as follows:

. . . a "qualifying low-income consumer," as defined in paragraph (a) of this section, living on or near a reservation. A "reservation" is defined as any federally recognized Indian tribe's reservation, pueblo, or colony, . . . , and Indian allotments. "Near Reservation" is defined as those areas or communities adjacent or contiguous to reservations which are designated by the Department of Interior's Commission on Indian Affairs upon recommendation of the local Bureau of Indian Affairs Superintendent, which recommendation shall be based upon consultation with the tribal governing body of those reservations, as locales appropriate for the extension of financial assistance and/or social services, on the basis of such general criteria as: Number of Indian people native to the reservation residing in the area, are socially, culturally and economically affiliated with their tribe and reservation; geographical proximity of the area to the reservation, and administrative feasibility of providing an adequate level of services to the area.

(47 C.F.R. § 54.400(e)).

TracFone agrees that it will not attempt to provide its SafeLink Wireless® Lifeline service to Eligible Residents of Tribal Lands. To comply with this commitment, TracFone will implement the following steps:

1. Exclusion by Zip Code - TracFone will program its data base so as to deny applications for SafeLink Wireless® Lifeline service to Zip Codes located within tribal lands.

2. Self-certification of Non-tribal land residency - TracFone will include in its Arizona Lifeline enrollment application a line for applicants to self-certify under penalty of perjury that they do not reside in Federally-Recognized Tribal Lands. If necessary, the application will identify the Federally-Recognized Tribal Lands in Arizona.

ALECA has indicated that these procedures are acceptable and that it will work with TracFone to identify Zip Codes which are located within Federally-Recognized Tribal Lands.

2. Certification of 911/E911 Access

During the meeting, ALECA questioned whether TracFone Lifeline customers would have access to 911 service. TracFone believes that there should be no concern regarding access to 911 service by TracFone Lifeline customers. Pursuant to the FCC's 2005 TracFone Forbearance Order, all TracFone Lifeline customers must be provided with E911-compliant handsets. In every jurisdiction where TracFone provides Lifeline service as an ETC, TracFone provides its customers with E911-compliant handsets and it will do so in Arizona.

In addition, the FCC requires TracFone to obtain from Public Safety Answering Points (PSAPs) certification that TracFone customers will have access to 911 and E911. The FCC now allows TracFone to self-certify that its customers will have access to 911 and E911 90 days following submission of a certification request to a PSAP.¹

The FCC allows TracFone to self-certify that its Lifeline customers will have access to 911 and E911 if TracFone has obtained from each of its underlying carriers documentation indicating that those carriers treat 911 calls from TracFone customers on their networks in the same manner as they treat 911 calls from their own retail customers. TracFone has obtained such documentation from each of the underlying carriers whose services it will use to provide

¹ Federal-State Joint Board on Universal Service; TracFone Wireless, Inc., 24 FCC Rcd 3375 (2009).

Lifeline service in Arizona -- AT&T Mobility, Verizon Wireless, and T-Mobile USA. Those carriers' declarations as to how they treat 911 calls from TracFone customers are attached to this Supplemental Joint Status Report.

Given the above declarations by TracFone, ALECA's concerns that TracFone's Lifeline customers may not have access to 911 and E911, have been resolved.

3. Fees

ALECA asserted during the meeting that TracFone should be required to remit certain fees to various state agencies, including the ACC assessment, RUCO assessment, Arizona Emergency Telecommunications Services Revolving Fund (911 fees), the Arizona Telecommunications Relay Service Fund, and the Arizona Universal Service Fund fee, on behalf of its consumers. TracFone believes that, as currently enacted, the laws governing those fee requirements are not applicable to prepaid wireless services (*i.e.*, non-billed services) such as those provided by TracFone since the statutes expressly contemplate collection of such fees through billed charges on customer invoices. No other Party, including Staff, has raised concerns about 911 fees.

TracFone believes that questions regarding the applicability of those fee laws to non-billed services such as prepaid wireless services are not relevant to ETC designation proceedings, and that such questions should be addressed in appropriate forums other than ETC proceedings. ALECA disagrees and has suggested that the Commission consider the applicability of those fees in its evaluation of TracFone's ETC application as part of its public interest analysis.

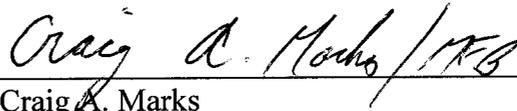
To resolve these issues, TracFone will send letters to each of the agencies with jurisdictional authority seeking clarification as to whether the fees over which that particular agency has jurisdiction, are applicable to TracFone. This would include the Arizona Department

of Administration (911 Fee); the Arizona Commission on the Deaf and Hard of Hearing (Telecommunications Relay Service Fee); and the Commission (AZ USF fee). TracFone will file copies of these letters with the Commission in this Docket as a compliance item. TracFone will also file copies of the determinations made by these agencies in this Docket as well as a compliance item.

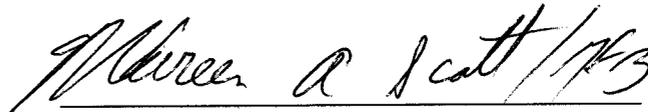
RESPECTFULLY SUBMITTED ON SEPTEMBER 1, 2010



Mitchell F. Brecher
TracFone Wireless, Inc.



Craig A. Marks
Arizona Local Exchange Carriers Association



Maureen A. Scott
Utilities Division of the Arizona Corporation
Commission

CERTIFICATE OF SERVICE

This is to certify that I have duly served the foregoing Supplemental Joint Status Report electronically and by U.S. Mail on all parties listed, as indicated, this 1st day of September, 2010, addressed as follows:

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**via electronic mail*

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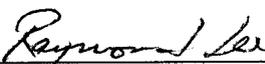
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Raymond Lee