

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PETITION OF TRACFONE)	
WIRELESS, INC. TO AMEND ITS)	
DESIGNATION AS AN ELIGIBLE)	CASE NO.
TELECOMMUNICATIONS CARRIER TO)	2019-00185
RECEIVE KENTUCKY UNIVERSAL SERVICE)	
SUPPORT FOR LIFELINE SERVICE)	

ORDER

On November 24, 2010, in Case No. 2009-00100,¹ the Commission approved TracFone Wireless, Inc.'s (TracFone) petition for designation as an eligible telecommunications carrier (ETC) for the purpose of offering Lifeline and Link-Up Service to qualified low-income households in Kentucky. TracFone, at the time of its petition requesting approval as an ETC, did not request Lifeline support from the Kentucky Universal Service Fund (KUSF). On November 22, 2016, TracFone filed in Case No. 2009-00100 a petition to amend its designation as an ETC to be eligible to receive Lifeline support from the KUSF. The Commission opened this proceeding on June 14, 2019, and gave TracFone an opportunity to amend its petition. On July 11, 2019, TracFone filed its amended petition. Subsequently Commission Staff (Staff) issued an information request to which TracFone responded on October 2, 2019. There are no intervenors in this case,

¹ See Case No. 2009-00100, *Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the Commonwealth Of Kentucky for the Limited Purpose of Offering Lifeline and Link-Up Service to Qualified Households* (KY PSC Nov. 24, 2010).

and the matter is submitted to the Commission for a decision based upon the evidentiary record.

As stated above TracFone now seeks to receive KUSF support for its Lifeline customers it serves in Kentucky. TracFone intends to use the support provided by the KUSF to enhance its current Lifeline offerings to Kentucky customers. TracFone proposes to provide additional airtime minutes of use to qualifying Lifeline customers. Specifically TracFone will use the \$3.50 per customer per month in state support to provide every Kentucky consumer enrolled in its SafeLink Wireless® Lifeline service with an additional 350 minutes per month in wireless voice service airtime above the amount customers receive under the federal Lifeline program, and to provide an increased \$3.50 monthly discount to customers enrolled in the Walmart Family Mobile® Financial Assistance Program.

TracFone has confirmed in its responses to Staff's information requests that it will collect or otherwise contribute to the KUSF the current Commission ordered surcharge for each customer served.² TracFone, however, declined to commit to collect or otherwise remit the Kentucky Telecommunications Relay Service / Telecommunications Access Program (KY TRS/TAP) surcharge, currently \$.03 per line per month. TracFone explained in its response that the Commission had ordered that the collection of these fees are from billed retail customers and it does not bill its customers, therefore, there is no bill generated for the customer for the charge to be cited.³ TracFone goes on to cite

² Response to Commission Staff's First Request for Information (Staff's First Request), Response to Request 2

³ *Id.* at Request 3

the Commission's Orders from past cases. However, like telecommunications service offered over the past ten years, the Commission has evolved and made changes to the collection of the KY TRS/TAP. Most recently the Commission has stated in its Orders regarding the KY TRS/TAP that the surcharge must be remitted regardless of whether the customer is prepaid or postpaid.⁴ Therefore, the Commission will require that TracFone, as a condition for receiving KUSF support, remit via the Commission's online portal the KY TRS/TAP surcharge for each customer each month. TracFone also confirmed that it will contribute to the appropriate 911 emergency service authority in accordance with current Kentucky law, specifically KRS 65.7634, governing support for funding of 911 services.⁵

TracFone correctly points out in its petition that there is no legal prohibition on wireless carriers being eligible to receive KUSF support for Lifeline services and the Commission has approved numerous other wireless carriers to receive support that have requested it.⁶ TracFone also points to several public interest considerations in support of its application such as increasing the number of providers that offer Lifeline to increase completion among providers and expanded service offerings to allow Lifeline customers more minutes to conduct business or be in touch with family members.⁷

⁴ Case No. 2017-00358, Funding for the Telecommunications Relay Service (Sept. 14, 2017) at footnote 2.

⁵ Response to Staff's First Request at Request 4.

⁶ Application at 2

⁷ Application at 9.

IT IS THEREFORE ORDERED that:

1. TracFone shall be eligible to receive KUSF support for each qualified Lifeline customer beginning in the first full month after the date of this Order.
2. TracFone shall remit to the KUSF the Commission-ordered surcharge for each customer it serves in Kentucky, for both Lifeline and otherwise served, beginning in the first full month after the date of this Order.
3. TracFone shall remit to the KY TRS/TAP the Commission-ordered surcharge for each customer it serves in Kentucky for both Lifeline and otherwise served, beginning in the first full month after the date of this Order.
4. This case is closed and removed from the Commission's docket.

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By the Commission

ENTERED
JAN 28 2020
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2019-00185

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