

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: PETITION OF TRACFONE WIRELESS, INC. :
FOR DESIGNATION AS AN ELIGIBLE : DOCKET NO. 4153
TELECOMMUNICATIONS CARRIER IN THE :
STATE OF RHODE ISLAND FOR THE LIMITED :
PURPOSE OF OFFERING LIFELINE SERVICE :
TO QUALIFIED HOUSEHOLDS :

ORDER

WHEREAS, On March 9, 2010, TracFone Wireless, Inc. (“TracFone” or “Company”) filed with the Public Utilities Commission (“Commission”) a Petition for Designation as an Eligible Telecommunications Carrier (“ETC”) throughout its service area in the State of Rhode Island pursuant to 47 U.S.C. Section 214(e)¹ in order to provide discounted service to low income customers and receive certain subsidies from the Federal Universal Service Fund (“Petition”); and

WHEREAS, Under this pre-paid wireless telecommunications service, TracFone will provide handsets to lifeline participants free of charge (only one participant per household) and will include sixty-eight (68) free minutes of usage each month; and

WHEREAS, Because it is a pre-paid service, there is no concern that customers be protected from long-distance charges as there is with landline ETC service; and

WHEREAS, TracFone has been allowed ETC status in several other states; and

WHEREAS, TracFone also filed for a Waiver of the requirement in the Commission’s Rules and Regulations Governing the Certification and Verification Procedures for Telecommunications Carriers Eligible to Receive Payments from the Federal Universal Service Fund and Certification and Verification Processes for

¹ 47 U.S.C. 214(e) imposed statutory responsibility upon the Commission to certify telecommunications service providers as “eligible” to receive funds from the Federal Universal Service Fund.

Compliance with Providing Lifeline and LinkUp Service (“ETC Rules”) that it be exempted from the requirement that it participate in the federal LinkUp program which allows a discount to the initial service charge for landline customers; and

WHEREAS, In support of its Waiver request, TracFone states that as a non-facilities based carrier, it may not participate in LinkUp. However, TracFone also notes that because its SafeLink program includes a free handset and no activation fee, there is no basis for TracFone to receive federal subsidies from the LinkUp program; and

WHEREAS, TracFone responded to data requests issued by the Commission and Division of Public Utilities and Carriers (“Division”); and

WHEREAS, On June 22, 2010, the Commission issued a public Notice soliciting comments regarding the Petition. Comments in favor of the Petition were received from the Executive Office of Health and Human Services; and

WHEREAS, On July 2, 2010, the Division filed a letter with the Commission supporting TracFone’s Petition on the basis that it will provide more competition among phone service providers which will ultimately be a benefit to customers and allow low income customers who are not currently participating in Lifeline programs another choice. The Division also indicated that TracFone had adequately met all of the Commission’s requirements in its ETC Rules; and

WHEREAS, The Commission is of the opinion that TracFone’s petition for ETC designation is proper, complies with the federal and state requirements, and is in the best interest of ratepayers; and

WHEREAS, The Commission grants TracFone’s request for a Waiver of the requirement in the Commission’s ETC Rules that it be exempted from the requirement

that it participate in the federal LinkUp program which allows a discount to the initial service charge for landline customers.

Accordingly, it is hereby

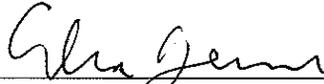
(20134) ORDERED:

1) TracFone Wireless, Inc. is hereby designated as an Eligible Telecommunications Carrier throughout its service area for receiving universal service support.

EFFECTIVE AT WARWICK, RHODE ISLAND ON JULY 14, 2010
PURSUANT TO AN OPEN MEETING DECISION. WRITTEN ORDER ISSUED ON
SEPTEMBER 14, 2010.

PUBLIC UTILITIES COMMISSION





Elia Germani, Chairman

Mary E. Bray, Commissioner*



Paul J. Roberti, Commissioner

*Commissioner Bray concurs but is unavailable for signature.