BEFORE THE
PUBLIC SERVICE COMMISSION OF THE STATE OF NEBRASKA

In the Matter of the Nebraska Public Service Commission, on its own motion, seeking to Administer the Nebraska Universal Service Fund's Broadband Program: Application to the Nebraska Broadband Program Received from Windstream and the Center for People in Need	)))))))	**Application No. NUSF-92.41**

PRE-FILED DIRECT TESTIMONY
OF
SHARON WEBBER

Q. Please state your name and business address.

A. My name is Sharon Webber. My business address is 401 Plymouth Road, Suite 400, Plymouth Meeting, PA 19462.

Q. By whom are you employed and in what capacity?

A. I am employed by Windstream as its Vice President for External Affairs.

Q. On whose behalf are you testifying in this proceeding?

A. I am testifying on behalf of Windstream.

Q. Please state your educational background and professional experience.

A. I received a Bachelor of Science degree in Finance and Economics from Temple University in 1987, a Juris Doctorate from the Washington College of Law, American University in 1991, and a Masters of Law from Georgetown University in 1994. Prior to joining Windstream in 2014, I worked at the Federal Communications Commission for eighteen years, serving in several different capacities, including Deputy Division Chief for the Wireline Competition Bureau's Telecommunications Access Policy Division and most recently as Regional Counsel for the Enforcement Bureau's Northeast Region

Q. Have you previously testified before the Nebraska Public Service Commission?

A. No.

Q. Please summarize the topics you will cover in your testimony?

A. In my testimony I address the following:

1. The Commission's development to date of the pilot broadband adoption program (the "Pilot Adoption Program") under the Nebraska Universal Service Fund Broadband Program ("NEBP"); and
2. Recommendations for the Commission should the Pilot Adoption Program be continued.

Q. Will you be presenting any exhibits in connection with your testimony?

A. Yes. I will present and explain the following exhibits:

Exhibit	Description
Exhibit No.____(SW-1)	Commission Order July 22, 2014
Exhibit No.____(SW-2)	Commission Order September 3, 2014
Exhibit No.____(SW-3)	FCC Order dated April 30, 2012
Exhibit No.____(SW-4)	FCC Order dated December 19, 2012

Q. Were these exhibits prepared by you or under your supervision and direction?

A. Yes.

I. THE PILOT ADOPTION PROGRAM

Q. What is the Pilot Adoption Program?

A. The Pilot Adoption Program is the Commission's effort to increase broadband adoption through NEBP grant support.

Q. How was the concept of the Pilot Adoption Program announced by the Commission?

A: In its Order Seeking Comment and Setting Hearing dated July 22, 2014 (the "Order Seeking Comment")[1], the Commission first invited comments from interested parties on the topic of "increas[ing] broadband adoption with NEBP grant support."

Q. Does the Order Seeking Comment provide insight into the Commission's intended purpose for the Pilot Adoption Program?

A: Yes. The Order Seeking Comment specifically stated that "[b]roadband availability may not be relevant in many cases if there are other barriers preventing its adoption." The Commission sought comment on what factors, other than the actual availability of broadband, prevent broadband from being adopted by those to whom it is available. The intended purpose of the Pilot Program was to address these "other factors" or "barriers" to broadband adoption.

Q. Did Windstream submit comments to the Commission addressing the concept of the Pilot Adoption Program?

A. Yes. Windstream, along with many others, responded to the Commission's invitation for Comments. Generally, Windstream supported the Commission's suggested $500,000 allocation for the Pilot Adoption Program. Windstream said, "If the Commission choses to entertain broadband adoption proposals in this upcoming application window, the Commission should be guided by the framework adopted by the FCC in its selection of broadband adoption pilot programs. The FCC approved pilot projects that were designed as field experiments to test whether broadband adoption was impacted by such factors as discount amount, duration of discount, speeds, usage limits, digital literacy training and equipment"

[1] A copy of the Commission's Order Seeking Comment and Setting Hearing dated July 22, 2014 is attached as Exhibit SW-1.

Q. After soliciting comments from the public, how did the Commission move forward with the Pilot Adoption Program?

A. In its Progression Order No. 2 dated September 3, 2014 ("Progression Order No. 2")[2], the Commission officially announced the Pilot Adoption Program for 2015 and set forth the basis for its decision.

Q. What public policy determinations did the Commission announce in its Progression Order No. 2 for the Pilot Adoption Program?

A. The Commission determined that it was appropriate to use NEBP funds "to promote access to advanced telecommunications and information services to low-income consumers." (Progression Order No. 2 at 7) The Commission said it would provide "targeted support to make advanced serves more affordable to consumers," and allocated $500,000 from the NEBP in 2015 to initiate the Pilot Adoption Program, and invited funding requests specifically for the Pilot Adoption Program during the 2015 NEBP Application Window.

Q. Did the Commission establish any parameters or requirements for funding requests submitted under the Pilot Adoption Program?

A. Yes. In its Progression Order No. 2, the Commission set forth several requirements for funding requests submitted under the Pilot Adoption Program. The Commission indicated that funding requests should be "aimed at making broadband available through provider / community-based partnerships." (Progression Order No. 2 at 7) The Commission agreed with Windstream's recommendations that factors such as "the discount offered, duration of the discount, broadband speeds, usage limits, and digital

[2] A copy of the Commission's Progression Order No. 2 is attached as Exhibit SW-2.

training" be considered. The Commission said it would consider the attributes of each project, including but not limited to, the recommendations Windstream made. As stated earlier, Windstream recommended the Commission follow the framework adopted by the FCC in its selection of broadband adoption pilot programs and within that framework consider the attributes of the discounted service.

Q. Why did the Commission require funding requests to take the form of "provider / community-based partnerships"?

A: As the Commission indicated in its Progression Order No. 2, Nebraska law requires that the Commission provide support only to eligible carriers. By requiring a partnership between such an eligible carrier and a community-based program, the Commission can ensure that NUSF funds are distributed in the manner required by law.

Q. Did Windstream interpret the Commission's Progression Order No. 2 to require that funding requests be specifically targeted to benefit low-income consumers?

A: Yes, for two reasons. First, Progression Order No. 2 specifically stated that the purpose of the Pilot Adoption Program was to "promote access to advanced telecommunications and information services to low-income consumers." Second, the Commission's purpose was to address "barriers" to broadband adoption such as affordability, equipment access, and training. It is logical to assume that these barriers exist only for low-income consumers who cannot without assistance afford the cost of broadband service or the equipment necessary to utilize it.

Q. Is this consistent with the Commission's goals for NUSF?

A: Yes. The Commission has frequently enumerated its NUSF goals, among them being:

1. The Commission should ensure that all Nebraskans have comparable access to

broadband.

2. The focus of the NUSF support should be on the consumers and not on the companies.

(*See* Progression Order No. 6 dated June 5, 2012, *In the Matter of the Petition of the Nebraska Telecommunications Association for Investigation and Review*, Docket No. NUSF-77)

Q. Based on the foregoing information, what goals did Windstream seek to accomplish through its Joint Request?

A: Windstream sought to specifically target low-income Nebraska consumers with financial assistance to: (1) increase the affordability of broadband for targeted low-income consumers; (2) provide funding for equipment and devices necessary for low-income consumers to utilize broadband services; and (3) provide funding for training that would ensure low-income consumers may derive the benefits of broadband access.

Q. Why?

A: Windstream wholeheartedly agrees with the Commission's statement in Progression No. 2 that "broadband availability may not be relevant in many cases if there are other barriers preventing its adoption." Simply put, to adopt broadband and reap its benefits, low-income Nebraskans must be able to: (1) afford its costs; (2) own or have access to a device that provides broadband access; and (3) possess the skills and training to utilize these tools. The aim of the Joint Request is to address all three of the "barriers" to broadband adoption for low-income consumers.

II. RECOMMENDATIONS

Q. Please explain how the Joint Request satisfies the factors set forth by the

Commission in Progression Order No. 2.

A. The Joint Request satisfies all of the factors the Commission stated it would consider in Progression Order No. 2: discount amount, duration of discount, speeds, usage limits, digital training and equipment. As explained in the Prefiled Testimony of Brad Hedrick, the Joint Request provides broadband access at a heavily discounted rate for the duration of the Program year. There are no usage limits. Additionally, the Joint Request would provide funding for digital training and equipment.

Q. Please explain how the Joint Request accomplishes the goals and purposes identified by the Commission for the Pilot Adoption Program.

A. By specifically and directly providing funding to low-income consumers, the Joint Request would utilize funds from the Pilot Adoption Program to address the barriers to broadband adoption that the Commission seeks to address.

Q. Have you reviewed the Commission Staff's Recommendations for the 2015 Pilot Adoption Program?

A. Yes.

Q. What is Windstream's reaction to the Commission Staff's Recommendations?

A. Windstream appreciates the Commission's efforts to administer and advance the Pilot Adoption Program, and understands the limited amount of funding designated for 2015 necessarily means that some worthwhile proposals would not be funded fully or at all. However, Windstream believes that the Joint Request more fully accomplishes the Commission's goals and purposes for the Pilot Adoption Program than most, if not all, other proposals because the Joint Request more specifically targets the barriers to broadband adoption by low-income persons through discounted services, equipment and

training. Windstream will address those issues directly at the hearing on this matter and through its reply testimony in other related dockets.

Q. Assuming the Commission continues the Pilot Adoption Program, do you believe the Commission should develop more concrete guidelines for proposals?

A. Yes.

Q. What does Windstream suggest?

A. In these proceedings and going forward, we again urge the Commission, at a minimum, closely follow the guidance the FCC has provided in its Orders for the federal Broadband Adoption Lifeline Pilot Program. *See Wireline Competition Bureau Announces Application Procedures for Applications to Participate in the Broadband Adoption Lifeline Pilot Program*, WC Docket N. 11-42 April 30, 2012 and *In the Matter of Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, December 19, 2012 (the "FCC Orders")(copies of the FCC Orders are attached as Exhibits BH-3 and BH-4).

Q. What guidelines did the FCC use for its pilot program?

A. The overall goal for the FCC's broadband adoption program was to study what type(s) of broadband discount plans were likely to increase broadband adoption among low-income consumers. Specifically, the FCC solicited pilot projects that were designed as field experiments to test whether broadband adoption by low-income consumers would be positively impacted by factors such discount amount, duration of discount, speed provided, and usage limits. The FCC required data gathering from the approved pilot projects so that the effectiveness of the varying projects in addressing adoption barriers could be quantitatively studied. In its response to the Order seeking Comment in this docket, Windstream recommended the Commission consider the FCC's approach. When

the Commission adopted Windstream's recommendations in Progression Order No. 2, Windstream interpreted this to mean that the Commission would follow the discount program framework adopted by the FCC. Consistent with this interpretation, Windstream worked with CPIN to develop a proposal that would increase broadband adoption among low-income consumers.

Q. Does Windstream believe that broadband adoption programs focused on infrastructure building are appropriate?

A. No. Infrastructure support should not be allowed in the broadband adoption pilot setting. A provider who wants an infrastructure grant should properly qualify for an infrastructure grant pursuant to the program established for that purpose and compete for infrastructure dollars on the same terms as, and on a level playing field with, other applicants who seek funding for infrastructure projects. To allow otherwise effectively guts all the safeties, protections and protocols the Commission thoughtfully put in place for the infrastructure program. Applicants could run a classic 'end-around' the infrastructure grant program requirements by applying for infrastructure money through the less-defined adoption program, claim some adoption related benefits (which many or most infrastructure projects have), but meet few or none of the thoroughly vetted infrastructure grant qualifications while evading being scored against qualifying comparable infrastructure applications. We understood, and legitimately so, that the adoption program was to focus on discount programs targeting low income consumers with a range of variables to be studied as to level of the discount offered, broadband speeds and so on. Infrastructure support is inconsistent with proper adoption pilot program design, diminishes the integrity of the infrastructure grant program, and is unfair to every provider who has

already or will compete for infrastructure funding. Any other concerns Windstream has with any specific application(s) which solicit infrastructure support will be addressed in the dockets in which Windstream is an intervenor.

Q. Does this conclude your direct testimony at this time?

A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NEBRASKA

In the Matter of the Nebraska Public Service Commission, on its own motion, seeking to Administer the Nebraska Universal Service Fund's Broadband Program: Application to the Nebraska Broadband Program Received from Windstream and the Center for People in Need	**Application No. NUSF-92.41**

STATE OF New Mexico)
) SS:
COUNTY OF Santa Fe)

Sharon Webber, being first duly sworn on oath, states that she is the same person whose Testimony in the above-entitled proceeding accompanies this Affidavit and further states that such Testimony is a true and accurate statement of her answers to questions contained therein, and that she does adopt those answers as her sworn Testimony in this proceeding.

Sharon Webber

SUBSCRIBED AND SWORN TO before me, the undersigned Notary Public, this 27 day of March, 2015.

Notary Public

1276465

Official Seal
ELIESA H. WEBB
Notary Public
State of New Mexico
My Commission Expires 2/5/19

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public Service Commission, on its Own Motion, to Administer the Nebraska Universal Service Fund Broadband Program.	)	Application No. NUSF-92
	)	PROGRESSION ORDER NO. 1
	)	
	)	ORDER SEEKING COMMENT AND SETTING HEARING
	)	
	)	Entered: July 22, 2014

BY THE COMMISSION:

On December 10, 2013 the Nebraska Public Service Commission (Commission) opened the above-captioned docket to administer the Nebraska Universal Service Fund Broadband Program (NEBP). The Commission allocated $9 million for the NEBP and solicited applications which were due on or before February 2, 2013. On June 10, 2014, the Commission completed round three of NEBP grants, approving fifteen applications in whole or in part supporting 61 capital broadband improvement projects across the state.

The Commission enters this Progression Order to seek comment on proposed modifications to the NEBP and to provide definitional clarity for future applicants.

Issues for Public Comment

A. Mobile versus Fixed Broadband

In NUSF-77, Progression Order No. 7, the Commission found that "comparable access could mean universal service access to one fixed and one mobile broadband provider."[1] But the Commission did not specifically define what constituted "fixed" versus "mobile" broadband access. In the last round of NEBP grants, the Commission staff used the classification employed by the National Telecommunications and Information Administration (NTIA) for reporting broadband availability in the State Broadband Mapping Initiative (SBI) to recommend resolution of a dispute on this issue. However, there was disagreement with the Commission staff's approach. Consequently, the Commission solicits comment on how to

[1] *In the Matter of the Petition of the Nebraska Telecommunications Association for Investigation and Review of Processes and Procedures Regarding the Nebraska Universal Service Fund,* Application No. NUSF-77, Progression Order No. 7, Order at 11 (January 15, 2013) ("Progression Order No. 7").

EXHIBIT SW-1

define "fixed" and "mobile" broadband access going forward. We ask interested parties to provide any information helpful to the Commission for developing a definitional standard and answering the following questions:

a. How should the Commission define mobile versus fixed broadband service? Are there key indicators which should be used as a threshold in this determination?

b. How should fixed wireless service be defined when it has both a fixed and a mobile component?

Currently, applicants define whether their projects are mobile or fixed by describing the nature of the technology used in the project. Applicants describe their projects with varying degrees of specificity making it difficult for the Commission and interested parties to determine the type of service that will be offered. How should the NEBP applicants put the Commission and other interested parties on notice as to the fixed or mobile nature of their project(s)? What type or types of service features should be listed in each application in order to make this clear?

In the FCC's Transformation Order, the FCC defined "terrestrial fixed broadband service" as one that

> serves end users primarily at fixed endpoints using stationary equipment such as the modem that connects an end user's home router, computer or other Internet access device to the network.[2]

The FCC further provided that this term includes fixed wireless broadband services (including those offered over unlicensed spectrum).[3]

Should the Commission use this definition to determine whether the project is a fixed broadband service? Should the

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[2] *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order, 26 FCC Rcd at 17698-99, para. 98 (2011) ("Transformation Order")

[3] *See id.*

Commission define a service by the primary use of the service rather than by technology? How should the Commission determine how the service is used primarily? How should the Commission treat mobile service providers who do not fall under the FCC's definition above which also have a fixed wireless product option? Please elaborate.

Should the Commission define mobile service by technological factors such as the amount of back-up power, transmitting equipment or the tower strength? If so, what should the specific standards be? Should the Commission define mobile service by the percentage of all telephone numbers which the service could reach on the applicants' network? If so, what should the percentage be? What about access to emergency services with location accuracy? Should only applicants required to comply with 47 C.F.R. § 20.18 requirements be considered as providing mobile service? Should Phase 2 wireless E911 location accuracy be a determining factor? Why would these factors be important to defining mobile broadband access versus wireline broadband access? Please elaborate.

B. *Multi-Year Projects*

The Commission also seeks comment on whether to entertain applications to support multi-year broadband projects. The Commission recognizes that some broadband build-out plans may not be viable or cohesive with one-time project support. The Commission believes it must balance this challenge with its need for administrative planning and efficiency. Consequently, if multi-year funding commitments were to be made by the Commission, we do not believe the Commission should consider funding commitments in excess of three years. Interested parties are invited to comment on this proposal as well as the following:

a. Is there an interest by providers to apply for broadband support for multi-year projects? If not, why not? If so, what types of projects would the Commission most likely see?

b. Would the consideration of multi-year projects result in a more cohesive and cumulative broadband build-out in Nebraska? Why or why not?

If multi-year projects are supported by the Commission, applicants must be required to clearly define their multi-year funding needs and commitments. Specifically, the Commission seeks comment on the following:

a. How should the Commission modify its current application requirements to account for multi-year projects?

b. Should there be any limits on multi-year projects? If so, what limitations should be considered?

As proposed, multi-year projects would have the effect of committing grant support in future years but would be ranked and scored in the year the application is filed. Are there any concerns with this approach? If so, please explain?

In addition, such funding would necessarily be contingent upon the universal service funding being available and appropriated to the Commission for this purpose. How can the Commission appropriately advise providers about this risk? Does this risk pose a deterrent for multi-year projects?

C. *Project Caps*

Additionally, the Commission seeks to refresh the record on the idea of instituting a per project cap. Such caps would not limit the total amount of NEBP support sought by each provider in any given year or limit the number of projects submitted, but would help the Commission prioritize projects in a way that potentially includes all areas of Nebraska and gives every provider the opportunity to compete for broadband support.

The Commission notes, the FCC recently adopted a per project cap on universal service broadband grant support provided through its experimental broadband expansion proceeding stating that capping broadband grants per project will "ensure diverse experiments."[4]

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[4] *See* Public Notice, *Connect America Fund et al.*, WC Docket Nos. 10-90 *et al.* (July 11, 2014).

The Commission solicits comment on whether a $450,000[5] per project cap would be reasonable. If so, how should the Commission coordinate this cap with its prior proposal to permit multi-year projects?

D. *Broadband Adoption*

Finally, the Commission solicits comments on whether it should entertain proposals to increase broadband adoption with NEBP grant support.[6] Access to broadband could take into account both the physical connection to broadband infrastructure and the subscriber's ability to purchase broadband service. Broadband availability may not be relevant in many cases if there are other barriers preventing its adoption. The Commission seeks comment on what factors other than infrastructure availability prevent "access to advanced telecommunications and information services [from being] provided in all regions of the state."[7] Should the Commission modify the NEBP standards to account for these factors?

The Commission also specifically solicits comment on whether to include a financial aspect into its definition of "unserved" and "underserved" areas? If so, what should the revised definition look like? What factors should the Commission use to determine whether an area is unserved or underserved in terms of broadband adoption?

Should the Commission be concerned about low take rates in low-income areas or communities? If so, how should the Commission's policies and definitions be modified to tackle these concerns in relation to broadband adoption?

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[5] The proposed project cap would be a cap on the amount of support per project and would not include the provider match.

[6] In NUSF-91, the Commission is investigating the development of a low-income broadband program. That proceeding is focused on providing a direct broadband discount for low-income subscribers. In this proceeding, the Commission has focused its efforts on broadband infrastructure availability by making grant support available only for capital improvement projects.

[7] Neb. Rev. Stat. § 86-323(2)(2008).

The Commission solicits comment on whether it should designate $500,000 from the NEBP in 2015 to go towards broadband adoption projects. If so, what types of projects should be considered for funding and why? Should the Commission consider proposals aimed at making broadband available through provider/community-based partnerships? Should the Commission accept joint broadband grant applications from providers and community groups, libraries, schools or other non-profit organizations to increase broadband adoption? Why or why not? If provider/community-based broadband adoption projects are deemed eligible for support, how should they be structured? Should the Commission impose a cap on support received as a percentage of the proposed $500,000 available? Should the Commission cap broadband adoption support by project or by company? If the Commission does cap support, what would the appropriate percentage be? Should the Commission waive the standard match requirement for these types of projects?

Should the Commission also evaluate broadband adoption statistics in Tribal areas? Are there partnerships the Commission should leverage to increase broadband penetration in Tribal areas? Should the Commission give priority to applications which include Tribal land areas?

Comment and Hearing

The Commission declines to seek comment at this time on whether to shift its analysis away from providing broadband support to cover census blocks and moving to a population basis for determining where broadband projects should be approved. The Commission also declines to seek comment on whether to change the minimum application requirements by adding the requirement that applicants need to have the ability to provide access to Phase 2 E911 emergency services. However, interested parties are not limited to the issues specifically raised in this Order but are welcome to comment on other issues germane to this proceeding.

As noted in the Commission's prior Order in this docket, the Commission plans to open the NEBP application window beginning October 1, 2014. It is the Commission's intent to have these issues resolved before October 1, 2014. Accordingly, the Commission solicits public comment on or before **August 4, 2014**. The Commission requests that

interested parties provide specific comments for any definitional changes or modifications sought. Commenters should file one (1) paper copy and one (1) electronic copy of their Comments with the Commission. Electronic copies should be sent to Sue.Vanicek@nebraska.gov and Brandy.Zierott@nebraska.gov.

A hearing on these issues will be held on **August 19, 2014**, at 1:30 p.m. central time, in the Commission Hearing Room, 1200 N Street, Suite 300, Lincoln, Nebraska 68508. The hearing will be held in legislative format. If auxiliary aids or reasonable accommodations are needed for attendance at the meeting, please call the Commission at (402) 471-3101. For people with hearing/speech impairments, please call the Commission at (402) 471-0213 (TDD) or the Nebraska Relay System at (800) 833-7352(TDD) or (800) 833-0920 (Voice). Advance notice of at least seven (7) days is needed when requesting an interpreter.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that interested parties may file comments responsive to this Order on or before **August 4, 2014** in the manner prescribed herein.

IT IS FURTHER ORDERED that a public hearing will be held in legislative format on **August 19, 2014** at 1:30 p.m., central time, in the Commission Hearing Room, 1200 N Street, Suite 300, Lincoln, Nebraska 68508.

MADE AND ENTERED at Lincoln, Nebraska this 22nd day of July, 2014.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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MADE AND ENTERED at Lincoln, Nebraska this 22nd day of July, 2014.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

//s//Frank E. Landis

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public Service Commission, on its Own Motion, to Administer the Nebraska Universal Service Fund Broadband Program.	)	Application No. NUSF-92
	)	PROGRESSION ORDER NO. 2
	)	
	)	ORDER
	)	
	)	Entered: September 3, 2014

BY THE COMMISSION:

Background

On December 10, 2013 the Nebraska Public Service Commission (Commission) opened the above-captioned docket to administer the Nebraska Universal Service Fund Broadband Program (NEBP). On June 10, 2014, the Commission completed round three of NEBP grants, approving fifteen applications in whole or in part supporting 60 capital broadband improvement projects across the state.

On July 22, 2014 Commission issued Progression Order No. 1, to solicit comments on proposed modifications to the NEBP and to provide definitional clarity for applicants on the question of mobile versus fixed broadband service. The following entities filed comments in response to the Commission's Order: CenturyLink, the City of Lincoln, Cox Nebraska Telcom, LLC (Cox), N.E. Colorado Cellular, Inc. d/b/a Viaero Wireless (Viaero), Pinpoint Wireless d/b/a BLAZE Wireless (Pinpoint), the Rural Independent Companies (RIC), the Rural Telecommunications Coalition of Nebraska (RTCN), and Windstream Communications.

Mobile versus Fixed Broadband

In response to some concerns voiced in the last round of NEBP grants, the Commission solicited comments to develop a method to distinguish between "mobile broadband" and "fixed broadband" service. The Commission asked whether the definition should be based upon technical qualities of the service or consumer expectations.

For example, the Commission asked whether it should utilize the FCC's definition of "terrestrial fixed broadband service" [1] from the *Transformation Order* which was defined as a broadband service which,

> serves end users primarily at fixed endpoints using stationary equipment such as the modem that connects an end user's home router,

EXHIBIT SW-2

> computer or other Internet access device to the network.[1]

Likewise, the Commission asked whether it should consider the provider's obligation to comply with certain FCC rules. In addition to, or in the alternative, the Commission asked whether to base the standard on the consumer's primary use of the service.

CenturyLink stated the Commission should look at how service is used by the subscriber. In addition, CenturyLink stated mobile broadband service subscribers should be able to travel outside the limited range of the home service provider's tower(s).

Viaero stated the Commission should use the FCC's "terrestrial fixed broadband service" definition to define fixed wireless broadband in this program. Viaero further recommended carriers be classified by the Commission ahead of time.

Pinpoint also recommended using the FCC's definition. In response to the Commission's questions, Pinpoint recommended that applicants should state whether they wish to be categorized as a "fixed broadband" or "mobile broadband" provider. Pinpoint recommended against defining the service by the primary use of the technology.

RIC recommended using the FCC's "terrestrial fixed broadband service" definition along with federal regulations and eligibility for FCC's Mobility Fund support. In addition, RIC stated the Commission should consider consumer expectations.

RTCN and Windstream did not recommend a particular definition. Both commenters recommended the Commission should create a clear path forward. RTCN also recommended the definition be revisited frequently to keep pace with changes in technology.

Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order, 26 FCC Rcd at 17698-99, para. 98 (2011) ("Transformation Order")

Based upon the comments and testimony received, the Commission is of the opinion and finds it necessary to delineate between a "mobile broadband" and a "fixed broadband" service using a mixture of the aforementioned criteria. First, the Commission finds the FCC's definition from the *Transformation Order* is a relevant starting point. Fixed broadband service shall be one which serves end users primarily at fixed endpoints using stationary equipment such as the modem that connects an end user's home router, computer or other Internet access device to the network. Second, the Commission finds the definition should be based upon whether such service provider claims to comply with Phase 2 wireless E911 standards as defined in federal and state rules. Third, the Commission finds consumer expectations are probative to the determination of whether a broadband service is fixed or mobile in character. If the consumer expects to use the service beyond the limits of its home service provider through the use of a traditional "smartphone" handset, then the service should be considered a "mobile broadband" service.

Applying the foregoing criteria the Commission believes that N.E. Colorado Cellular, Inc. d/b/a Viaero Wireless, United States Cellular Corporation and Pinpoint Wireless d/b/a BLAZE Wireless serve as examples of mobile broadband providers offering a mobile broadband service. However, this list of providers should not to be considered as a closed class. The Commission believes any applicant meeting the above-listed criteria could ask to be classified as a mobile broadband provider offering a mobile broadband service. However, this classification must be made at the outset of the application process.

Multi-Year Projects

The Commission sought comment on whether to entertain applications to support multi-year broadband projects. The Commission asked whether it should provide funding for long-term projects with funding dedicated in each year spanning three funding years.

CenturyLink, Viaero, RIC, RTCN and Windstream all opposed multi-year projects as proposed by the Commission. Pinpoint was supportive of multi-year projects. CenturyLink stated that it did not believe multi-year projects were necessary as providers already have two years to deploy broadband to subscribers. RTCN

stated that multi-year projects would add an unnecessary layer of complexity to the program. Windstream stated the disadvantages of having multi-year projects outweigh the potential benefits.

Based upon the limited support for this proposal, and the administrative complexity associated with its adoption, the Commission declines to adopt this proposal at this time. The Commission may find it appropriate to revisit this issue again in a later funding round.

Project Caps

Additionally, the Commission sought to refresh the record on the idea of instituting a per project cap. Such a cap would not limit the total amount of NEBP support sought by each provider in any given year or limit the number of projects submitted, but would help the Commission prioritize projects in a way that potentially includes all areas of Nebraska and gives every provider the opportunity to compete for broadband support. The Commission noted, the FCC recently adopted a per project cap on universal service broadband grant support provided through its experimental broadband expansion proceeding stating that capping broadband grants per project will "ensure diverse experiments."[2] The Commission solicited comments on whether a $450,000[3] per project cap would be reasonable.

RIC supported a per project cap and believed the suggested $450,000 per project cap was reasonable. RIC stated a per project cap would encourage a larger number of individual project applications for diverse areas of Nebraska. Pinpoint and Windstream also supported a per project cap. Windstream suggested that a $500,000 per project cap would be reasonable. RTCN stated it did not oppose the $450,000 per project cap.

CenturyLink and Viaero on the other hand, did not support a per project cap. CenturyLink stated it would exclude larger

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[2] *See* Public Notice, *Connect America Fund et al.*, WC Docket Nos. 10-90 *et al.* (July 11, 2014).

[3] The proposed project cap would be a cap on the amount of support per project and would not include the provider match.

projects. Viaero preferred a change in the methodology used last round and suggested specific changes for the Commission's consideration in this next round. In the event that Viaero's suggested changes were not adopted, Viaero stated, the Commission should adopt a per project cap.

After consideration of the comments and testimony provided at the hearing, we find the per project cap proposal should be adopted. A per project cap would encourage a larger number of discrete and targeted broadband projects throughout the state. The per project cap will be set at $450,000 (excluding the 25 percent recipient match) for the 2015 NEBP capital improvement project applications. The Commission declines to make other adjustments to the methodology at this time as suggested by Viaero. However, the Commission may revisit the need for a cap, the amount of the cap, or consider any other desirable modifications in a later funding round.

Broadband Adoption

Finally, the Commission solicited comment on whether to entertain proposals to increase broadband adoption through explicit NEBP grant support.[4] The Commission stated its preliminary belief that broadband availability may not be relevant in many cases if there are other barriers preventing its adoption. The Commission sought comment on what factors other than infrastructure availability prevent "access to advanced telecommunications and information services [from being] provided in all regions of the state."[5] Further, the Commission asked whether it should be concerned about take rates in low-income areas or certain communities with lower broadband adoption.

A number of commenters supported a broadband adoption program. CenturyLink was supportive of the concept but recommended the Commission consider a smaller amount for the

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[4] In NUSF-91, the Commission is investigating the development of a low-income broadband program. That proceeding is focused on providing a direct broadband discount for low-income subscribers. In this proceeding, the Commission has focused its efforts on broadband infrastructure availability by making grant support available only for capital improvement projects.

[5] Neb. Rev. Stat. § 86-323(2)(2008).

first year. Cox was very supportive of a broadband adoption program. Cox believed it reasonable to cap support at a certain level to allow numerous carriers to receive funding. Cox also supported a ten percent match. The City of Lincoln also strongly supported broadband adoption program. However the City of Lincoln commented the Commission should not limit eligibility of applicants. Windstream supported a modest set-aside for broadband adoption. Windstream believed a $500,000 allocation for this purpose was reasonable. Windstream suggested that support be distributed on an ad hoc basis and recommended the Commission look at factors such as discount amount, duration of discount, speeds, usage limits, digital training and equipment.

Viaero stated it did not believe this docket was the appropriate vehicle for broadband adoption projects. Viaero suggested a broadband adoption program may be a useful program but recommended the creation of a separately defined program using an alternative funding mechanism.

RTCN did not oppose a broadband adoption program but recommended the Commission wait on the State Broadband Initiative (SBI) planning team's assessment of broadband adoption. RTCN suggested the Commission should hold off until 2015 when the FCC's Low Income Pilot Program results are available.

RIC stated it did not believe the Commission had authority in the NUSF Act to fund broadband adoption projects. In addition, RIC referenced the broadband planning team's study which found there were factors other than the cost of the broadband service which prevented broadband adoption. However, RIC stated, in the event the Commission does start a broadband adoption program, it should limit support to the $500,000 and that it be a one-time pilot project.

After consideration of all comments and testimony submitted in this proceeding, the Commission finds it appropriate to designate $500,000 from the NEBP in 2015 to initiate a pilot broadband adoption program. This program will be limited initially to projects submitted in the 2015 application window and will sunset after a twelve (12) month implementation period absent affirmative action by the Commission to extend the program.

We acknowledge, as discussed by RIC in its comments, the Commission staff previously concluded the Commission did not have the statutory authority to implement a broadband adoption program. Upon further review, we believe the Commission does possess the requisite statutory authority to provide targeted support to make advanced services more affordable to consumers. We believe utilizing support to advance the affordability of information service is consistent with the goals of the NUSF Act. We further find this docket is the appropriate vehicle to determine whether a broadband adoption program is an effective way to promote access to advanced telecommunications and information services to low-income consumers.

The Commission will consider broadband adoption proposals aimed at making broadband available through provider/community-based partnerships. Consistent with the NUSF Act's requirement to provide support to eligible carriers, applicants must partner with a broadband provider in order to be eligible for support in this program. Procedurally, the applications will be processed in the same manner as other applications filed with the Commission and in conformance with the Commission's Rules of Procedure.

The Commission will not utilize the same methodology used to distribute support for the capital improvement projects. The Commission agrees with Windstream that certain factors such as the discount offered, duration of the discount, broadband speeds, usage limits, and digital training are all relevant factors to be considered. The Commission will consider the filed projects on an ad hoc basis taking into account the specific attributes of each project including, but not limited to, the recommendations made by Windstream.

To encourage participation in the adoption program, the Commission declines to incorporate a matching requirement at this time. In addition, the Commission does not believe that a set project cap is necessary; however, it may limit the funding made available for each particular project at its discretion.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the findings and conclusions set forth herein shall be and they are hereby adopted.

MADE AND ENTERED at Lincoln, Nebraska this 3rd day of September, 2014.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

MADE AND ENTERED at Lincoln, Nebraska this 3rd day of September, 2014.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

//s//Frank E. Landis

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WIRELINE COMPETITION BUREAU ANNOUNCES APPLICATION PROCEDURES AND DEADLINE FOR APPLICATIONS TO PARTICIPATE IN THE BROADBAND ADOPTION LIFELINE PILOT PROGRAM

WC Docket No. 11-42

RELEASE-NUMBER: DA 12-683

FEDERAL COMMUNICATIONS COMMISSION

27 FCC Rcd 4840; 2012 FCC LEXIS 1829

April 30, 2012, Released

July 2, 2012, Pilot Applications Due

ACTION:
[**1] PUBLIC NOTICE

OPINION:

[*4840] In this Public Notice, the Wireline Competition Bureau (Bureau) announces the application criteria for eligible telecommunications carriers (ETCs) and their partners interested in competing for a portion of the $ 25 million the Commission has budgeted for a broadband adoption pilot program for low-income consumers (Pilot Program). At the conclusion of the Pilot Program, "the Commission will publicly recognize the ETCs and their partners that best succeed [] in meeting the Pilot Program goals." n1

n1 *Lifeline and Link Up Reform and Modernization; Lifeline and Link Up; Federal-State Joint Board on Universal Service; Advancing Broadband Availability Through Digital Literacy Training*, WC Dkt. Nos. 11-42, 03-109, CC Dkt. No. 96-45, WC Dkt. No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 at para. 326 (rel. Feb. 6, 2012) (*Lifeline Reform Order and FNPRM*).

In the *Lifeline Reform Order and FNPRM*, the Commission created the Pilot Program to gather data [**2] to test how the Lifeline program could be structured to promote the adoption and retention of broadband services by low-income households. n2 The Commission directed the Bureau "to solicit applications from ETCs to participate in the Pilot Program and to select a relatively small number of projects to test the impact on broadband adoption with variations in the monthly discount (phased down over time or constant) over a 12-month period" that will provide data that will enable the Commission to evaluate how best to structure the program in the future. n3 The Commission authorized up to $ 25 million for funding of the Pilot Program to be disbursed directly to ETCs for up to 12 months of subsidized [*4841] broadband service either through bundles of voice and broadband services or as standalone broadband service. n4 As described in greater detail below, ETCs seeking to participate in the Pilot Program should submit an application describing each of their proposed projects.

n2 *See id.* at para. 323.
n3 *See id.* at paras. 325. Prior to filing an application, any carrier that wishes to participate in the Pilot Program must be designated as an ETC to provide voice service in any geographic area for which it seeks to participate in

EXHIBIT SW-3

the Pilot Program, with a limited exception for Tribal entities. *See id.* at para. 335 (permitting Tribally-owned or controlled entities to submit a proposal even though they have ETC applications pending at the time they submit an application to participate in the Pilot Program; Tribal entities must obtain ETC designation prior to receiving support under the Pilot Program); *see also* 47 C.F.R. § 54.101 (establishing voice telephony service as the supported service and requiring that an ETC must offer such service in order to receive universal service support).

[**3]

n4 *See Lifeline Reform Order and FNPRM*, FCC 12-11 at para. 324-325

The Commission required ETCs submitting pilot projects to commit to robust data gathering and sharing of subscribers' anonymized data. n5 The Bureau has structured the Pilot Program to minimize administrative costs that participants must bear and encourages ETCs to identify ways to share such costs with other participants where possible. Universal Service Administrative Company (USAC) will be tasked with collecting data from ETCs regarding subscriber demographics and broadband usage pursuant to a uniform set of questions set forth in the Low Income Broadband Pilot Program Reporting Form, attached as Appendix, which should be completed by subscribers participating in the Pilot Program. n6 ETCs may collect the data themselves and submit to USAC, or may request that USAC collect the subscriber data referenced in Appendix directly from ETCs' subscribers through an electronic, online survey; ETCs should specify their preference regarding data collection in their project applications.

n5 *See id.* at para. 336.

[**4]

n6 As detailed in the Low Income Broadband Pilot Program Reporting Form, participating ETCs or USAC, at the request of the ETC, are expected to obtain information from subscribers at least twice during the course of the individual pilot project(s): when the subscriber first initiates service and towards the conclusion of the project. *See* Appendix (providing the standardized questions that ETCs or USAC would ask to participating subscribers regarding demographics and service usage). The Bureau reserves the right to modify the standardized questions included within Appendix prior to selection of projects for the Pilot Program.

Pilot projects as field experiments:

The primary goal of the Pilot Program is to gather high-quality data that will help identify effective approaches to increasing broadband adoption and retention by low-income consumers. n7 The Commission encouraged "ETCs to utilize control groups in order to better assess the impact on adoption of the project." n8 To achieve this goal in the selection process, the Bureau will strongly favor pilot projects designed as field [**5] experiments that implement standard best practices common among field experiments. n9 In their applications, ETCs should submit a detailed description of the experimental design and other experimental protocols used suitable for a replication study, what variations on broadband service offerings will be tested (*e.g.*, discount amount, duration of discount, speeds, usage limits, digital literacy training or any other factors impacting broadband adoption) and how the project(s) will randomize variations on broadband service offerings (*e.g.*, geographic randomization). n10 Individual applicants, however, are not required to incorporate an extensive number of potential variations of broadband service in their projects; rather, the Bureau expects to test a range of variations by selecting multiple projects.

n7 *See Lifeline Reform Order and FNPRM*, FCC 12-11 at para. 323.
n8 *Id.* at para. 326.
n9 *See* John A. List, *Why Economists Should Conduct Field Experiments and 14 Tips for Pulling One Off*, Journal of Economic Perspectives, Volume 25, No. 3, Summer 2011, at 10-14 (explains value of field experiments and offers a quick "best practices" summary via 14 tips); Steven D. Levitt and John A. List, *Field Experiments in Economics: the Past, the Present and the Future,* European Economic Review (2009).

[**6]

n10 *See infra* section I.E. 1 (explaining the details of what should be included in an ETC's field experiment).

[*4842] The Bureau encourages ETCs to partner with experts in the design of field experiments as well as third-party organizations working to increase broadband adoption. Such partners may include academic researchers, social research organizations, contract-research firms, or non-profit organizations. To facilitate such partnerships, the Bureau expects to hold a webinar on May 14, 2012 with such third party experts to discuss options of how to design projects within this Pilot Program and to answer questions regarding the application procedures. n11 ETCs and experts in the design of field experiments, as well as those that have existing broadband adoption programs in place, are encouraged to independently contact each other to form partnerships. n12

n11 The Bureau has tentatively scheduled the May 14, 2012 webinar from 2:00 p.m. to 4:00 p.m. Eastern Daylight Time.

n12 In order to reduce design costs, applicants may consider collaborating with each other on project designs and partnerships.

[**7]

Factors the Bureau will consider in choosing pilot projects:

The Commission directed the Bureau to select a diverse array of projects testing broadband adoption in different geographic areas (*e.g.,* rural, urban, Tribal lands), using different technologies (*e.g.* fixed, mobile) and testing different variations of broadband service and discount plans. The Commission has a particular interest in learning which discount plans are most effective in promoting broadband adoption and retention. Discount plans tested in the pilot projects may include variations in the amount of the discount, the length of time the discount is applied, and whether the discount amount is applied to recurring or non-recurring charges. Pilot projects may also vary in other dimensions of the broadband service, including speed and usage limits. Additionally, a pilot project may test, in conjunction with or separately from discount plans, the effectiveness of customer outreach methods aimed at overcoming adoption hurdles. We emphasize, however, that individual pilot projects are not required to incorporate numerous potential variations of broadband service. n13

n13 *See Lifeline Reform Order and FNPRM,* FCC 12-11 at paras. 326, 341.

[**8]

The Commission has directed the Bureau to consider certain other factors when choosing which projects to fund. For example, the Commission recognized the importance of digital literacy in encouraging broadband adoption and in providing the tools consumers need to exploit the benefits of broadband, and therefore the Bureau will give preference to projects that include partnerships with non-ETCs that already have existing adoption programs in place to provide digital literacy. n14 Such projects may also include a control group that does not receive digital literacy training. The Commission also recognized that lack of access to affordable equipment is a significant barrier to broadband adoption and directed the Bureau to consider when making selections the extent to which pilot projects test with appropriate control groups whether access to equipment can influence adoption. n15 Applicants should indicate whether their proposed projects promote entrepreneurship and small business, including those businesses that may be socially and economically disadvantaged. n16 Furthermore, the selection process will evaluate an applicant's ability to execute the proposal (in terms of funding and expert [**9] and third-party [*4843] qualifications), and the value of the data to be collected in credibly addressing questions of interest. The Bureau will also consider the aggregate funding amounts requested for each pilot project when choosing a portfolio of projects to fund. In addition, in light of the very low broadband penetration rate on Tribal lands, the Commission directed the Bureau, in coordination with the Office of Native Affairs and Policy, to select at least one pilot project directed at providing support on Tribal lands. n17

n14 *See id.* at para. 352.
n15 *See id.* at para. 348-349.
n16 *Id.* at para. 326 ("The Bureau will consider whether the projects proposed will promote entrepreneurs and other small businesses in the provision and ownership of telecommunications services and information services, consistent with section 257 of the Communications Act, including those that may be socially and economically disadvantaged businesses.")
n17 *See id.* at para. 350.

ETCs selected to [**10] participate in the Pilot Program must use the funds they receive from USAC to subsidize the services they provide to low-income consumers in the Pilot Program. n18 ETCs are encouraged to identify ways to share any administrative costs with other participants where possible. In order to minimize the burden of information collection on participating ETCs, ETCs have the option of requesting that USAC collect, in anonymized form through an electronic, online survey, standardized data elements from subscribers such as income, age, ethnicity, family size and details regarding subscriber usage. ETCs also have the option of collecting such information and submitting it directly to USAC twice during their project. In either case, in order to participate in the Pilot Program, ETCs must obtain consent from their subscribers to provide this information before enrolling them in the program. At the end of the program, participating ETCs are strongly encouraged to submit a final report sharing additional information with the Commission about lessons learned from the project, including the cost on a per-subscriber basis of converting non-broadband adopters to broadband adopters, and any other information [**11] relevant to broadband adoption by low-income consumers including any analysis the ETC has performed on its own data. If the Commission deems it useful, a representative of each project may also be asked to present such information at a Commission event.

n18 *See id.* at para. 346.

Data collected during each project must be submitted to USAC, must be anonymized and must be made publicly available in its anonymized form. ETCs and their partners will be allowed to publish research based on data collected during the Pilot Program.

Trial Period:

The Commission envisioned the Pilot Program would occur over an 18-month period, with three months for ETCs to implement necessary back office functions, up to 12 months of subsidized service, and three months for finalization of data collection or analysis. n19 The Bureau anticipates that pilot projects will be selected during the third quarter of 2012. The Bureau will announce the beginning of the trial period when it announces the projects selected for the [**12] Pilot Program. The first three months of the trial period is available for ETCs to implement back-office functions, but ETCs have the option to begin offering the subsidized broadband service at any time during the initial three months of the trial period. In order to ensure that the Pilot Program produces high-quality data in a timely fashion that can be analyzed across all projects to better understand how to structure the Lifeline program in the future, we expect all subscribers to be enrolled within nine months of the commencement of the trial period. n20 However, we will entertain applications that specifically propose to enroll subscribers beyond the first nine months of the trial period, if the applicants offer a valid rationale for extending the enrollment [*4844] period. To the extent any applicant anticipates it would need more than three months to implement any back office functions and begin signing up customers, it should so specify in its pilot applications. n21

n19 *See Lifeline Reform Order and FNPRM*, FCC 12-11 at para. 325.
n20 *See id.* at para. 337 (authorizing the Bureau to grant up to six additional months for pilot projects to start up or wind down, provided no project offers more than 12 months of reduced-price service).
[**13]

n21 In the event that ETCs need more than three months to implement back-office functions before offering discounted broadband services, ETCs must still enroll new subscribers for the discounted broadband service within nine months from the beginning of the trial period.

Pilot Project Application:

Pilot project applications must address the application requirements listed below. ETCs must submit their applications to the Commission **on or before July 2, 2012.** All applications must be complete by the filing deadline. ETCs, however, can provide supplemental information regarding their project after the deadline upon request of Commission staff.

Applicants are not required to submit a separate application for each proposed broadband service offering the applicant intends to include within its project. However, in the event an ETC includes in its project variations on discount amount, duration of discount, speeds, usage limits or any other factors impacting broadband adoption for different geographic areas, the application must include the relevant information with respect to its [**14] various proposed broadband service offerings. n22 Each variation of a proposed broadband service offering will be assigned a separate project code identifier by USAC (project code identifier). n23

n22 As part of a project, if an ETC chooses to include a strategy of providing discounted broadband services for a period of less than 12 months, the ETC is still required to track and report data on adoption and retention for a minimum of 12 months so the Commission can evaluate whether consumers drop service when the discount is eliminated or reduced. *See id.* at para. 338.

n23 Control groups used within each study will be assigned a separate project code identifier from the group of consumers offered a variation on the broadband service offering (i.e., treatment groups).

I. All applications must include the following information:

(A) Names and identifiers used by the ETC applying for Pilot Program funding, including its holding company, operating company and all affiliates; its FCC Registration [**15] Number (FRN), study area codes (SACs), a list of states where the ETC is currently designated to provide Lifeline service; detailed information, including geographic locations, of the ETC's current service offerings in the market; and if a Tribal entity has an ETC designation pending, provide detailed information regarding the ETC application, including the proposed geographic locations; n24

(B) A full description of the proposed pilot project(s), including but not limited to:

1. The geographic area(s) in which the ETC will offer the broadband plan(s) for their project(s), census data on the income levels of the residents of the specified geographic area(s) (census tracts, blocks or zip codes), and whether the geographic area(s) will cover Tribal lands; n25

2. A description of the technology or technologies that will be used for the [*4845] broadband service;

3. The broadband speeds for the service offering(s) based on what is advertised by the ETC and if the offered speed is less than the benchmarks identified by the Commission, an explanation of why the speed is less than the benchmarks, and how the speed offered will provide consumers access to key applications involving education [**16] (*e.g.*, distance/online learning), healthcare (*e.g.*, remote health monitoring), and person-to-person communications (*e.g.*, online video chat); n26

4. The amount of the monthly discount, if any, the ETC is seeking for each broadband plan included within the proposed project and the resulting cost to subscribers for the broadband service, the duration of the monthly subsidies the ETC is seeking, and all other terms and conditions of service (the ETC must provide specific details of all of the subsidized broadband offerings it intends to offer subscribers in the pilot project, including the different options of bundled services and/or standalone broadband and offerings with different usage limits or speed); n27

5. The amount, if any, of a subsidy the ETC is seeking to reduce or eliminate any non-recurring fees, an explanation of the costs the non-recurring fees are used to cover and the resulting cost to subscribers of any non-recurring fees;

6. A detailed explanation of how the proposed pilot project will focus on those low-income consumers who do not currently subscribe to broadband; n28

7. The project's proposed overall funding amount with details on the number of customers [**17] it is estimated to serve, with underlying assumptions;

8. A description of how the ETC will market the broadband service offering(s) to low-income consumers (*e.g.,* outreach to existing Lifeline voice subscribers, advertising in newspapers/radio, outreach through community-based organizations), the language(s) in which the ETC will market the service and copies of sample marketing materials if available; and

[*4846] 9. A description of what customer service support will be available to subscribers participating in the pilot project;

(C) A detailed explanation of how the ETC's project will address barriers to broadband adoption other than cost, including but not limited to:

1. Whether the ETC's project will provide digital literacy training and what form that will take;

2. Whether the project will provide free or discounted hardware, including aircards, modems, laptops (notebooks), tablets, desktops, or other mobile devices, to the subscribers; who will supply and pay for the free or discounted hardware; whether the subscribers will bear any of the cost of the discounted hardware; and the cost the ETC will require the subscriber to pay; and

(D) The name and a description [**18] of the qualifications of any individuals or entities the ETC proposes to partner with in designing or implementing the proposed pilot project, and a detailed explanation of the role of the partner(s), if any, including whether they have existing or planned adoption efforts that provide for a more holistic approach to overcoming broadband adoption barriers, including digital literacy, equipment costs, and relevance; n29

(E) A detailed explanation of the design, data gathering and evaluation component of the project, including:

1. All details regarding the design of the project(s), which includes: (a) the planning, execution and analysis of the field experiment with control groups, if applicable; n30 (b) explanation of how the proposed project(s) will inform the Commission concerning the causal impact of the variations on broadband service; (c) if applicable, how the project(s) will apply randomization, i.e. the process of randomly determining how consumers are assigned into control groups; n31 (d) how the project(s) will mitigate any sources of statistical bias, if designed as a field experiment; n32 and (e) how it will obtain sufficient sample size; and

2. Details of how the [**19] ETC plans to collect the standardized data that must be submitted to USAC, as described in Appendix, including whether the ETC will seek to have [*4847] USAC collect that data;

3. If the ETC plans to collect data from its subscribers in addition to the standardized data that must be collected, as described in Appendix, details of the types of data the ETC plans to collect from its subscribers relating to broadband adoption and how it intends to collect that data; n33

(F) A detailed explanation of how the ETC will comply with the Commission's new rules relating to determinations of subscriber eligibility for Lifeline-supported services by applying all of the consumer eli-

gibility and enrollment procedures as detailed in section VI and Appendix C of the *Lifeline Reform Order and FNPRM*, and a copy of the ETC's certification form for enrollment that will be used during the Pilot Program; n34

(G) A description of how the ETC will transition its broadband subscribers at the conclusion of the ETC's project once the discount has ended and any copies of any notices that the ETC would send to its subscribers explaining this transition;

(H) If the ETC and its partners intend to submit [**20] a final report to supplement the information collected on the Low-Income Broadband Pilot Program Reporting Form, a general description of the types of analysis that will be included in the final report submitted to the Commission at the end of the program. The description should include hypotheses tested and how the analysis addresses the goal of identifying effective approaches to increasing low-income broadband adoption and retention. The description may also explain how, once the study is complete, the costs of converting a non-adopter to adopter will be calculated and presented in the report; and

(I) Any other information necessary to fully describe the project.

n24 ETCs are required to submit the information contained in section I.A only once in the application even if they plan to test multiple variations within their proposed project(s).
n25 *See Lifeline Reform Order and FNPRM*, FCC 12-11 at para. 350 (directing the Bureau, in coordination with Office of Native Affairs and Policy, to select at least one pilot project directed at providing support on Tribal lands).
n26 *See id.* at para. 341. As explained in the *Lifeline Reform Order and FNPRM*, the Bureau will give preference to ETCs that offer speeds at 4 Mbps for downloads and 1 Mbps for uploads. *See id.* at para. 326. For fixed broadband applications, the Commission specified a broadband speed benchmark of 4 Mbps for downloads and 1 Mbps for uploads. For mobile broadband applications, the Commission expected that Pilot Program participants would meet the benchmark speeds adopted for Mobility Fund Phase I support. For mobile broadband service, the ETC must specify whether the network delivering the service is characterized as third generation (3G) or fourth generation (4G) and the advertised speeds. *See id.* at para. 341 (providing a detailed discussion of speed benchmarks for purposes of the Pilot Program for mobile service). If the ETC is unable to meet the speed benchmarks set forth in the *Lifeline Reform Order and FNPRM*, it should provide a detailed explanation of the justification for providing lower speeds and how the ETC's project would continue to be useful for consumers. *See id.*
[**21]

n27 If an ETC chooses to impose usage limits for broadband offerings in the Pilot Program, it must include details on how a subscriber's service will be affected once the subscriber reaches the usage limit (*e.g.*, will the ETC impose overage charges or disconnect broadband service for the month or reduce broadband speeds).
n28 *See Lifeline Reform Order and FNPRM*, FCC 12-11 at para. 344 (explaining how one of the main goals of the Pilot Program will be to focus on the goal of increasing broadband adoption by low-income consumers who do not currently subscribe to broadband service).
n29 *See id.* at para. 352 (explaining importance of partnerships with entities that have existing adoption programs).
n30 *See id.* at para. 326 (encouraging ETCs to utilize control groups when developing proposals in order to better assess the impact on adoption of the project).
n31 For example, ETCs have the option of applying geographic randomization (*e.g.*, cluster sampling design) in their studies based on census tracts, census blocks or zip code such that one variation of a broadband offering (*e.g.*, $ 10 discount amount) is offered in one zip code and a different variation (*e.g.*, $ 20 discount amount) is offered in an adjacent zip code to determine which variation is more effective in increasing broadband adoption.
[**22]

n32 Examples of statistical bias include randomization bias, attrition bias and substation bias. *See* Steven D. Levitt and John A. List, *Field Experiments in Economics: the Past, the Present and the Future,* European Economic Review, at 6-7 (2009) (discussing the types of bias that could occur when conducting field experiments); *see also* John A. List, Sally Sadoff and Mathis Wagner, *So You Want to Run an Experiment? Some Simple Rules of Thumb for Optimal Experiment Design,* Carlo Alberto Notebooks, No. 125 (Dec. 2009).
n33 *See Lifeline Reform Order and FNPRM,* FCC 12-11 at para. 336 (detailing the data gathering and sharing component of the Pilot Project). In the event the ETC modifies the survey questions listed on Appendix or asks additional questions, it must include formatted datasets with the raw subscriber-level data used in the final analysis, and a data dictionary accompanying the datasets, with the exact wording used in any surveys the ETC conducts during its project.
n34 *See id.* at section VI, Appendix C, para. 343.

II. All applications must include [**23] the following certifications, executed by an officer of the ETC under penalty of perjury:

(A) That the ETC intends to offer broadband service pursuant to the Commission's rules and regulations for the Lifeline program;

(B) That the ETC will implement all necessary procedures and efforts to prevent waste, fraud and abuse in connection with its participation in the Pilot Program, including but not limited to procedures that the ETC will have in place to prevent duplicate broadband subsidies within its subscriber base, and procedures the carrier undertakes to de-enroll subscribers receiving more than one broadband discount per household;

(C) That the ETC's broadband service offering(s) will provide sufficiently low latency to enable use of real-time applications such as Voice over Internet Protocol (VoIP) and if there are usage [*4848] limits for each plan, that they are reasonably comparable to usage limits for comparable broadband offerings in urban areas; n35 and

(D) That the ETC will participate in the collection and sharing of anonymized qualitative and quantitative data with standardized data elements, formatting, and submission requirements, and that the ETC will participate [**24] in workshops to discuss interim and final results of the project, and how best to use limited universal service funds to increase low-income consumers' adoption of broadband services. n36

n35 *See id.* at para. 342.
n36 *See id.* at para. 354 (discussing ETC's required commitment to participate in workshops).

The Bureau will notify applicants and USAC when it has selected applicants to participate in the Pilot Program. In order to receive reimbursement for approved subsidies, applicants selected to participate in the Pilot Program will have to complete the Low Income Broadband Reimbursement Form on a monthly basis and submit it to USAC, similar to how Lifeline reimbursement is submitted, for (i) any monthly discount of broadband service, (ii) applicable discount amount for voice telephony service if the broadband subscriber is also subscribing to voice telephony service under the Lifeline program, and (iii) any non-recurring fees for broadband provided to subscribers participating in the Pilot [**25] Program and approved as part of a pilot project. n37 As described above, selected applicants will also be expected to complete the Low Income Broadband Pilot Program Reporting Form, attached as Appendix, and submit it to USAC during the 12-month period in which the ETC offers subsidized broadband service, or authorize USAC to collect the requisite information. n38 Within three months after the conclusion of the 12-month period of offering subsidized broadband service, each ETC is strongly encouraged to submit a report to the Bureau describing in detail any data collected in addition to the data specified in Appendix and a narrative describing the lessons learned from the Pilot Pro-

gram, which may assist the Commission in modernizing the Lifeline program to promote the adoption and retention of broadband services by low-income households. n39

n37 If an ETC participating in the Pilot Program offers voice and broadband bundled service, it should claim the Lifeline reimbursement for voice telephony service on the Low Income Broadband Reimbursement Form, rather than the FCC Form 497. ETCs, however, will continue to receive reimbursement for voice telephony service using the FCC Form 497 for subscribers that subscribe only to voice telephony service.

[**26]

n38 In order to complete the Low Income Broadband Pilot Program Reporting Form, ETCs are expected to collect such information directly from their subscribers and to summarize the data in the format designated on the Low Income Broadband Pilot Program Reporting Form and submit it to USAC.

n39 *Lifeline Reform Order and FNPRM*, FCC 12-11 at para. 325 (explaining how the last three months of the ETC's project should focus on finalizing data collection and analysis).

Application Filing Procedures:

ETCs must file their applications in **WC Docket No. 11-42**. Applications may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. n40

[*4849] . Electronic Filers: Applications may be filed electronically using the Internet by accessing the ECFS: http://apps.fcc.gov/ecfs.

. Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking [**27] number.

n40 *See Electronic Filing of Documents in Rulemaking Proceedings*, GC Dkt. No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, D.C. 20554. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. The filing hours are 8:00 a.m. to 7:00 p.m.

Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

U.S. Postal Service first-class, Express, and Priority mail must be addressed [**28] to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

In addition, one copy of each application must be sent to each of the following:

(1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;

(2) Kimberly Scardino, Telecommunications Access Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-B442, Washington, D.C. 20554; e-mail: kimberly.scardino@fcc.gov;

(3) Garnet Hanly, Telecommunications Access Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-B442, Washington, D.C. 20554; e-mail: garnet.hanly@fcc.gov; and

(4) Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-A452, Washington, D.C. 20554; e-mail: charles.tyler@fcc.gov [**29] .

Filings are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

This matter shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. n41 Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all [*4850] data presented and arguments made during the presentation. If the presentation consisted in whole [**30] or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.*, .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

n41 47 C.F.R. §§ 1.1200 *et seq.*

[**31]

For further information, please contact Kimberly Scardino or Garnet Hanly, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400 or TTY (202) 418-0484.

APPENDIX:

[*4851] **APPENDIX**

Low Income Broadband Pilot Program Reporting Form

COMPANY INFORMATION PROVIDED BY ETC WITH EACH SUBMISSION TO USAC
BLOCK A

Each ETC is required to submit the company specific information contained in block "Identifying Information - Block A" for each submission to USAC. All raw data that the ETC submits may be submitted as an Excel or CSV file.

Block A	Question	Response	Notes
Identifying Information	Service Provider Identification Number (SPIN)		

Block A	Question	Response	Notes
	Study Area Code(s) (SAC)		
	FCC Registration Number (FRN)		
	Legal Company Name and d/b/a		
	Company Mailing Address		
	Company Telephone Number		
	Company Fax number		
	Company Contact Email Address		
	Reporting Date		
	Company Contact Name		
	List of Project Code Identifiers in Pilot Project		Each variation of a proposed broadband service offering that an ETC offers in its project will be assigned a separate project code identifier by USAC (Project Code Identifier).

[**32]

[*4852] **PROJECT-LEVEL INFORMATION PROVIDED BY ETC BLOCK B**

Each ETC is required to submit information contained in block "Broadband Service Offering Information - Block B" to USAC once, at the beginning of the ETC's project for each Project Code Identifier.

Block B	Question	Response	Notes
Broadband Service Offering Information	Project Code Identifier		Identifies the study group in terms of discount plans
	List of geographic areas (e.g., census tract, wire center, study area) receiving this variation of the broadband service offering		Identifies relevant geographies being treated in study
	Zip Codes receiving this variation of broadband service offering		List all zip codes fully or partially in this variation of broadband offering

[*4853] **PROJECT-LEVEL INFORMATION PROVIDED BY ETC BLOCK C**

Each ETC is required to submit information contained in block "Project Information - Block C," to USAC once, at the beginning of the ETC's project for each Project Code Identifier.

Block C	Question	Response	Notes
Project Information	Maximum number of months discount is available	0 - 12	Number of months discount is offered in study
	Type of service offering	Bundled Voice & BB; Standalone BB	
	Technology used	Mobile, Fixed-wireless, Wireline (Telco or Cable), Other	

Block C	Question	Response	Notes
	Broadband speed provided	(indicate) specify upload and download speed	Provide advertised speeds.
	Monthly usage limit, if any	GB/month	If usage limits do not apply, respond with N/A.
	If monthly usage limit applies, whether overage charges apply and if so, specify rate amount	$	If usage limits do not apply, respond with N/A. If overage charges do not apply, respond with N/A
	If monthly usage limit applies with no overage charges, specify whether service is discontinued or broadband speed is reduced	Discontinued service, broadband speed is reduced, none of the above (specify)	If usage limits do not apply, respond with N/A. If overage charges apply for exceeding usage limits, respond with N/A.
	Monthly broadband discount amount	$	
	Monthly cost to subscriber for broadband service after discount	$	
	Amount of discount provided to reduce or eliminate non-recurring fee(s), if any	$	
	Amount of non-recurring fees, if any, charged to subscriber after discount	$	
	Amount of discount for equipment provided to subscriber by ETC, if any	$	If subscriber receives equipment at no cost, please include value of equipment given to subscriber
	Cost to subscriber of equipment provided by ETC that is used for broadband after discount	$	
	Digital literacy training offered as part of broadband service offering	Yes/No	

[**33]

[*4854] **PROJECT-LEVEL INFORMATION PROVIDED BY ETC**
BLOCK D

Each ETC is required to submit information contained in block "Aggregate Population Information for Variations of Broadband Service Offering - Block D" to USAC on a quarterly basis for each Project Code Identifier. If necessary provide a best estimate.

Block D	Question	Response	Notes
Aggregate Population Information for Variation of Broadband Service Offering	Project Code Identifier		Identifies the study group in terms of discount plans
	Total number of Lifeline eligible subscribers in study population		Estimate if necessary, explaining your assumptions
	Total number of eligible subscribers offered this variation of broadband service during the pilot		Estimate if necessary, explaining your assumptions
	Total number of subscribers enrolled in the offered discount during the first month of the quarter		
	Total number of subscribers enrolled in the discount during the second month of the quarter		
	Total number of subscribers enrolled in the offered discount during the third month of the quarter		
	Total number of subscribers that have de-enrolled in the offered discount during the first month of the quarter		
	Total number of subscribers that have de-enrolled in the offered discount during the second month of the quarter		
	Total number of subscribers that have de-enrolled in the offered discount during third month of the quarter		

[**34]

[*4855] **SUBSCRIBER-LEVEL INFORMATION PROVIDED BY ETC**

BLOCK E

Each ETC is required to submit the information contained in block "Enrollment Information - Block E" to USAC when all subscribers have enrolled in the ETC's project. Each subscriber must have a unique identifier, which will be used throughout the study, assigned by the ETC (Unique Subscriber Identifier).

Block E	Question	Response	Notes
Enrollment Information	Unique Subscriber Identifier		Unique, anonymized identifier assigned by ETC
	Project Code Identifier		Identifies the subscriber's study group in terms of discount plan
	Geographic Area Zip code(s)		
	Date Subscribed	MM/DD/YY	
	Digital Literacy Program Offered?	Yes/No	
	Digital Literacy Offer Accepted at Enrollment?	Yes/No	Only enter if literacy program is offered to subscriber

[*4856] **SUBSCRIBER-LEVEL INFORMATION PROVIDED BY ETC**
BLOCK F

Each ETC is required to submit the information contained in block "Follow-Up and Retention Information -- Block F" based on subscriber records within three months after the subscriber received the last discount in the pilot. Each subscriber must [**35] have a unique identifier, which will be used throughout the study, assigned by the ETC (Unique Subscriber Identifier).

Block F	Question	Response	Notes
Follow-Up and Retention Information	Unique Subscriber Identifier		Unique, anonymized identifier assigned by the ETC
	Project Code Identifier		Identifies the subscriber's study group in terms of discount plan
	Did the subscriber participate in the study for the full duration of the program?	Yes/No	
	Number of months of discount actually received	0-12	
	If not currently subscribing, date service ended	MM/DD/YY	If customer ended service, indicate date ended
	Did subscriber retain service with the ETC in the first month following the last discount (i.e. the first unsubsidized month)?	Yes/No	
	Did subscriber retain service with the ETC in the second month following the last discount (i.e. the second unsubsidized month)?	Yes/No	
	Did subscriber retain service with the ETC in the third month following the last discount (i.e.	Yes/No	

Block F	Question	Response	Notes
	the third unsubsidized month)?		

[*4857] **SUBSCRIBER-LEVEL INFORMATION COLLECTED** [**36] **FROM THE SUBSCRIBER**

BLOCK G

Each ETC, or USAC if the ETC requests, is required to collect the information contained in block "Subscriber-Provided Information at Enrollment -- Block G" directly from each subscriber prior to providing a discount and submit when all subscribers have enrolled in the project. ETCs have the option of having USAC collect this information through an electronic, online survey at enrollment; subscribers must consent to collection and sharing of this information in order to receive any discount. Each subscriber must have a unique identifier, which will be used throughout the study, assigned by the ETC (Unique Subscriber Identifier).

Block G	Question	Response	Notes	
Subscriber-Provided Information at Enrollment	Unique Subscriber Identifier		Unique, anonymized identifier assigned by the ETC	Collected from Subscriber
	Project Code Identifier		Identifies the subscriber's study group in terms of discount plan	
	Subscriber Age			
	Ages of household members			
	Number of household members using subsidized broadband			
	In 2011, what was this household's total income before taxes?	Less than $ 5,000, $ 5000-$ 9999 $ 10,000-$ 20,000, $ 20,001-$ 30,000, $ 30,001 or more, Not Determined		
	Equipment expected to be used with broadband service - choose multiple	Desktop Computer, Laptop/netbook computer, Tablet, Mobile device (smartphone), mobile broadband modem (aircard)		
	Has this consumer subscribed to broadband in the past?	Never, Within last 3 months, Within last 6 months, Within last 12 months, More than 12 months ago		
	Reasons for not previously obtaining broadband - can	Monthly cost too expensive, didn't use service, don't know how to use		

Block G	Question	Response	Notes
	choose more than one	computer/Internet, uncomfortable with Internet (e.g. privacy concerns, dangerous for children), happy with dial-up, could access Internet elsewhere, other -- specify	
	If subscriber previously subscribed to broadband, but dropped service, reason for dropping (can choose more than one response)	Monthly cost too expensive, didn't use service, the equipment no longer worked, don't know how to use computer/Internet, uncomfortable with Internet (e.g. privacy concerns, dangerous for children), happy with dial-up, could access Internet elsewhere	Answer NA if previous answer is Never
	Reason(s) for use of Internet (can choose more than one response)	Want to stay in touch with family and friends, children need it for school, subscriber needs it for school, want to access music, movies and other entertainment, children want internet access, get health care or medical information, job required online access, need it for job searches, want to share photos or videos with family and friends, internet provider offered a good price for the service, use for daily activities	

Block G	Question	Response	Notes
		(e.g. check bus schedule), other -- specify	

[*4858] [**37]

[*4859] **SUBSCRIBER-LEVEL INFORMATION COLLECTED FROM THE SUBSCRIBER BLOCK H**

Each ETC, or USAC if the ETC requests, must collect the information contained in block "Follow-up and Subscriber Usage Information -- Block H" from the subscriber no later than the end of the project. ETCs have the option of having USAC collect this information through an electronic, online survey; subscribers must consent to collection and sharing of this information in order to continue receiving any discounted broadband service. Each subscriber must have a unique identifier, which will be used throughout the study, assigned by the ETC (Unique Subscriber Identifier).

Block H	Question	Response	Notes	
Follow-Up and Subscriber-Usage Information	Unique Subscriber Identifier		Unique, anonymized identifier assigned by the ETC	Collected from Subscriber
	Project Code Identifier		Identifies the subscriber's study group in terms of discount plan	
	Number of Household members using discounted broadband service			
	Subscriber use of Internet (can choose more than one response)	Want to stay in touch with family and friends, children need it for school, subscriber needs it for school, want to access music, movies and other entertainment, children want internet access, job required online access, need it for job searches, want to share photos or videos with family and friends, internet provider offered		

Block H	Question	Response	Notes
		a good price for the service, use for daily activities (paying bills), other -- specify	
	Did the subscriber participate or is currently participating in any training programs so he/she can better use a computer and the Internet?	No training class taken, currently taking a training class, completed a training class	
	Equipment used with service (can choose more than one response)	Desktop Computer, Laptop Computer (includes netbook), Tablet, Mobile Device (Smartphone) Mobile Broadband Modem (aircard)	

[*4860] [**38]

Legal Topics:

For related research and practice materials, see the following legal topics:
Computer & Internet LawCivil ActionsJurisdictionU.S. Federal Communications Commission Regulations

LexisNexis®

In the Matter of Lifeline and Link Up Reform and Modernization

WC Docket No. 11-42

RELEASE-NUMBER: DA 12-2045

FEDERAL COMMUNICATIONS COMMISSION

27 FCC Rcd 15842; 2012 FCC LEXIS 5166

December 19, 2012, Released

December 19, 2012, Adopted

ACTION:
[**1] ORDER

PRIOR HISTORY:
In re Lifeline & Link Up Reform & Modernization, 2012 FCC LEXIS 4886 (F.C.C., Nov. 30, 2012)

JUDGES: By the Chief, Wireline Competition Bureau

OPINION BY: VEACH

OPINION:

[*15842] **I. INTRODUCTION**

1. In this Order, we select 14 projects to participate in the Commission's broadband adoption Lifeline pilot program (Pilot Program), n1 authorizing approximately $ 13.8 million in support for rural, urban and suburban projects spanning 21 states and Puerto Rico. The selected projects will provide high-quality data to inform the Commission on how the Lifeline program could be structured to promote the adoption and retention of broadband services by low-income households. n2 Using a competitive selection process, we have chosen the highest-quality projects to garner statistically useful data regarding which variations in the broadband service offerings result in higher adoption rates among low-income consumers. We have selected a diversity of projects that will study the effects of varying subsidy amounts, end-user charges, access to digital literacy, data usage limits, choices for broadband speed, access to equipment and other important variables affecting broadband adoption. All of the projects are designed as statistically valid field experiments. Moreover, even as the data from the selected [**2] projects help position the Commission to reform the Lifeline program to efficiently and effectively promote the adoption and retention of broadband, the projects themselves will deliver broadband to approximately 74,000 low-income consumers.

n1 *See generally Lifeline and Link Up Reform and Modernization et al*, WC Dkt. Nos. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6794-6806, paras. 321-54 (2012) (*Lifeline Reform Order*) (setting forth the framework for the 18 month Pilot Program, which includes 12 months of subsidized service); *see also Wireline Competition Bureau Announces Application Procedures and Deadline for Applications to Participate in the Broadband Adoption Lifeline Pilot Program*, Public Notice, WC Dkt. No. 11-42, 27 FCC Rcd 4840 (Wireline Comp. Bur. April 30, 2012) (*Broadband Pilot Public Notice*).

EXHIBIT SW-4

n2 *See Lifeline Reform Order,* 27 FCC Rcd at 6794-95, 6803, para. 323, 344 (summarizing goals of the Pilot Program which include the focus on increasing adoption by low-income consumers).

[**3]

II. BACKGROUND

2. In the *Lifeline Reform Order*, the Commission created the Pilot Program to gather high-quality data that will help identify effective approaches to increasing broadband adoption and retention by low-income consumers. n3 The Commission authorized up to $ 25 million to be disbursed directly to eligible telecommunications carriers (ETCs) for up to 12 months of subsidized broadband service, [*15843] delivered either as a standalone service or as part of a bundle of voice and broadband services. n4 The Commission delegated implementation of this Pilot Program to the Bureau, directing the Bureau to solicit applications from ETCs and their partners to participate in the Pilot Program to test the impact on broadband adoption with variations in the monthly discount (phased down over time or constant) over a 12-month period. n5

n3 *See id.* at 6794-95, para. 323.
n4 *See id.* at 6795, paras. 324-25. The Commission determined that support will be provided only for broadband services, and not for the administrative or equipment costs of the ETCs and their partners. *See id.* at 6804-05, paras. 345-49.
[**4]

n5 *See id.* at 6795, paras. 324-25.

3. On April 30, 2012, the Bureau released a Public Notice setting forth the application procedures and instituting a deadline of July 2, 2012 for submission of applications to participate in the Pilot Program (*Broadband Pilot Public Notice*). n6 Consistent with the framework established in the *Lifeline Reform Order*, the *Broadband Pilot Public Notice* notified applicants that the Bureau would strongly favor pilot projects designed as field experiments that would test the impact on adoption of broadband service of such variables as discount amount, duration of discount, speeds, usage limits, digital literacy training, equipment and other factors affecting broadband adoption. n7 The Bureau also encouraged applicants to partner with non-ETCs that already have existing broadband adoption programs in place that would test for other factors such as digital literacy training and access to equipment. n8 In response to the *Broadband Pilot Public Notice*, the Bureau received 24 applications seeking over $ 30 million in funding.

n6 *See generally Broadband Pilot Public Notice,* 27 FCC Rcd 4840.
[**5]

n7 *See id.* at 4841-42.
n8 *See id.* at 4842-43; *see also Lifeline Reform Order,* 27 FCC Rcd at 6806, para. 352 (encouraging ETCs to partner with third parties such as grantees of Broadband Technology Opportunities Program (BTOP) or Broadband Initiatives Program (BIP)).

III. DISCUSSION

4. As directed by the Commission, the Bureau reviewed all of the applications with the goal of selecting projects for the Pilot Program to gather the most useful data possible about how best to use program funds for broadband. n9 We selected diverse projects with different amounts and duration of subsidies, different types of geographic areas (e.g., urban, rural, Tribal) and different types of broadband technologies (e.g., fixed and mobile). n10 Additionally, we considered whether applications included partners that would test different variables such as digital literacy training, the cost and type of equipment used, broadband speeds and usage limits. n11 We eliminated those that did not address the ap-

plication criteria set forth in the *Broadband* [**6] *Pilot Public Notice* or that were unlikely to provide additional useful data to the Commission beyond the data provided by stronger competing applications. n12

n9 *Lifeline Reform Order,* 27 FCC Rcd at 6805, para. 350 (selecting projects that will maximize the useful information available regarding variations in broadband offerings and whether different approaches affect adoption).
n10 *See id.* at 6795-96, para. 326.
n11 *See id.* at 6795-96, 6804-05, 6806-07, paras. 326, 349, 351-53.
n12 *See generally Broadband Pilot Public Notice*, 27 FCC Rcd 4840.

5. Based on our review of the applications, the Bureau selects the following pilot projects to participate in the Pilot Program (in alphabetical order): n13

[*15844] 1. Frontier Communications Corporation (OH, WV)
2. Gila River Telecommunications, Inc. (AZ -- Tribal)
3. Hopi Telecommunications, Inc. (AZ -- Tribal)
4. National Telecommunications Cooperative Association (NTCA) Project [**7] (which includes the following ETCs: Alpine Communications (IA); and Leaco Rural Telephone (NM))
5. Nexus Communications, Inc. (OH, MI, IA, NV, CA, LA, MS, NJ)
6. Partnership for a Connected Illinois Project (which includes the following ETCs: Adams Telephone Cooperative; Cass Telephone Company; Harrisonville Telephone Company; Madison Telephone Company; Mid-Century Telephone Cooperative; Shawnee Telephone Company; and Wabash Telephone Cooperative (IL))
7. PR Wireless, Inc. (Puerto Rico)
8. Puerto Rico Telephone Company (Puerto Rico)
9. T-Mobile Puerto Rico LLC (Puerto Rico)
10. TracFone Wireless, Inc. project using smartphones (FL, MD, TX, WA, WI, MA)
11. Troy Cablevision, Inc. (AL)
12. Vermont Telephone Company, Inc. (VT)
13. Virgin Mobile USA, L.P. (MA, OH)
14. XChange Telecom Corp. (NY)

The selected projects include 5 wireless broadband projects, n14 7 wireline broadband projects, n15 and 2 that will offer both wireline or wireless broadband technologies n16 across 21 states and Puerto Rico. n17 Additionally, out of the 14 selected pilot projects, 7 will provide discounted broadband service in rural areas, n18 including 2 on Tribal lands, n19 and 7 will provide discounted [**8] broadband service in urban and suburban areas. n20 Depending on the number of subscribers that enroll in the ETCs' broadband service plans, the 14 selected projects could serve a maximum of approximately 74,000 low-income consumers who do not currently subscribe to broadband.

n13 A brief description of each selected project is included in Appendix A, along with the project's budget. The ETCs that submitted the selected applications must implement their projects pursuant to the terms and conditions contained within each of their applications, and any supplemental information filed in response to staff inquiry, and consistent with the framework of the Pilot Program established in the *Lifeline Reform Order.*
n14 *See, e.g.,* Allied Wireless Application, Nexus Application, PR Wireless Application, T-Mobile Application, TracFone Smartphone Application, PR Wireless and Virgin Mobile Application.
n15 *See, e.g.,* Frontier Application, Gila River Application, Hopi Telecommunications Application, Partnership for a Connected Illinois Project, NTCA Application, Troy Cablevision Application, and Vermont Telephone Application.
[**9]

n16 *See* PRT Application; XChange Application.

n17 The selected projects will cover the following 21 states: California, Mississippi, Louisiana, New Jersey, Ohio, West Virginia, Arizona, Michigan, Iowa, Nevada, New Mexico, Illinois, Texas, Maryland, Florida, Wisconsin, Washington, Alabama, Vermont, Massachusetts and New York.
n18 *See, e.g.,* Frontier Application, Nexus Application, NTCA Application, Partnership for a Connected Illinois Project, Troy Cablevision Application, Vermont Telephone Application, Hopi Telecommunications Application.
n19 *See* Gila River Application; Hopi Telecommunications Application. The Commission directed the Bureau, in coordination with the Office of Native Affairs and Policy, to select at least one project directed at providing support on Tribal lands. *See Lifeline Reform Order,* 27 FCC Rcd at 6805, para. 350.
n20 *See, e.g.,* Nexus Application, PR Wireless Application, PRT Application, T-Mobile Application, TracFone Smartphone Application, Virgin Mobile Application, Gila River Application and XChange Application.

[**10]

7. *Field Experiments.* To ensure that the Pilot Program gathers high-quality data that will help identify effective approaches to increasing broadband adoption and retention, the Bureau encouraged applicants to submit applications for projects designed as field experiments and to include detailed [*15845] descriptions of how the applicant would randomize variations on broadband service offerings. n21 All of the selected projects will offer variations on broadband service offerings to test various factors affecting broadband adoption (*e.g.,* discount amount, duration of discount, speeds, usage limits, digital literacy training, cost and type of equipment used). Several of the projects with large customer bases will randomly assign potential subscribers to different broadband service offerings and thus yield valuable data regarding which variations in the broadband service offerings resulted in higher adoption rates. n22 Some of the smaller projects do not randomly assign subscribers to different broadband service offerings, but offer variations in the broadband service offerings in comparable areas, which will also yield significant information on the most effective approaches to increasing [**11] adoption by low-income consumers. n23

n21 *See Broadband Pilot Public Notice,* 27 FCC Rcd at 4841.
n22 *See, e.g.,* Nexus Application, Virgin Mobile Application, XChange Application.
n23 *See* Troy Cablevision Application, NTCA Application.

8. The Commission has a particular interest in learning which discount plans are most effective in promoting broadband adoption and retention, which is why the Bureau has selected several projects that are carefully designed as field experiments to test subsidy amounts that could help in evaluating how best to structure a Lifeline program in the future. n24 The Commission has also recognized the importance of digital literacy in affecting broadband adoption, and the Bureau has selected several projects that will study the effects of access to digital literacy on broadband adoption. n25 Finally, the Bureau has also selected projects that offer variations in other dimensions of broadband offerings, such as access to discounted equipment, speed [**12] and usage limits to determine the extent to which such factors affect adoption. n26

n24 *See, e.g.,* XChange Application, TracFone Smartphone Application, Nexus Application.
n25 *See, e.g.,* Partnership for Connected Illinois Project, Frontier Application, Nexus Application.
n26 *See, e.g.,* Hopi Telecommunications Application, Gila River Application, Virgin Mobile Application.

9. *Subsidies.* In the *Lifeline Reform Order,* the Commission set forth as a goal of the Pilot Program to study the amounts and duration of broadband subsidies. Given this objective, we have selected projects that are well designed to provide useful data regarding the impact of subsidy amounts on adoption. n27 Of those selected, 2 projects will test whether the duration of the subsidy affects adoption by altering the discount amount during a 12-month period. n28 As a group, they test the effects of different subsidy levels. In the 14 selected projects, the subsidy amount from the Universal Service Fund (USF) [**13] ranges from $ 5 per month to as much as $ 39.95 per month, although this upper limit is reached by just one project serving Tribal lands. n29 Projects will test a range of monthly end-user charges, such as $ 40, $ 35, or $ 20, with some projects testing lower charges and others testing higher charges. n30 All projects include some end-user charge. The choices that Pilot Program subscribers make in determining the monthly cost of service and speeds, when given an option, will provide helpful data on the amount low-income consumers are willing to pay for different speeds and levels of service. n31

n27 *See, e.g.,* Gila River Application, Nexus Application, TracFone Smartphone Application.
n28 *See* NTCA Application, Vermont Telephone Application.
n29 *See* PRT Application (requesting a $ 5 subsidy for two of its broadband service offerings); *see also* Hopi Telecommunications (requesting a $ 39.95 subsidy for broadband service plans offered on Tribal lands).
n30 *See, e.g.*, Partnership for a Connected Illinois Project (testing a $ 40 end-user charge); Nexus Application (testing a $ 35 end-user charge); TracFone Smartphone Application (testing a $ 20 end-user charge).
[**14]

n31 *See Lifeline Reform Order,* 27 FCC Rcd at 6802-03, para. 341 (recognizing that there is a trade-off between the performance of broadband service and its cost to consumers).

[*15846] 10. *Broadband Speeds.* The Commission has recognized that "[c]onsumers should have access to broadband that is capable of enabling the kinds of key applications that drive our efforts to achieve universal broadband, including education (*e.g.,* distance/online learning), healthcare (*e.g.,* remote health monitoring), and person-to-person communications (*e.g.,* VoIP or online video chat with loved ones serving overseas)." n32 The Commission directed the Bureau to give preference to those projects that offer fixed broadband at speeds of 4 Mbps downstream and 1 Mbps upstream, and mobile service with an outdoor minimum of 200 kbps downstream and 50 kbps upstream for 3G and outdoor minimum of 768 kbps downstream and 200 kbps upstream for 4G, but it also provided the Bureau with discretion to select some projects at lower speeds. n33 Among the 9 selected projects offering wireline broadband service, [**15] 8 projects offer speeds at or above 4 Mbps downstream and 1 Mbps upstream in all or portions of their study areas. n34 All of the wireless broadband projects offer 3G or 4G-based service meeting the specified minimums. We also have chosen wireline projects that offer high-speed Internet access services below the broadband benchmark where the provider does not offer 4 Mbps service. n35

n32 *See id.*
n33 *See id.* (giving the Bureau discretion to select some projects that offer broadband at speeds below the benchmark due to the challenges of offering higher speeds in some areas of the country).
n34 *See* Frontier Application, Gila River Application, NTCA Application, Partnership for a Connected Illinois Project, PRT Application, Troy Cablevision Application, Vermont Telephone Application and XChange Application.
n35 *See* Hopi Telecommunications Application; Frontier Application (in portions of its study area, 4 Mbps download and 1Mbps upload service is not available).

11. *Digital* [**16] *Literacy, Equipment and Entrepreneurship.* The Commission has recognized the importance of digital literacy and access to equipment in encouraging broadband adoption and in providing the tools consumers need to exploit the benefits of broadband. It directed the Bureau to give preference to projects that include partnerships with non-ETCs that test the impact of digital literacy training and equipment on adoption. n36 To garner data on how digital literacy training (online vs. in-person) affects broadband adoption and usage, we are selecting 4 projects that will use field experiments to test how digital literacy training affects adoption and retention. n37 Additionally, to test whether access to equipment or type of equipment affects broadband adoption and usage, we are selecting 5 projects that will measure adoption and subscriber usage based on type of equipment used or whether cost of equipment impacts adoption. n38 We are also selecting 4 projects that will promote entrepreneurs and small businesses in the provision and ownership of telecommunications and information services by selecting Tribally-owned ETCs and other small business ETCs that are socially and/or economically disadvantaged. [**17] n39

n36 *See Lifeline Reform Order,* 27 FCC Rcd at 6796, 6804-06, paras. 326, 348-49, 352.
n37 *See, e.g.,* Partnership for a Connected Illinois Project, Frontier Application, TracFone Smartphone Project, XChange Application.

n38 *See, e.g.,* Hopi Telecommunications Application, PR Wireless Application, PRT Application, Virgin Mobile Application, Gila River Application.
n39 *See* Hopi Telecommunications Application, NTCA Application, Gila River Application, Partnership for a Connected Illinois. The Commission directed the Bureau to consider whether the projects would promote entrepreneurs and other small businesses in the provision and ownership of telecommunications services and information services. *See Lifeline Reform Order,* 27 FCC Rcd at 6796, para. 326.

12. *Collection of Data on Subscriber Demographics.* To the extent possible, the Commission directed the Bureau to select projects that collect data on a number of variables such as impact of [**18] income, age, ethnicity, gender and family size. n40 We require all of the projects to collect subscriber demographics when subscribers enroll in broadband service including age and income, which can later be analyzed in [*15847] detail across all of the selected projects. n41 Several of the projects focus on providing service within ethnic groups and have committed to provide a final report describing the lessons learned from their project. n42 Additionally, some of the projects will partner with third parties that are skilled in offering digital literacy targeted specifically to seniors and have also committed to submit a final report with analysis of what the project participants learned through their study. n43 Another project will partner with the School of San Juan (elementary level school) and Colegio Universitario de San Juan (technical college) to identify the households of students that are under the 2012 Federal Poverty Guidelines and expose such families and young adults to the benefits of broadband by offering participation in the Pilot Program. n44

n40 *See Lifeline Reform Order,* 27 FCC Rcd at 6795-96, para. 326.
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n41 *See* Appendix B, survey questions.
n42 *See, e.g.,* XChange Application at 2, 18; PR Wireless Application at 1-2, 11-12; Hopi Telecommunications Application at 2.
n43 *See* Partnership for a Connected Illinois Project at 7-13 (partnering with Connected Living which is a BTOP grantee that has focused on providing digital literacy training to seniors); *see also* XChange Application (partnership with Older Adults Technology Services, Inc., a BTOP grantee, to help with outreach for seniors).
n44 *See* PR Wireless Application at 1-3; *see also* T-Mobile Application (partnering with Sistema Universitario Ana G Mendez to implement a digital literacy campaign to university students).

13. *Partnerships.* In the selection process, the Commission directed the Bureau to give preference to projects in which ETCs partner with non-ETCs in the design and implementation of their proposed projects. n45 The Commission plans to draw upon the experiences of other broadband adoption programs such as BTOP/BIP and "Connect to Compete" without duplicating their efforts and results. [**20] The Bureau has informally consulted with staff at the National Telecommunications and Information Administration (NTIA) regarding data collection and barriers to broadband adoption. n46 Several of the selected projects will partner with BTOP grantees that have experience in offering digital literacy training. n47 Additionally, several projects will partner with Connected Nation and offer discounted or free computers to participating subscribers. n48

n45 *See Lifeline Reform Order,* 27 FCC Rcd at 6806, para. 352. The Bureau also encouraged applicants to partner with experts in the design of field experiments. *See Broadband Pilot Public Notice,* 27 FCC Rcd at 4841-42.
n46 *See Lifeline Reform Order,* 27 FCC Rcd at 6796, para. 327.
n47 *See, e.g.,* Partnership for a Connected Illinois Project at 7-11; Nexus Application at 13-15; XChange Application at 11-13.
n48 *See, e.g.,* Hopi Telecommunications at 7, 10; Frontier Application.

14. *Projects* [**21] *Not Selected.* In order to keep the overall size of the Pilot manageable and adhere to the Commission's directive to "select a relatively small number of projects," n49 the Bureau narrowed its selection to the 14 applications that collectively would meet the goals established by the Commission. We are not selecting 10 applications

that either (i) propose to fund items not eligible for Pilot Program support; n50 or (ii) propose to test variations on broadband adoption included in competing projects that are better designed as field experiments. n51

n49 *Lifeline Reform Order,* 27 FCC Rcd at 6795, para. 325.

n50 *See* Churchill County Telephone d/b/a CC Communications Application (requesting reimbursement for equipment, administrative expenses and digital literacy in its project); Choice Communications Application (requesting reimbursement for providing services directly to schools); UTPhone Inc. (UTPhone) Application at 4 (requesting reimbursement of premise equipment including wireless router). *See supra* note 4 (explaining how the Commission determined that support will be provided only for broadband services to low-income consumers, and not for the administrative, digital literacy training or equipment costs of the ETCs and their partners).

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n51 *See* UTPhone Application (proposing reimbursement of a $ 325 activation fee and a subsidy amount without a control group and little explanation of how the Commission would obtain helpful data to the Commission); YourTel and TerraCom Application (failing to provide a detailed explanation of how the project's design will garner helpful data); Connect To Communications, Inc. Application (proposing to test subsidy amount and impact on digital literacy similar to other competing projects that we expect to garner more statistically useful data); TAG Mobile Application (proposing to test usage limits for wireless broadband similar to other competing projects that request lower subsidy amounts; other projects also have a more carefully designed use of control groups and randomization that will also test subsidy amounts); Choice Communications Application (proposing a $ 60 monthly subsidy per subscriber, which is higher than any other project, without testing any additional variables of interest to the Commission); People's Telephone Application (proposing to test start-up fees for equipment and requesting subsidy amounts that are similar to other projects that are more carefully designed as a field experiment through the use of control groups and randomization); TracFone Hotspot Application (proposing to test subsidy amounts for wireless hotspot broadband offerings that are similar to other competing projects with lower subsidy amounts and larger sample sizes); Sacred Wind and Frontier Joint Application (proposing to test subsidy amounts similar to other competing projects that have requested lower subsidy amounts, which we expect to garner more statistically useful data); Allied Wireless Application (proposing to test data usage limits for smartphone and hotspot plans that are similar to other competing projects with lower subsidy amounts and higher data usage limits).

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[*15848] 15. *Participation by New Adopters.* In the *Lifeline Reform Order,* the Commission directed the Bureau to ensure that all of the selected projects focus on providing service to low-income consumers who do not currently subscribe to broadband services. n52 Given the Commission's goal of increasing broadband adoption to new adopters, the Bureau limits participation in the Pilot Program to any eligible low-income household that does not have at the time of enrollment or has not had within the 60 days prior to enrollment wireline or wireless high-speed Internet service other than a smartphone service plan. Such subscribers are precluded from receiving a subsidized smartphone service plan, but are not otherwise precluded from receiving wireline or wireless high-speed Internet service under the Pilot Program. The Bureau requires that each ETC obtain a certification from all subscribers receiving supported service under the Pilot Program that they, or anyone in their household, comply with this requirement.

n52 *Lifeline Reform Order,* 27 FCC Rcd at 6803, para. 344 (concluding that "using the Pilot Program to subsidize broadband services purchased by consumers who have already adopted such services will not provide [the Commission] with sufficient and useful data about which such subsidies increase adoption").

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16. *Certification of Consumer Eligibility for Lifeline.* In creating the Pilot Program, the Commission required that all subscribers participating in the pilot projects are eligible and qualify to receive Lifeline benefits. n53 As a result, all selected ETCs are required to comply with the federal requirements set forth in section 54.410 of the Commission's rules by obtaining documentation and a signed certification form from all subscribers receiving broadband service under

the Pilot Program that they meet the uniform eligibility rules. n54 If an ETC enrolled subscribers for Lifeline voice service on or after June 2012 and confirmed consumers' eligibility through documentation and received a signed certification form pursuant to the requirements of section 54.410, or recertified such subscribers pursuant to the requirements of section 54.410(f), that ETC is not required to obtain another certification form. n55 It must still obtain written confirmation from such subscribers of their agreement to participate in the Pilot Program, including consent to share subscribers' anonymized data. n56

n53 *See Lifeline Reform Order,* 27 FCC Rcd at 6796, para. 343.

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n54 *See Broadband Pilot Program Public Notice,* 27 FCC Rcd at 4847-48.

n55 *See* 47 C.F.R. § 54.410 (setting forth eligibility and certification requirements). ETCs that have received a waiver of the recertification requirements contained in section 54.410(f) pursuant to the *Recertification Waiver Order* must recertify subscribers participating in the Pilot Program pursuant to the requirements of section 54.410(f). *See TracFone Wireless, Inc. Petition for Declaratory Rulemaking or in the alternative, Petition for Waiver of Section 54.410(f) of the Commission's Rules, et al.,* WC Dkt. 11-42, Order, DA 12-1927 (rel. Nov. 30, 2012) (*Recertification Waiver Order*).

n56 *See Broadband Pilot Program Public Notice,* 27 FCC Rcd at 4843.

[*15849] 17. *Preventing Duplicative Support.* To prevent duplicate broadband subsidies within the jurisdictions where we have selected more than one broadband pilot project (i.e., Puerto Rico, Ohio, Massachusetts, Iowa), we require the ETCs offering broadband service pursuant to the terms of the Pilot Program to obtain [**26] written confirmation from subscribers that they are not currently subscribing to broadband from any other ETC under the Pilot Program. n57

n57 When obtaining written confirmation from subscribers that they are not currently subscribing to broadband from any other ETC in the Pilot Program, the ETCs must list by name the other ETCs, by trade name, that are pilot participants in the overlapping jurisdictions.

18. *Broadband Pilot Trial Period.* The Pilot Program is an 18-month trial period, which will begin February 1, 2013, with 3 months for ETCs to implement necessary back-office functions, up to 12 months of subsidized service, and 3 months for finalization of data collection and analysis. n58 As explained in the *Broadband Pilot Public Notice,* the first three months of the trial period will allow ETCs to implement back-office functions, but ETCs have the option to begin offering the subsidized broadband service at any time during the first three months of the 18-month trial period. n59 However, subscribers [**27] participating in the Pilot Program are limited in receiving a maximum of 12 months of subsidized broadband service. n60 Additionally, we expect all subscribers to be enrolled within nine months of the commencement of the trial period, or no later than November 1, 2013. n61

n58 *See Lifeline Reform Order,* 27 FCC Rcd at 6795, para. 325. Although the Commission directed the Bureau to fund the pilot projects "for up to 18 months from the time the Bureau announces the selection of the pilot projects," *see id.* at 6801, para. 337, it also authorized the Bureau to grant up to 6 additional months for projects to start up and wind down, provided that no project would offer more than 12 months of reduced-price services, *id.* We conclude that it would be preferable for administrative reasons for the 18-month period to begin on February 1, 2013, rather than immediately upon release of this order, given that carriers are completing the recertification process through the end of December 2012 and will be filing their recertification reports with USAC on January 31, 2013.

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n59 *See Broadband Pilot Public Notice,* 27 FCC Rcd at 4843-44.

n60 *See Lifeline Reform Order,* 27 FCC Rcd at 6795, paras. 324-25.
n61 *See Broadband Pilot Public Notice,* 27 FCC Rcd at 4843-44.

19. *Broadband Pilot Reimbursement Procedures.* In order to receive reimbursement from the Universal Service Fund, the ETCs selected to participate in the Pilot Program are required to complete the Low Income Broadband Reimbursement Form on a monthly basis and submit it to Universal Service Administrative Company (USAC), similar to the process for Lifeline reimbursement, for (i) any monthly discount of broadband service, and (ii) any non-recurring fees for broadband provided to subscribers participating in the Pilot Program and approved as part of the pilot project. If an ETC participating in the Pilot Program offers voice and broadband bundled service, it should claim the Lifeline reimbursement for voice telephony service on the FCC Form 497 and claim reimbursement for the subsidized broadband service using the Low Income Broadband Reimbursement [**29] Form. n62

n62 In the *Broadband Pilot Public Notice,* the Bureau informed applicants that if they are selected for the Pilot Program, they should use the Low Income Broadband Reimbursement Form to seek reimbursement for the applicable discount amount for voice telephony service if the broadband subscriber is also subscribing to voice telephony service under the Lifeline program. *See Broadband Pilot Public Notice,* 27 FCC Rcd at 4848. After further deliberation, the Bureau directs ETCs participating in the Pilot Program to seek reimbursement for Lifeline voice telephony service using the FCC Form 497 for its pilot project subscribers.

20. *Broadband Pilot Data Collection.* As a condition to participating in the Pilot Program, ETCs are required to commit to robust data gathering and sharing of subscribers' anonymized data. n63 All of the ETCs participating in the Pilot Program are required to obtain subscribers' consent to the collection and sharing of the information contained in the Low [**30] Income Broadband Pilot Program Reporting Form, [*15850] in anonymized form, prior to the subscribers receiving the subsidized broadband service. n64 Every ETC is required to submit the project-level information to USAC as specified in the Low Income Broadband Pilot Program Reporting Form attached as Appendix B. n65 In the *Broadband Pilot Public Notice,* the Bureau gave ETCs the option of collecting the data detailing subscriber demographics and broadband usage pursuant to the uniform set of questions set forth in the Low Income Broadband Pilot Program Reporting Form, which is attached as Appendix B, either directly from subscribers themselves or to request that USAC collect such information from the ETCs' subscribers through an online survey. n66 For those pilot projects in which the ETCs requested USAC to collect subscriber data, USAC will send to the ETCs an Internet link to an online survey, which ETCs, in turn, will send to participating subscribers. Upon completion of the online survey, the information will be forwarded to USAC labeled by the unique subscriber identifier, which is assigned by the ETC in conformance with a numbering convention established by USAC. We also expect those [**31] pilot projects that are choosing to collect the subscriber data directly from subscribers themselves to submit such information pursuant to the timelines specified in the Low Income Broadband Pilot Program Reporting Form. n67

n63 *See Lifeline Reform Order,* 27 FCC Rcd at 6800-01, para. 336.
n64 *See id.; see also* Appendix B, Blocks E-H (requiring that ETCs notify participating subscribers that they must submit certain subscriber information or direct USAC to collect such information, as a condition to receiving the discounted broadband service). Within 30 days after a subscriber enrolls in discounted broadband service, the subscriber must submit the information contained in Block G of the Low Income Broadband Pilot Program Reporting Form to either the ETC or USAC. If such subscribers do not submit the information contained in Block G, USAC will have the authority to deny reimbursement of funding from the ETC for those subscribers until they complete the survey information.
n65 *See* Appendix B, Blocks A, B, C, and D.
n66 *See Broadband Pilot Public Notice,* 27 FCC Rcd at 4841.
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n67 *See* Appendix B, Low Income Broadband Pilot Program Reporting Form. All subscribers for which the ETC seeks reimbursement from USAC are required to have completed the information contained in Block G within 30 days after enrollment in the discounted broadband service. When each ETC submits its requests for reim-

bursement to USAC using the Low Income Pilot Program Reimbursement Form, it shall attach a list of unique subscriber identifying numbers, which are anonymized numbers assigned to each subscriber, and that list shall specify whether each subscriber has completed Block G within 30 days after enrollment.

21. ETCs participating in the Pilot Program are required to participate in workshops to discuss interim and final results of the individual projects during the course of the 18-month trial period. n68 Within three months after the conclusion of the 12-month period of offering subsidized broadband service, ETCs and their partners are strongly encouraged to submit a report describing in detail any data collected in addition to the data specified in Appendix B and a narrative describing [**33] the lessons learned from the Pilot Program, which may assist the Commission in modernizing the Lifeline program to promote the adoption and retention of broadband services by low-income households. n69

n68 *See Lifeline Reform Order,* 27 FCC Rcd at 6807, para. 354.
n69 *See id.* at 6795, para. 325 (explaining how the last three months of the ETC's project should focus on finalizing data collection and analysis).

[*15851] **IV. ORDERING CLAUSE**

22. ACCORDINGLY, IT IS ORDERED that, pursuant to the authority contained in sections 1, 2, 4(i), 4(j), 5(c), and 254 of the Communications Act of 1934, and section 706 of the Telecommunications Act of 1996, 47 U.S.C. §§ 151, 152, 154(i), 154(j), 155, 214, 1302, and pursuant to authority delegated in sections 0.91 and 0.291 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and paragraphs 323-354 of the *Lifeline Reform Order*, this order is ADOPTED.

Julie A. Veach

Chief

Wireline Competition Bureau

APPENDIX:

[*15852] [**34] **APPENDIX A**

Brief Project Description of the Selected Pilot Program Projects

1. Frontier (OH, WV): The project will study the impact of financial incentives to take digital literacy training on broadband adoption.

Frontier, in partnership with Connect Ohio (a subsidiary of Connected Nation) and Mission West Virginia, will test whether offering financial incentives increases the likelihood that subscribers will take digital literacy training. Frontier will permit subscribers to choose from three offers within the pilot project. The first is a $ 20 monthly subsidy off a range of wireline broadband plans. The second requires participation in a digital literacy program and receives a $ 30 monthly subsidy and a waiver of the $ 34.99 non-recurring charge. The third choice requires participation in a digital literacy program in order to receive the $ 20 monthly subsidy and a free computer. For the second and third offers, Frontier will have a test group in which subscribers are required to take training, and a control group, in which subscribers are encouraged to take training but will not receive incentives for doing so. This project is unique in testing whether [**35] a financial incentive to take digital literacy training can help in overcoming adoption hurdles (e.g., addressing relevance, privacy concerns). Lifeline support for this project will not exceed $ 418,122, and includes reimbursement for non-recurring fees. n70

n70 *See* Frontier Communications Application to Participate in the FCC's Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed July 2, 2012) (Frontier Application); *see also* Supplement to Frontier Application, WC Dkt. 11-42 (filed August 22, 2012); Frontier Application, Unredacted Version (filed August 29, 2012); Second Supplement to Frontier Application, WC Dkt. 11-42 (filed September 26, 2012).

2. Gila River Telecommunications, Inc. (AZ -- Tribal): The project will study the effects of varying subsidy amounts and choices for speed.

> Gila River, in partnership with NeoNova Network Services, Inc., Tinhorn Consulting and Letha Lamb, will test the effect of subsidy amounts, access to discounted equipment and broadband speeds [**36] on adoption by randomly assigning subscribers into five groups based on different price points, speed and access to equipment, which includes the use of a control group. The subsidy amounts for the broadband plans range from $ 23.24 to $ 38.24 with varying speeds. Gila River will track which consumers choose to participate based on the variations in broadband service. Lifeline support for this project will not exceed $ 323,100, and includes reimbursement for nonrecurring fees. n71

> n71 *See* Gila River Telecommunications, Inc. Application to Participate in the Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed June 29, 2012) (Gila River Application).

3. Hopi Telecommunications, Inc. (AZ -- Tribal): The project will study the effects of varying end-user charges based on speed and access to discounted equipment.

> Hopi, in partnership with Connected Nation, will test the effect of subsidy amounts, access to discounted equipment and broadband speeds on adoption by offering a flat subsidy [**37] of $ 39.95 for three different plans with variations on end-user charge depending on speed, and access to discounted equipment. Hopi Telecommunications will be able to report on which prices were more effective in increasing adoption and the impacts on having access to discounted [*15853] equipment. Lifeline support for this project will not exceed $ 226,752, with no reimbursement for non-recurring fees. n72

> n72 *See* Hopi Telecommunications, Inc. Application for the FCC's Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed July 9, 2012) (Hopi Application); *see also* Supplement to Hopi Application, WC Dkt. 11-42 (filed August 27, 2012); Second Supplement to Hopi Application, WC Dkt. 11-42 (filed October 2, 2012).

4. NTCA Application (IA, NM): The project will study the effects of decreasing subsidy amounts over the year.

> The NTCA Application, which includes Alpine Communications (IA) and Leaco Rural Telephone (NM), in partnership with Connected Nation, will test subsidy design by offering [**38] a range of wireline broadband plans in one state with a flat subsidy amount of $ 25 per month for all 12 months and offering a range of wireline broadband plans in another state with a sliding scale subsidy that is initially $ 40 per month for the first quarter and is reduced each quarter thereafter in increments of $ 10, with the last quarter providing a subsidy of $ 10 per month, thereby increasing the monthly end-user charge by $ 30. Lifeline support for this project will not exceed $ 202,652, and includes reimbursement for non-recurring fees. The budget is broken-up between the ETCs as follows: Alpine Communications' budget will not exceed $ 35,995; and Leaco Rural Telephone's budget will not exceed $ 166,657. n73

> n73 *See* Amendment to Application of Rural Carriers, WC Dkt. 11-42 (filed August 21, 2012) (NTCA Application); *see also* Supplement to NTCA Application, WC Dkt. 11-42 (filed September 24, 2012).

5. Nexus (OH, MI, IA, NV, CA, LA, MS, NJ): The project will study the effects of varying [**39] subsidy amounts, usage limits and access to digital literacy.

> Nexus, in partnership with Connect Ohio, will test the effect of subsidy amounts and digital literacy on adoption by giving one group of subscribers a $ 15 subsidy, a second group $ 20 and a third no subsidy (groups are offered plans based on zip code). These subsidies will lower the offered price by the subsidy amount for a menu of plans, which are varied based on usage limits. By allowing customers to select their usage limits, Nexus will be able to report subscribers' willingness to pay for data limit increases and also learn if subscribers were satisfied retrospectively with their choice. Lifeline support for this project will not exceed $ 2,800,000, with no reimbursement for non-recurring fees. n74

> n74 *See* Application of Nexus Communications, Inc., WC Dkt. 11-42 (filed July 2, 2012) (Nexus Application); *see also* Supplement to Nexus Application, WC Dkt. 11-42 (filed August 22, 2012); Second Supplement to Nexus Application, WC Dkt. 11-42 (filed September 24, 2012).

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6. Partnership for a Connected Illinois Project (IL): The project will study the effects of access to digital literacy and consumers' choice among plans offering varying speed.

> The Partnership for a Connected Illinois Project n75, in partnership with Connected Living, Inc., Citizens Utility Board, and John B. Horrigan, will focus on studying the impact of digital literacy on adoption among the member ETCs by tracking usage and retention of service during the 12 month pilot to determine if such training helps subscribers overcome adoption hurdles (*e.g.,* relevance, privacy concerns). This project will test the impact of digital literacy by offering one group of subscribers a flat rate $ 30 subsidy for 12 months off each of the ETCs' [*15854] broadband plans that are priced based on speed, as well as intensive digital literacy training, and a second group of subscribers will receive the same $ 30 subsidy but will not receive an offer for digital literacy training. The project will also study the choices subscribers make in determining speeds because they will be allowed to choose from speed packages offered by each participating ETC. Lifeline support will not exceed $ 1,514,284, [**41] and includes reimbursement for non-recurring fees for each ETC. n76

> n75 The Partnership for a Connected Illinois Project is comprised of Adams Telephone Cooperative, Cass Telephone Company, Harrisonville Telephone Company, Madison Telephone Company, Mid-Century Telephone Cooperative, Shawnee Telephone Company, and Wabash Telephone Cooperative.
> n76 The budget for this project is broken up between the ETCs as follows: Adams Telephone Cooperative's budget will not exceed $ 458,340; Cass Telephone Company's budget will not exceed $ 497,640; Harrisonville Telephone Company's budget will not exceed $ 90,587; Madison Telephone Company's budget will not exceed $ 155,248; Mid-Century Telephone Cooperative budget will not exceed $ 75,239; Shawnee Telephone Company's budget will not exceed $ 85,260; and Wabash Telephone Cooperative's budget will not exceed $ 151,970. *See* Partnership for a Connected Illinois Project Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed July 2, 2012) (Partnership for a Connected Illinois Project); *see also* Supplement to Partnership for a Connected Illinois Project, WC Dkt. 11-42 (filed August 28, 2012); Second Supplement, WC Dkt. 11-42 (filed September 26, 2012).

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7. PR Wireless (Puerto Rico): The project will study the effects of providing a subsidy amount and access to different types of equipment.

PR Wireless, in partnership with Connected Nation, will test the effects of subsidy amounts and access to equipment on adoption by offering one group of consumers subsidized broadband and a second control group no subsidy. PR Wireless will offer a flat subsidy of $ 25 off five different wireless broadband plans, each with the same end-user charge and usage limits, but with access to different equipment (*e.g.*, USB modem, hotspot modem (mi-fi), tablet, laptop, desktop) that the subscriber would pay for at a discounted amount. The study will collect data on how the type of equipment impacts data usage and adoption. Lifeline support for this project will not exceed $ 661,613, and includes reimbursement for non-recurring fees. n77

n77 *See* PR Wireless Application to Participate in the Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed July 2, 2012) (PR Wireless Application); *see also* Supplement to PR Wireless Application, WC Dkt. 11-42 (filed August 3, 2012); Second Supplement to PR Wireless Application, WC Dkt. 11-42 (filed September 25, 2012).

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8. Puerto Rico Telephone Company (PRT) (Puerto Rico): The project will examine consumers' choice of wireline or wireless broadband, speeds for wireline broadband and usage limits for wireless broadband.

PRT, in partnership with The Research Office, Inc., will test consumers' preference for wireless or wireline broadband, and usage limits by offering subscribers the option to choose among four different project offerings with differing end-user prices. One option gives consumers the choice of wireline broadband that is bundled with wireline voice service at speeds of either 2 Mbps download, 1 Mbps upload or 4 Mbps download, 1 Mbps upload. PRT will offer consumers a $ 5 subsidy off the wireline broadband plans. The other three project offerings give consumers the option of purchasing a wireless broadband plan with different usage limits of either 2 GB or 3 GB, that is either stand-alone broadband or bundled with wireline voice service. PRT will offer consumers the option of a $ 5 subsidy off the bundled wireless plan, or $ 18.50 off the stand-alone broadband plans. Lifeline support for this project will not exceed $ 2,500,000, with no reimbursement for non-recurring fees. [**44] n78

n78 *See* Puerto Rico Telephone Company, Inc. Application to Participate in the Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed July 2, 2012) (PRT Application); *see also* Supplement to PRT Application, WC Dkt. 11-42 (filed August 16, 2012); Second Supplement to PRT Application, WC Dkt. 11-42 (filed August 30, 2012).

[*15855] 9. T-Mobile Puerto Rico LLC (T-Mobile) (Puerto Rico): The project will study the effects of outreach methods and varying usage limits.

T-Mobile, in partnership with Sistema Universitario Ana G Mendez and Centro Para Puerto Rico, will test certain advertising and outreach methods to determine which type of outreach most effectively increases broadband adoption. T-Mobile will offer a flat-rate subsidy of $ 20 off broadband plans with varying usage limits. The budget for this project will not exceed $ 505,400, with no reimbursement for non-recurring fees. n79

n79 *See* T-Mobile Puerto Rico, LLC Application to Participate in the Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed July 2, 2012) (T-Mobile Application); *see also* Supplement to T-Mobile Application, WC Dkt. 11-42 (filed August 15, 2012).

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10. TracFone Smartphone Project (FL, MD, TX, WA, WI, MA): The project will study the effects of subsidy amounts and discounted hardware.

> TracFone, in partnership with Technology Goes Home, will test the effect of both discounted price and hardware cost on mobile broadband adoption and retention using four variations in its broadband service plans and one control group randomly assigned over a large, geographically diverse sample. By offering varying combinations of free or discounted hardware and $ 10 or $ 20 per month service, low-income customers' sensitivity to upfront and ongoing prices can be measured. By comparing the two variations in offers with the control group, which is priced at market rate, TracFone will be able to estimate the take-rate for each price point with 2 GB on data limits. Lifeline support for this project will not exceed $ 915,000, with no reimbursement for non-recurring fees. n80

n80 *See* TracFone Wireless, Inc.'s Application to Participate in the Broadband Adoption Lifeline Pilot Program for Smartphones, WC Dkt. 11-42 (filed July 2, 2012) (TracFone Smartphone Application); *see also* Supplement to TracFone Smartphone Application, WC Dkt. 11-42 (filed August 27, 2012); Second Supplement to TracFone Smartphone Application, WC Dkt. 11-42 (filed September 24, 2012); Third Supplement to TracFone Smartphone Application, WC Dkt. 11-42 (filed September 27, 2012).

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11. Troy Cablevision (AL): The project will study the effects of two different subsidy amounts.

> Troy Cablevision, in partnership with the Alabama Department of Economic and Community Affairs and ICF International, will test the effects of subsidy amounts on adoption by offering a $ 14 subsidy off a wireline broadband plan within two counties and offer a $ 24 discount off the same wireline broadband plan in two separate counties. Lifeline support for this project will not exceed $ 448,130, and includes reimbursement for non-recurring fees. n81

n81 *See* Troy Cablevision, Inc. Application for Low Income Broadband Pilot Program, WC Dkt. 11-42 (filed July 2, 2012) (Troy Cablevision Application); *see also* Supplement to Troy Cablevision Application, WC Dkt. 11-42 (filed August 10, 2012); Second Supplement to Troy Cablevision Application, WC Dkt. 11-42 (filed August 30, 2012).

12. Vermont Telephone (VT): The project will study the effect of increasing end user prices on retention. [**47]

> Vermont Telephone, in partnership with Connected Nation, will test subsidy design and amounts by offering two different wireline broadband plans. Normally, Vermont Telephone's retail plans provide a lower rate during the first 6 months, and then increase to a higher monthly charge. For one plan, they will maintain a uniform $ 9.95 end-user charge for the full 12 months. For the second plan, they will test a $ 9.95 end-user charge for the first three months, [*15856] followed by a $ 14.95 end-user charge for the remaining 9 months. Lifeline support for this project will not exceed $ 150,000, with no reimbursement for non-recurring fees. n82

n82 *See* Vermont Telephone Company, Inc. Application to Participate in Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed July 2, 2012) (Vermont Telephone Application) *see also* Supplement to Vermont Telephone Application (filed September 5, 2012).

13. Virgin Mobile (MA, OH): The project will study the effects of subsidy amounts and discounted equipment. [**48]

> Virgin Mobile, in partnership with Technology Goes Home, will test the effect on adoption and retention of discounted prices and device costs by randomly offering one of four treatment groups to a large, geographically diverse sample. Two groups of subscribers will pay $ 20 while another two groups of subscribers will pay $ 0 with a $ 20 activation fee. This project will provide information on customers' relative sensitivity to upfront and ongoing costs, as well as the expected subscribership increase from a lower cost offering. This will also provide information on adoption and data usage. Lifeline support for this project will not exceed $ 1,200,000, with no reimbursement for non-recurring fees. n83

> n83 *See* Virgin Mobile USA, L.P. Application to Participate in the Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed July 2, 2012) (Virgin Mobile Application); *see also* Supplement to Virgin Mobile Application, WC Dkt. 11-42 (filed August 31, 2012); Second Supplement to Virgin Mobile Application, WC Dkt. 11-42 (filed September 7, 2012); Third Supplement to Virgin Mobile Application, WC Dkt. 11-42 (filed September 24, 2012).

[**49]

14. XChange (NY): The project will study the effects of varying subsidy amounts.

> XChange, in partnership with the New York City Housing Authority, Older Adults Technology Services, City University of New York Computer Sciences Department and School of Public Affairs, Baruch College, and City University of New York, will focus on offering digital literacy to seniors, and will test a range of subsidy amounts of $ 10, $ 15 and $ 20, by randomizing three different broadband plans priced at $ 4.99, $ 9.99 and $ 19.99 based on buildings and neighborhoods in Central Brooklyn, New York. XChange will employ three different broadband technologies (two wireline plans and one fixed-wireless plan). Lifeline support for this project will not exceed $ 1,897,320, and includes reimbursement for non-recurring fees. n84

> n84 *See* XChange Telecom Corp. Application to Participate in the Broadband Adoption Lifeline Pilot Program, WC Dkt. 11-42 (filed July 2, 2012) (XChange Application); *see also* Supplement to XChange Application, WC Dkt. 11-42 (filed August 17, 2012).

[**50]

[*15857] **APPENDIX B**

Low Income Broadband Pilot Program Reporting Form

[*15858] **COMPANY INFORMATION PROVIDED BY ETC WITH EACH SUBMISSION TO USAC BLOCK A**

Each ETC is required to submit the company specific information contained in block "Identifying Information - Block A" for each submission to USAC. All raw data that the ETC submits may be submitted as an Excel or CSV file.

[SEE Identifying Information - Block A IN ORIGINAL]

[*15859] **PROJECT-LEVEL INFORMATION PROVIDED BY ETC BLOCK B**

Each ETC is required to submit information contained in block "Broadband Service Offering Information - Block B" to USAC once, at the beginning of the ETC's project for each Project Code Identifier.

[SEE Broadband Service Offering Information - Block B IN ORIGINAL]

[*15860] **PROJECT-LEVEL INFORMATION PROVIDED BY ETC BLOCK C**

Each ETC is required to submit information contained in block "Project Information - Block C," to USAC once, at the beginning of the ETC's project for each Project Code Identifier.

[SEE Project Information - Block C IN ORIGINAL]

[*15862] **PROJECT-LEVEL INFORMATION PROVIDED BY ETC BLOCK D**

Each ETC is required to submit information contained in block "Aggregate Population [**51] Information for Variations of Broadband Service Offering - Block D" to USAC on a quarterly basis for each Project Code Identifier. If necessary provide a best estimate.

[SEE Aggregate Population Information for Variation of Broadband Service Offering - Block D IN ORIGINAL]

[*15864] **SUBSCRIBER-LEVEL INFORMATION PROVIDED BY ETC BLOCK E**

Each ETC is required to submit the information contained in block "Enrollment Information - Block E" to USAC when all subscribers have enrolled in the ETC's project. Each subscriber must have a unique identifier, which will be used throughout the study, assigned by the ETC (Unique Subscriber Identifier).

[SEE Enrollment Information - Block E IN ORIGINAL]

[*15865] **SUBSCRIBER-LEVEL INFORMATION PROVIDED BY ETC BLOCK F**

Each ETC is required to submit the information contained in block "Follow-Up and Retention Information -- Block F" based on subscriber records within three months after the subscriber received the last discount in the pilot. Each subscriber must have a unique identifier, which will be used throughout the study, assigned by the ETC (Unique Subscriber Identifier).

[SEE Follow-Up and Retention Information - Block F IN ORIGINAL]

[*15866] [**52] **SUBSCRIBER-LEVEL INFORMATION COLLECTED FROM THE SUBSCRIBER BLOCK G**

Each ETC, or USAC if the ETC requests, is required to collect the information contained in block "Subscriber-Provided Information at Enrollment - Block G" directly from each subscriber prior to providing a discount and submit when all subscribers have enrolled in the project. ETCs have the option of having USAC collect this information through an electronic, online survey at enrollment; subscribers must consent to collection and sharing of this information in order to receive any discount. Each subscriber must have a unique identifier, which will be used throughout the study, assigned by the ETC (Unique Subscriber Identifier).

[SEE Subscriber-Provided Information at Enrollment - Block G IN ORIGINAL]

[*15869] **SUBSCRIBER-LEVEL INFORMATION COLLECTED FROM THE SUBSCRIBER BLOCK H**

Each ETC, or USAC if the ETC requests, must collect the information contained in block "Follow-up and Subscriber Usage Information -- Block H" from the subscriber no later than the end of the project. ETCs have the option of having USAC collect this information through an electronic, online survey; subscribers must consent to collection [**53] and sharing of this information in order to continue receiving any discounted broadband service. Each subscriber must have a unique identifier, which will be used throughout the study, assigned by the ETC (Unique Subscriber Identifier).

[SEE Follow-Up and Subscriber-Usage Information - Block H IN ORIGINAL]

[*15871] **APPENDIX C**

List of Submitted Applications

1. Allied Wireless
2. Choice Communications
3. Churchhill County Telephone d/b/a CC Communications
4. ConnectTo Communications, Inc.
5. Frontier
6. Gila River Telecommunications, Inc.
7. Hopi Telecommunications, Inc.
8. Nexus
9. NTCA Project (Adams Telephone Cooperative, Alpine Long Distance, LC, Leaco Rural Telephone Cooperative, Madison Telephone Company, Mid Century Telephone Cooperative)
10. Partnership for a Connected Illinois Project (Adams Telephone Cooperative, Cass Telephone Company, Harrisonville Telephone Company, Madison Telephone Company, Mid Century Telephone Cooperative, Shawnee Telephone Company, Wabash Telephone Cooperative)
11. Peoples Telephone
12. PR Wireless
13. PRT
14. Sacred Wind and Frontier
15. TAG Mobile
16. T-Mobile
17. TracFone Hotspot Project
18. TracFone Smartphone Project
19. [**54] Troy Cablevision
20. UTPhone, Inc.
21. Vermont Telephone
22. Virgin Mobile
23. XChange
24. YourTel America, Inc. and TerraCom Inc.

Legal Topics:

For related research and practice materials, see the following legal topics:
Communications LawOwnershipGeneral OverviewCommunications LawTelephone ServicesMobile Communications ServicesComputer & Internet LawInternet BusinessInternet & Online ServicesService Providers