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September 22, 2011

**Via eFiling and First Class Mail**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
400 North Street, Keystone Bldg., 2<sup>nd</sup> Fl.  
Room N201  
Harrisburg, PA 17105-3265

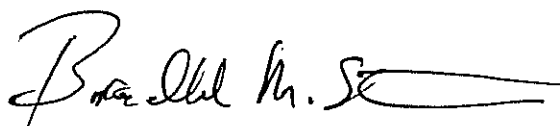
**Re: I/M/O a Petition by TAG Mobile, LLC for Designation as an Eligible  
Telecommunications Carrier in the Commonwealth of Pennsylvania for the  
Limited Purpose of Offering Lifeline and Link-Up Services to Qualified  
Households  
Docket No. P-2011-2241542**

Dear Secretary Chiavetta:

On behalf of TAG Mobile, LLC, enclosed please find an original and three (3) copies of its Reply Comments of Petitioner to Comments of the Office of Office of Consumer Advocate. An electronic copy has been filed through the Commission's eFiling portal.

If you have any questions or require additional information, please feel free to contact me at your convenience.

Sincerely,



Bradford M. Stern

Enclosures

cc: Certificate of Service  
Elizabeth Lion Januzzi (via e-mail)

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>In the Matter of a Petition by TAG Mobile, LLC)</b>	)	
<b>For Designation as an</b>	)	
<b>Eligible Telecommunications Carrier in the</b>	)	<b>Docket No. P-2011-2241542</b>
<b>Commonwealth of Pennsylvania for the</b>	)	
<b>Limited Purpose of Offering Lifeline and</b>	)	
<b>Link-Up Services to Qualified Households</b>	)	

**CERTIFICATE OF SERVICE**

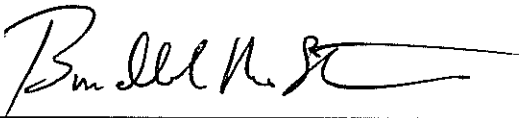
I hereby certify that on this 22nd day of September, 2011, copies of the attached Reply Comments of Petitioner have been served upon the persons or organizations listed below via First Class U.S. Mail in accordance with the requirements of 52 Pa. Code Sections 1.54 and 1.55.

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Commerce Building, Suite 1102  
300 North Second Street  
Harrisburg, PA 17101

Dated: September 22, 2011

  
\_\_\_\_\_  
Bradford M. Stern

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**In the Matter of a Petition by TAG Mobile, LLC)**  
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**Limited Purpose of Offering Lifeline and )**  
**Link-Up Services to Qualified Households )**

**REPLY COMMENTS OF PETITIONER**

**TO**

**COMMENTS OF THE OFFICE OF CONSUMER ADVOCATE**

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*Counsel for TAG Mobile, LLC*

September 22, 2011

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**REPLY COMMENTS OF PETITIONER**

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**I. INTRODUCTION**

On May 13, 2011, TAG Mobile, LLC (“TAG Mobile”) filed a Petition requesting that the Pennsylvania Public Commission (“Commission”) designate TAG Mobile as an Eligible Telecommunications Carrier (“ETC”) in certain areas of the Commonwealth as identified in the Petition for the purpose of receiving federal universal support for wireless services. On August 17, 2011 TAG Mobile filed a Supplement to its Petition. TAG Mobile is not seeking designation as an ETC on a wireline basis. Notice of TAG Mobile’s Petition was published in the Pennsylvania Bulletin on August 20, 2011, inviting the filing of comments by interested parties. See 41 Pa. B. 4063. On September 12, 2011, the Office of Consumer Advocate (“OCA”) filed comments on the Petition. To TAG Mobile’s knowledge, no other party has filed comments. The OCA finds that “designation of [TAG Mobile] as an ETC eligible to offer telecommunications service with Lifeline and Link-Up support would be in the public interest,”

subject however to “[TAG Mobile’s] clarification of certain issues, and acceptance of all conditions.”<sup>1</sup>

TAG Mobile appreciates the support stated by the OCA, and by this Reply to Comments addresses the issues and conditions discussed by the OCA. As set forth below, TAG Mobile is willing to implement the conditions set forth by the OCA.

## II. REPLY TO THE OCA’S COMMENTS

The OCA has identified five topics in which it believes additional information is necessary or further clarification is required by TAG Mobile before approval may be granted. TAG Mobile replies below to each of OCA’s stated issues.<sup>2</sup>

### **A. TAG should commit to not deduct airtime when a Lifeline customer contacts TAG or receives wireless communications from TAG. Such costs are related to TAG’s provision of universal service and should be borne by TAG.**

TAG Mobile hereby commits that it will not deduct airtime minutes for calls by Lifeline customers, with service addresses for Lifeline service in the Commonwealth, to TAG Mobile’s Customer Service (via 611 or other designated toll-free access dialing) and calls from TAG Mobile’s Customer Service to such Lifeline customers to address billing, customer care and customer service issues.

### **B. TAG’s proposed customer connection charge with Link-Up support require review, in light of proposed federal regulatory reforms.**

The OCA states two specific concerns with TAG Mobile’s Link-Up Plan.<sup>3</sup> As to the first concern, TAG Mobile clarifies that it is not seeking Link-Up support from the federal USF to reimburse it for the costs of handsets provided at no cost to the eligible low income customer. As

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<sup>1</sup> OCA Comments, p. 4.

<sup>2</sup> *Id.*

<sup>3</sup> OCA Comments, p. 9

the second concern, TAG Mobile agrees to modify its Terms of Service to eliminate language suggesting that duplicate Link-Up support is available to a Lifeline customer if such support was not received in the prior 12 months.<sup>4</sup>

As to the OCA's general concerns, TAG Mobile agrees with the OCA that action by the FCC may change the availability and value of Link-Up. TAG Mobile will comply with any and all pertinent revisions to the federal Link-Up program as may be mandated by the FCC.

**C. TAG should confirm its plans to deploy “internal resources rather than [rely] on a contracted, outside services provider” for Lifeline certification, verification and annual recertification appear to have changed based on informal discovery. Petition at 28. The OCA has recommended that ETCs deal directly with their Lifeline and Link-Up customers with regard to certification of initial eligibility, verification and annual recertification.**

TAG Mobile continues to plan to deploy internal resources to handle the contacts with Lifeline and Link-Up customers with regard to certification, verification and annual recertification. TAG Mobile does plan to use USAC database access services provided by a third-party company, CGM, LLC, in support of its verification activities. Specific verification protocols used by TAG Mobile with support from CGM are described in Attachment A. However, TAG Mobile's personnel will undertake the direct contact with the Lifeline subscribers. Should TAG Mobile's plans change at any time in this regard, it will so notify the Commission.<sup>5</sup>

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<sup>4</sup> Specifically, TAG Mobile will revise its Terms of Service, at p.4 (Exhibit B to Petition), to state, “By certifying you are eligible for these services, you are certifying that your household has not previously received a Link-Up credit at your current address. If you do not qualify for a Link-Up credit, you may still receive the monthly Lifeline credit provided you meet those eligibility criteria, however you will be required to pay the service activation fee.”

<sup>5</sup> TAG Mobile takes notice of the Commission's language in the Virgin Mobile Order, cited by the OCA at pp. 11 and 12 of its Comments, regarding the use of third party administrators. However, as stated herein and in its Petition, TAG Mobile will maintain the contact with the Lifeline customers for purposes of preventing fraud and abuse, and complying with eligibility certification requirements imposed by the Commission. It should be noted that a Lifeline applicant may contact TAG Mobile initially through a point-of-sale (POS) agent, such as a

TAG Mobile also confirms its commitment to certify Lifeline customer eligibility in accordance with the Commission's requirements set forth in the Lifeline and Link-Up Order.<sup>6</sup>

**D. The Commission should accept TAG's commitment to work with the Bureau of Consumer Services to resolve TAG customer complaints related to Lifeline and Link-Up. See Petition at 26,28. However, TAG's Terms and Conditions should be revised in two ways to be consistent. The Commission's jurisdiction over such complaints should take precedence of TAG's binding arbitration requirement for resolution of disputes. Also Pennsylvania law, not Texas law should control. See Petition Exh. B, pp. 18-19.**

TAG Mobile confirms that it will work with the Commission's Bureau of Consumer Services ("BCS") to resolve informal customer complaints and will submit to Commission jurisdiction on formal complaints filed with BCS by TAG Mobile customers on Lifeline related issues other than matters related to rates and entry. TAG Mobile also confirms that these commitments will take precedence over any conflicting term in its Terms and Conditions of Wireless Service.

With respect to controlling law, TAG Mobile will agree that Pennsylvania law will control in connection with any dispute or issue arising with respect to a Lifeline customer with a service address for Lifeline service located within the Commonwealth.

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retail convenience market. The information taken by the POS agent is then transmitted directly to TAG Mobile for undertaking the activity to verify the customer's Lifeline eligibility. Please refer to Attachment A.

<sup>6</sup> *In Re: Lifeline and Link-up Programs*, Docket No. M-0051871 (May 23, 2005), at p 10:

This Commission finds that the companies ought to use the DPW's database first to establish if there is acceptable social assistance program participation. If the household qualifies, then no further investigation or verification need be done. The household qualifies based on program participation or income verification. If the household does not appear to be enrolled in one of the approved social assistance programs, then 135% FPG income or less may be verified through either copies of written state or federal income tax returns for the prior year, or the carrier may contact DOR and pay the nominal fee to have the customer's household's income verified.

**E. There are additional conditions which apply to other ETCs for the protection of consumers and the federal USF which the Commission should impose on TAG Mobile.**

The OCA has identified several conditions that it states should apply to TAG Mobile's designation as a Commonwealth ETC eligible for federal Lifeline and Link-Up support.<sup>7</sup> In reply thereto, TAG Mobile states the following:

1. TAG Mobile agrees to petition the Commission prior to making any future change to TAG Mobile's Lifeline service offering(s) which would represent a limitation or reduction of Lifeline services/equipment provided free of charge.

2. TAG Mobile agrees to petition the Commission for a renewal of its ETC designation status in the event of change in corporate control.

3. TAG Mobile agrees to annually provide the Bureau of Consumer Services with copies of all advertising, promotional and general Lifeline program-related notices and communications.

4. TAG Mobile agrees to verify at least annually that its Lifeline customers are the head of household and only receive Lifeline service from TAG Mobile, subject to future change based on the FCC's Lifeline and Link-Up modernization and reform rulemaking (and any related Commission action).<sup>8</sup> Per the Commission's Lifeline and Link-Up Order, as referenced in the Virgin Mobile Order,<sup>9</sup> TAG Mobile will recertify its Lifeline customers "at least annually in

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<sup>7</sup> OCA Comments, pp. 13-16.

<sup>8</sup> TAG Mobile reserves its rights with respect to any future change that imposes an undue, adverse impact on TAG Mobile and/or its customers.

<sup>9</sup> *Re: Petition of Virgin Mobile USA, L.P. for Limited Designation as an Eligible Telecommunications Carrier for the Purpose of Offering Lifeline Service*, Docket No. P-2010-2155915, Order (December 22, 2010), amended in part, Opinion and Order (February 14, 2011).

accordance with FCC procedures established at 47 C.F.R. § 54.410 (relating to certification and verification of consumer qualifications for Lifeline) . . .”<sup>10</sup>

5. TAG Mobile has a deactivation policy in place, as follows. TAG Mobile will monitor their customers for non-usage. After 60 days of non-usage, TAG Mobile will text, call, and/or mail the customer to notify them of their pending suspension of service. After 90 days of no usage the customer will be suspended and TAG Mobile will stop claiming fund support on this customer. Customer will be placed in a suspended status for 30 days with no service except for 911 and E911 capabilities, and will be fully disconnected on the 31<sup>st</sup> day of suspension. Proof of eligibility and understanding usage of the service will be required before customer is reconnected to TAG Mobile’s Lifeline program.

### CONCLUSION

Having demonstrated that TAG Mobile satisfies the conditions necessary for designation as an ETC in the Commonwealth of Pennsylvania, and having shown that the public and universal service interests of the telecommunications consumers of the Commonwealth will be properly served, as set forth in its Petition, its Supplement to the Petition, and its herein Reply Comments to the Comments of the OCA, TAG Mobile respectfully requests that the Commission designate TAG Mobile as an ETC for the provision of low income support on a wireless basis in the Commonwealth of Pennsylvania.

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<sup>10</sup> Lifeline and Link-Up Order, at 27; Virgin Mobile Order, at 29.

Respectfully submitted,

**TAG MOBILE, LLC**

By: 

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## ATTACHMENT A

### **Lifeline/Link-Up Verification Protocol**

First step is at the point of sale (POS) where the customer address is loaded into the POS electronic agent portal. At this point, TAG Mobile dips into the USPS database to ensure that the address is a valid and deliverable address. There is a second simultaneous dip into TAG Mobile's internal customer database and finally a third dip into TAG Mobile's third-party verification company's (CGM, LLC) USAC database of all Form 497 filings (which checks both wireline and wireless for any duplicates).

Second step is all Lifeline/Link-Up applicant information that passes the first step is then electronically submitted into the compliancy queue. This creates a pending customer account with the original Lifeline form attached to each customer account order. This account is then audited by a trained Lifeline coordinator. The order is checked for any potential fraud (duplicate or missing signatures, modified forms, another duplicate name/address check, incorrect form information).

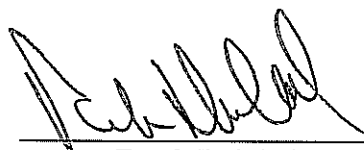
Third step is a QC audit check where senior level QC compliancy agents take random samples of all Lifeline/Link-Up applications to spot check auditor accuracy and quality. All Lifeline auditors and audits are required to consistently keep a 98% accuracy rating for all agents and orders.

Fourth step is performed prior to filing Form 497 for USAC reimbursement. All accounts are uploaded to CGM for an additional check of all addresses against other cooperating ETCs for duplications and any other invalid address issues.

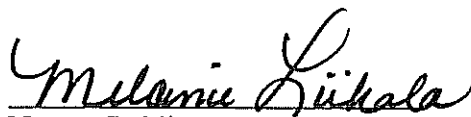
VERIFICATION

I, Frank Del Col, first being duly sworn, hereby state that I am the President and CEO of TAG Mobile, LLC (the "Company") and that I am authorized to make this verification on behalf of the Company.

I hereby state that the facts regarding the Company that are set forth in the foregoing Reply Comments of Petitioner to the Comments of the Office of Consumer Advocate are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

  
\_\_\_\_\_  
Frank Del Col

Subscribed and sworn before me this 19 day of September, 2011

  
\_\_\_\_\_  
Notary Public

