

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
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December 11, 2015

RE: IURC RM 15-03, Lifeline-only Fraud and Abuse Rule, Second Strawman Draft for Comment

Dear Stakeholder:

Indiana Utility Regulatory Commission (Commission) staff held a workshop on July 15, 2015, and provided a strawman draft proposed rule for discussion and written comment. We received comments from a number of interested parties. The written comments, notes from the workshop discussion, and the first strawman draft rule are posted on the Commission website at <http://www.in.gov/iurc/2831.htm>.

We have attached with this letter a second strawman draft rule with the revisions we made in response to your comments and feedback. We invite further written comments on this second strawman draft rule by **January 7, 2016**. Please send your comments to me at jcomeau@urc.in.gov.

In revising the policy and scope section of the strawman rule, we have sought to clarify the rule's applicability. In response to some of the comments we received, we adjusted the definition of a "Lifeline-only ETC" in the hopes of clarifying the entities covered by the rule. We also revised the definition of a "temporary structure" to provide more precision.

In Section 3, in response to comments from i-wireless and others, the changes simplify the time period and types of information relevant in the required criminal background check.

Additional changes in Section 4 of the strawman rule include removal of vague font size requirements and other methods of identifying the individual sales agents and the Lifeline-only ETCs. In response to comments about the difficulty and impracticality of notifying the Commission of the location of sales events from temporary structures beforehand, included in comments by Telrite, we have revised this section to require remittance of a summary of all sales locations after the fact. We understand many Lifeline-only ETCs already maintain this data. Further, we removed the requirement to identify the Lifeline-only ETC physically on the phone.

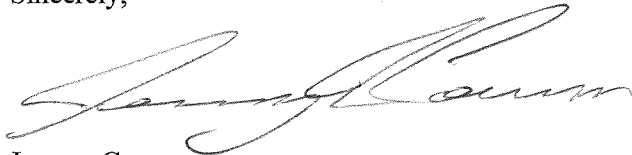
Finally, in response to comments regarding the lack of enforcement mechanisms, we added an enforcement provision in Section 6.

In reference to some of the comments we did not incorporate, we wish to note the following: AT&T submitted comments requesting the Commission delay any rulemaking until the FCC takes final action in its Second Further Notice of Proposed Rulemaking. AT&T believes the FCC action, such as eliminating the private provider's role in making eligibility determinations, may eliminate the need for rules such as we are proposing. Commission staff notes that the rule in its current strawman draft form would not apply to AT&T because it is not a Lifeline-only ETC as defined in the strawman rule. Nonetheless, we are aware of the possibility for overlap and have sought to tailor the rule as to minimize any potential overlap with any action the FCC may take. For example, marketing of Lifeline services from temporary structures

may continue to be common even in the event private Lifeline providers are no longer responsible for eligibility determinations.

The Indiana Statewide 911 Board submitted comments suggesting any rule include a provision reinforcing that a Lifeline-only ETC's designation is conditioned on its payment of all applicable fees, including the 911 fee. As the board notes, the statutory requirement to pay 911 fees is the subject of pending litigation. Commission staff does not feel this rulemaking, focused on sales practices of Lifeline-only ETCs, is the appropriate forum for further regulation surrounding the pending 911 fee issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeremy Comeau". The signature is fluid and cursive, with a large initial "J" and "C".

Jeremy Comeau
Assistant General Counsel