

RICHARDSON & O'LEARY, PLLC

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IDAHO PUBLIC UTILITIES COMMISSION

25 March 2011

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
P O Box 83720
Boise ID 83720-0074

Hand Delivered

RE: CASE NO. TFW-T-09-01
INTERVENORS' JOINT MOTION TO COMPEL OR, IN THE
ALTERNATIVE, MOTION *IN LIMINE*

Dear Ms. Jewell:

I am enclosing an original and seven (7) copies of INTERVENORS' JOINT MOTION TO COMPEL TRACFONE WIRELESS, INC. TO FULLY ANSWER INTERVENORS' FIRST JOINT PRODUCTION REQUESTS OR, IN THE ALTERNATIVE, MOTION *IN LIMINE* TO EXCLUDE CERTAIN EVIDENCE.

Also enclosed is a copy to be date-stamped and returned for our files.

Sincerely,

Molly O'Leary
Richardson & O'Leary, PLLC

Enclosures

Cynthia A. Melillo (ISB No. 5819)
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2011 MAR 25 PM 4: 51

IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Idaho Telecom Alliance

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Attorneys for CTC Telecom, Inc.

BEFORE THE IDAHO PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE APPLICATION
OF APPLICANT TRACFONE
WIRELESS, INC. FOR DESIGNATION
AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER

CASE NO.: TFW-T-09-01

**INTERVENORS' MOTION TO COMPEL
TRACFONE WIRELESS, INC. TO
FULLY ANSWER INTERVENORS'
FIRST JOINT PRODUCTION
REQUESTS OR, IN THE ALTERNATIVE,
MOTION *IN LIMINE* TO EXCLUDE
CERTAIN EVIDENCE FROM THE
RECORD**

The Idaho Telecom Alliance ("ITA"), by and through its attorney of record, Givens Pursley LLP, and CTC Telecom, Inc., dba CTC Wireless, by and through its attorney of record, Richardson & O'Leary, PLLC (collectively, "Intervenors"), in accordance with IDAPA 31.01.01.056, jointly file this MOTION TO COMPEL TracFone Wireless, Inc. to fully answer Intervenors' FIRST JOINT PRODUCTION REQUESTS or, in the alternative, MOTION *IN*

LIMINE. Pursuant to Rule 256 of this Commission's Rules of Procedure ("IPUCRP"), Intervenor hereby request expeditious relief from the Commission regarding the substance hereof. IDAPA 31.01.01.256

PROCEDURAL BACKGROUND

Intervenor served their FIRST JOINT PRODUCTION REQUEST ("First Joint Request") upon TracFone on February 18, 2011. That Production Request is attached hereto as **Exhibit A**. In particular, Intervenor's First Joint Request asked TracFone to provide various financial data regarding its Safelink Lifeline offering that is the subject of its ETC Application and its economic characterization of that service, including its so-called "free" handset.

TracFone timely filed an Objection to several of Intervenor's First Joint Requests on March 4, 2011. That Objection is attached hereto as **Exhibit B**. In essence, TracFone objects to numerous of Intervenor's First Joint Requests on the grounds that the information requested is not relevant to this Commission's determination as to whether TracFone meets the Eligible Telecommunications Carrier ("ETC") eligibility criteria set forth in Appendix A to this Commission's Order No. 29841, in Case No. WST-T-05-01 ("Idaho ETC Eligibility Requirements Order").

ARGUMENT

The conduct of discovery in a proceeding before this Commission is governed by the Idaho Rules of Civil Procedure. IDAPA 31.01.01.225.01. The scope of discovery permissible under Rule 26 of the Idaho Rules of Civil Procedure ("IRCP") is broad: "It is not ground for objection that the information sought will be inadmissible at the trial if the information sought appears reasonably calculated to lead to the discovery of admissible evidence." IRCP

26(b)(1). "Parties may obtain discovery regarding any matter which is relevant to the subject matter involved in the pending action." *Id.*

It has recently come to Intervenor's attention that TracFone has provided to the Federal Communications Commission ("FCC") much of the same information requested of it by Intervenor. This information was provided to the FCC by TracFone in the form of an *ex parte* communication dated February 24, 2011. See **Exhibit C**, attached hereto. Much the same as in the Notice of Proposed Rulemaking¹ pursuant to which TracFone provided said financial information to the FCC, the financial data requested by Intervenor in this proceeding is reasonably calculated to lead to the discovery of admissible evidence regarding the true economic characterization of TracFone's handsets and initial airtime minutes. Confidential information provided by the parties pursuant to this proceeding is protected by a Protective Agreement signed by all parties, including Intervenor. Thus, pursuant to IRCP 26(b)(1), the data requested by Intervenor is discoverable and TracFone should be compelled to respond in full.

Intervenor moves this Commission to order TracFone to fully answer Intervenor's First Joint Requests no later than 5 p.m. MDT on Monday, March 28, 2011.

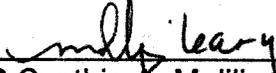
In the alternative, Intervenor moves this Commission to strike any reference or claim by TracFone regarding the "free" nature and/or economic benefits of its proposed service offering from the record before it and to not consider any such claims by TracFone in its deliberations.

SIGNATURE PAGE FOLLOWS

¹ In the Matter of Lifeline and Link Up Reform and Modernization Federal-State Joint Board on Universal Service Lifeline and Link Up, WC Docket No. 11-42, CC Docket No. 96-45, and WC Docket No. 03-109; FCC 11-32 (March 4, 2011).

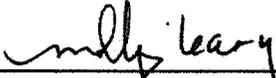
RESPECTFULLY SUBMITTED this 25th day of March, 2011.

GIVENS PURSLEY LLP



FOR Cynthia A. Melillo
Attorneys for Idaho Telecom Alliance

RICHARDSON & O'LEARY, PLLC



Molly O'Leary
Attorneys for CTC Telecom, Inc.,
dba CTC Wireless

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 25th day of March, 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

Jean Jewell
Idaho Public Utilities Commission
472 West Washington Street
Boise, ID 83702
jean.jewell@puc.idaho.gov

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Neil Price
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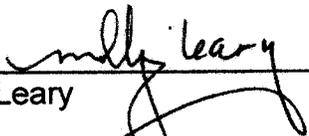
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Molly O'Leary

EXHIBIT A

INTERVENORS' FIRST JOINT PRODUCTION REQUEST OF TRACFONE

Cynthia A. Melillo (ISB No. 5819)
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Attorneys for CTC Telecom, Inc.

BEFORE THE IDAHO PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE APPLICATION
OF APPLICANT TRACFONE
WIRELESS, INC. FOR DESIGNATION
AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER

CASE NO.: TFW-T-09-01

**FIRST JOINT PRODUCTION REQUEST
OF THE IDAHO TELECOM ALLIANCE
AND CTC TELECOM, INC., DBA CTC
WIRELESS, TO TRACFONE
WIRELESS, INC.**

The Idaho Telecom Alliance, by and through its attorney of record, Givens Pursley LLP, and CTC Telecom, Inc., dba CTC Wireless (formerly dba Snake River PCS), by and through its attorney of record, Richardson & O'Leary, PLLC, jointly request that TracFone Wireless, Inc. ("TracFone") provide the following documents and information as soon as possible, but no later than twenty-one (21) days from the date of service hereof, in accordance with IDAPA 31.01.01.225.03.

This Production Request is to be considered continuing, and TracFone is requested to provide, by way of supplementary responses, additional documents that it or any person acting on its behalf may later obtain that will augment the documents produced.

Please provide answers to each question, supporting workpapers that provide detail or are the source of information used in calculations and the name, job title and telephone number of the person preparing the documents. Please identify the name, job title, location and telephone number of the record holder.

Please provide all Excel and electronic files on CD with formulas activated.

REQUEST NO. 1. Please provide a list of all partial exchanges and/or study areas in Idaho where TracFone intends to offer Lifeline service.

REQUEST NO. 2. Please provide financial statements and related footnotes for the years ending 2010, 2009 and 2008 (audited if available).

REQUEST NO. 3. Please provide total TracFone and Idaho-specific revenues by type or source for the years 2010, 2009 and 2008.

REQUEST NO. 4. Please provide the total amounts of Federal low income support received for the years 2010, 2009 and 2008.

REQUEST NO. 5. Please provide the total amounts of state low income support received for the years 2010, 2009 and 2008.

REQUEST NO. 6. Please provide total TracFone and Idaho-specific operating expenses by type of expenditure for the years 2010, 2009 and 2008.

REQUEST NO. 7. Please provide any business plans, budgets or forecasts completed in the past three years. Please provide any margin analysis or related studies showing profitability by product or service.

REQUEST NO. 8. Please describe TracFone's dividend policy.

REQUEST NO. 9. Please provide a list of the amount of dividends paid to the top ten (10) shareholders of TracFone the previous three (3) calendar years.

REQUEST NO. 10. Please provide the average cost of the handsets TracFone provides for free to Lifeline customers.

REQUEST NO. 11. Please provide the total number TracFone employees.

REQUEST NO. 12. Please provide the total number of TracFone employees located in Idaho.

REQUEST NO. 13. Please provide the forecasted number of TracFone employees to be located in Idaho if ETC status is obtained.

REQUEST NO. 14. Please provide the copies of the reseller's agreements or contracts with T-Mobile and Verizon Wireless.

REQUEST NO. 15. Please provide the total amounts paid to the above-referenced carriers for services provided in 2010, 2009 and 2008.

REQUEST NO. 16. Does TracFone provide or receive services from any affiliated interests, including its parent company or other subsidiaries? If so, disclose the nature of those services and their related costs. Please provide a copy of any management services agreements.

REQUEST NO. 17. How many customers did TracFone serve in Idaho at the end of 2010? What was the average revenue per customer per month?

REQUEST NO. 18. At the end of 2010, how many total customers did TracFone serve? What was the average revenue per customer per month?

REQUEST NO. 19. At the end of 2010, how many SafeLink customers did TracFone serve? What was the amount of average low income support per customer, per month? What was the average revenue per customer per month, excluding low income support?

REQUEST NO. 20. What percentage of SafeLink customers purchase additional minutes and services and in what volumes?

REQUEST NO. 21. If TracFone were granted ETC status in Idaho, how many eligible low income customers does TracFone forecast it will obtain in the first three (3) years of service?

REQUEST NO. 22. What is TracFone's customer churn rate in total and for SafeLink customers?

REQUEST NO. 23. What states have denied TracFone's request for ETC status as it relates to low income support?

REQUEST NO. 24. What measures does TracFone use to monitor quality of service? Provide copies of any internal management reports showing this information for the past three (3) years.

REQUEST NO. 25. Where is TracFone's customer service center located? How many people are employed at this location(s)?

REQUEST NO. 26. How many SafeLink applications have been denied following verification of eligibility over the past three (3) years?

REQUEST NO. 27. How many applications are verified against state records for eligibility?

REQUEST NO. 28. Please provide copies of all enrollment forms currently in use by TracFone for each state in which TracFone provides Lifeline subsidized cell phone service.

REQUEST NO. 29. Please state, with specificity, what the current Lifeline enrollment eligibility criteria is for Idaho.

REQUEST NO. 30. Please state, with specificity, how TracFone intends to verify eligibility in Idaho.

REQUEST NO. 31. Please identify how many TracFone customers have been prosecuted for providing false information on a Lifeline enrollment form since TracFone began offering Lifeline subsidized cell phone service. For each such customer, please identify:

- a. in what state the customer resided at the time of their enrollment
- b. what the nature of their perjury was
- c. by whom they were prosecuted, and
- d. what penalty was imposed.

REQUEST NO. 32. Please identify the specific type of proof TracFone Lifeline customers must provide of their income eligibility. If such proof varies from state-to-state, please identify the type of proof required for each state.

REQUEST NO. 33. Please explain TracFone's internal procedures for verifying the data provided on its customers' enrollment forms and please provide all related procedural documents.

REQUEST NO. 34. To the extent TracFone uses third-party vendors to perform all or any portion of its enrollment form verification, please identify any such third-party vendors and please provide documentation detailing the number of applications that have been rejected as a result of this verification process for each calendar year that TracFone has been offering Lifeline subsidized cell phone service.

REQUEST NO. 35. Please explain TracFone's internal procedures for verifying that any third-party vendors it uses for enrollment verification are accurately verifying enrollment data and please provide all related procedural documents.

REQUEST NO. 36. Please describe what type of proof a TracFone applicant must provide regarding the address at which they claim to reside.

REQUEST NO. 37. Please describe the procedures TracFone uses to verify that addresses provided by applicants on TracFone's enrollment forms are, in fact, residential addresses.

REQUEST NO. 38. If the same address is used by more than one TracFone applicant for Lifeline subsidized "free" cell phone service, and the new applicant provides proof that the applicant is residing at the address in question, does TracFone terminate the service of the "current subscriber" using such address? If not, why not?

REQUEST NO. 39. Under what circumstances might TracFone provide Lifeline subsidized "free" cell phone service to more than one person at the same address?

REQUEST NO. 40. Please explain what procedures TracFone has in place to ensure that its Lifeline customers update their eligibility status on a regular basis.

REQUEST NO. 41. Please explain what procedures TracFone has in place to verify its Lifeline customers' updated eligibility status information.

REQUEST NO. 42. Please identify all jurisdictions in which TracFone customers are not required to use their Lifeline subsidized "free" airtime minutes for calls to customer service and/or technical support.

REQUEST NO. 43. Please explain what role underlying carriers have in determining whether TracFone customers in Idaho would be required to use their Lifeline subsidized "free" airtime for calls to customer service and/or technical support.

REQUEST NO. 44. Please identify and explain what other factors, if any, will determine whether TracFone customers in Idaho would be required to use their Lifeline subsidized "free" airtime for calls to customer service and/or technical support.

REQUEST NO. 45. Please identify all usage that is considered usage under TracFone's "non-usage policy."

REQUEST NO. 46. Are there any states other than South Carolina and Washington that do not pay \$0.20 per minute for additional airtime minutes? If so, please provide documentation of what TracFone customers in such states pay.

REQUEST NO. 47. Please explain how TracFone will determine the "effectiveness" of its \$0.10 per additional airtime minutes offerings in South Carolina and Washington (and any other state where such a program is offered) prior to deciding whether to make that offering to its Lifeline customers in all states.

REQUEST NO. 48. Customer Communications:

- a. Please identify all methods of communication used by TracFone to communicate with its Lifeline customers regarding rates and fees, and please identify whether all forms of communication are used for each customer communication.
- b. To the extent all forms of communication are not used for each customer communication from TracFone, please explain what forms are typically used and the order of priority for each such communication format.

- c. Please explain what determines which form(s) of communication are used in each instance.

REQUEST NO. 49. Please explain, in detail, any revisions to your responses to the First Production Request of Commission Staff that are necessitated by TracFone's decision to offer an expanded Lifeline service offering in Idaho, as outlined in its August 13, 2010 Notice of Expanded Lifeline Offering. Please provide your response to this Production Request on a question-by-question basis for each Production Request set forth in the Commission Staff's First Production Requests.

REQUEST NO. 50. Please provide copies of all communications (whether oral, written or otherwise) with the Idaho Public Utilities Commission that have not otherwise been published on the Commission's website. A request for the description of oral communications shall be deemed to include a request for the following information with respect to each of said oral communications:

1. The date and place of such communication.
2. Whether said communication was in person or by telephone.
3. A description of each person who participated in or heard of said communication.
4. The substance of what was said by each person who participated in said communication.
5. A chronological description of all documents or recordings, summarizing, confirming or in any manner referring to said communication.

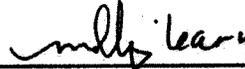
DATED this 18th day of February 2011.

GIVENS PURSLEY LLP



Cynthia A. Melillo
Attorneys for Idaho Telecom Alliance

RICHARDSON & O'LEARY, PLLC



Molly O'Leary
Attorneys for CTC Telecom, Inc.,
dba CTC Wireless

CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that on the 18th day of February 2011, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

Jean Jewell
Idaho Public Utilities Commission
472 West Washington Street
Boise, ID 83702
jean.jewell@puc.idaho.gov

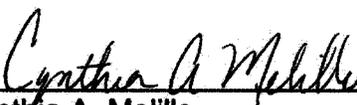
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Cynthia A. Melillo

EXHIBIT B

TRACFONE'S OBJECTION TO INTERVENORS' FIRST JOINT PRODUCTION REQUESTS

FILE COPY

McDevitt & Miller LLP

Lawyers

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P.O. Box 2564-83701

Boise, Idaho 83702

Chas. F. McDevitt
Dean J. (Joe) Miller

(208) 343-7500
(208) 336-6912 (Fax)

March 4, 2011

Via Hand Delivery

Jean Jewell, Secretary
Idaho Public Utilities Commission
472 W. Washington St.
Boise, Idaho 83720

**Re: In the Matter of the Application of TracFone Wireless
TFW-T-09-01**

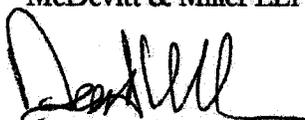
Dear Ms. Jewell:

Enclosed for filing, please find three (3) copies of TracFone Wireless, Inc.'s Objections to First Joint Production Request of Idaho Telecom Alliance and CTC Telecom, Inc d/ba/ CTC Wireless.

Kindly return a file stamped copy to me.

Very Truly Yours,

McDevitt & Miller LLP


Dean J. Miller

DJM/hh
Encl.

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UTILITIES COMMISSION

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brecher@gtlaw.com
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Attorneys for TracFone Wireless, Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. TFW-T-09-01
OF TRACFONE WIRELESS, INC. FOR)	
DESIGNATION AS AN ELIGIBLE)	TRACFONE WIRELESS, INC.'S
TELECOMMUNICATIONS CARRIER.)	OBJECTIONS TO FIRST JOINT
)	PRODUCTION REQUEST OF
)	THE IDAHO TELECOM
)	ALLIANCE AND CTC
)	TELECOM, INC. DBA CTC
)	WIRELESS

Pursuant to IDAPA 31.01.01.225.03, TracFone Wireless, Inc. ("TracFone") files the following objections to the First Joint Production Request of the Idaho Telecom Alliance and CTC Telecom, Inc. dba CTC Wireless.

REQUEST NO. 2. Please provide financial statements and related footnotes for the years ending 2010, 2009 and 2008 (audited if available).

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements for designation as an ETC contained in the Appendix to In the Matter of the Application of WWC Holding Co., Inc. DBA Cellular-One® Seeking Designation as an Eligible Telecommunications Carrier That May Receive Federal Universal Service Support, Order No. 29841, Case No. WST-T-05-1 (Idaho Pub. Utilities Comm'n: August 4, 2005) ("ETC Checklist"). Without waiving its objection, states that it is 98.2 percent owned by America Movil, the fourth largest mobile telecommunications company in the world. America Movil is publicly traded and its financial statements are available on its website at www.americamovil.com.

REQUEST NO. 3. Please provide total TracFone and Idaho-specific revenues by type or source for the years 2010, 2009 and 2008.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC.

REQUEST NO. 4. Please provide the total amounts of Federal low income support received for the years 2010, 2009 and 2008.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for

designation as an ETC. TracFone further objects to this request to the extent that it seeks information that is publicly available.

REQUEST NO. 6. Please provide total TracFone and Idaho-specific operating expenses by type of expenditure for the years 2010, 2009 and 2008.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. TracFone does not disaggregate its operating expenses for Idaho or for any other state and it is not required to do so.

REQUEST NO. 7. Please provide any business plans, budgets or forecasts completed in the past three years. Please provide any margin analysis or related studies showing profitability by product or service.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. Without waiving its objection, TracFone states that it will provide a response to Request No. 21, which requests the number of eligible low income customers TracFone forecasts it will obtain in the first three years of service.

REQUEST NO. 10. Please provide the average cost of the handsets TracFone provides for free to Lifeline customers.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. Moreover, the handsets are not funded or subsidized by the federal Universal Service Fund; their costs are borne entirely by TracFone.

REQUEST NO. 14. Please provide the copies of the reseller's agreements or contracts with T-Mobile and Verizon Wireless.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. Furthermore, those agreements contain confidentiality provisions which preclude production of them without the other companies' consent. In addition, those agreements are the result of arm's length negotiations between TracFone and those carriers and are not subject to regulation at either the state or federal level.

REQUEST NO. 15. Please provide the total amounts paid to the above-referenced carriers for services provided in 2010, 2009 and 2008.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. TracFone further states that it is unable to determine which portion of the amounts paid to carriers is for Idaho intrastate service.

REQUEST NO. 16. Does TracFone provide or receive services from any affiliated interests, including its parent company or other subsidiaries? If so, disclose the nature of those services and their related costs. Please provide a copy of any management services agreements.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for

designation as an ETC. Without waiving its objection, TracFone will identify affiliated entities that provide services to TracFone.

REQUEST NO. 17. How many customers did TracFone serve in Idaho at the end of 2010? What was the average revenue per customer per month?

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. Without waiving its objection, TracFone will provide the number of customers it served in Idaho at the end of 2010.

REQUEST NO. 18. At the end of 2010, how many total customers did TracFone serve? What was the average revenue per customer per month?

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. TracFone further objects that the requests does not seek information that is related to Idaho. Without waiving its objection, TracFone will provide number of customers at the end of 2010.

REQUEST NO. 19. At the end of 2010, how many SafeLink customers did TracFone serve? What was the amount of average low income support per customer, per month? What was the average revenue per customer per month, excluding low income support?

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. TracFone further objects that the requests does not seek information that

is related to Idaho. Without waiving its objection, TracFone will provide number of customers at the end of 2010 and the average low income support per customer per month.

REQUEST NO. 22. What is TracFone's customer churn rate in total and for SafeLink customers?

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. TracFone further objects to this request because the term "churn rate" is vague. It further objects to this request on the grounds that the term "churn rate" is not defined or explained and is inherently vague. Without waiving its objection, and after receiving clarification as to the intended meaning of the term "churn rate," TracFone will provide a response to the extent the request relates to TracFone's Lifeline service.

REQUEST NO. 24. What measures does TracFone use to monitor quality of service? Provide copies of any internal management reports showing this information for the past three (3) years.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. Without waiving its objection, TracFone will provide a list of criteria TracFone uses to monitor quality of service.

REQUEST NO. 33. Please explain TracFone's internal procedures for verifying the data provided on its customers' enrollment forms and please provide all related procedural documents.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. §

214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. Without waiving its objection, TracFone will provide an explanation of its procedures for verifying the data provided on its customers' enrollment forms.

REQUEST NO. 34. To the extent TracFone uses third-party vendors to perform all or any portion of its enrollment form verification, please identify any such third-party vendors and please provide documentation detailing the number of applications that have been rejected as a result of this verification process for each calendar year that TracFone has been offering Lifeline subsidized cell phone service.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. Without waiving its objection, TracFone will identify any third-party vendors it uses to perform enrollment form verification.

REQUEST NO. 35. Please explain TracFone's internal procedures for verifying that any third-party vendors it uses for enrollment verification are accurately verifying enrollment data and please provide all related procedural documents.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for designation as an ETC. Without waiving its objection, TracFone will identify third-party vendors it uses to verify enrollment data.

REQUEST NO. 47. Please explain how TracFone will determine the "effectiveness" of its \$0.10 per additional airtime minutes offerings in South Carolina and Washington (and any other state where such a program is offered) prior to deciding whether to make that offering to its Lifeline customers in all states.

Objection: TracFone objects to this request to the extent that it seeks information that is not relevant to the determination of whether TracFone meets the federal requirements of 47 U.S.C. § 214(e)(1) and (2) for designation as an ETC or the Idaho requirements in the ETC Checklist for

designation as an ETC. Without waiving its objection, TracFone states that in Idaho it will offer SafeLink Wireless® customers additional airtime minutes at a rate of \$0.10 per minute.

DATED this 4 day of March, 2011.

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Attorneys for TracFone Wireless, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on the 4th day of March, 2011, I caused to be served, via the method(s) indicated below, true and correct copies of the foregoing document, upon:

Jean Jewell, Secretary	Hand Delivered	<input checked="" type="checkbox"/>
Idaho Public Utilities Commission	U.S. Mail	<input type="checkbox"/>
472 West Washington Street	Fax	<input type="checkbox"/>
P.O. Box 83720	Fed. Express	<input type="checkbox"/>
Boise, ID 83720-0074	Email	<input type="checkbox"/>
<u>jjewell@puc.state.id.us</u>		

Neil Price, Esq.	Hand Delivered	<input checked="" type="checkbox"/>
Idaho Public Utilities Commission	U.S. Mail	<input type="checkbox"/>
472 West Washington Street	Fax	<input type="checkbox"/>
P.O. Box 83720	Fed. Express	<input type="checkbox"/>
Boise, ID 83720-0074	Email	<input type="checkbox"/>
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Molly O'Leary, Esq.	Hand Delivered	<input type="checkbox"/>
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601 N. Bannock Street	Fax	<input type="checkbox"/>
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<u>cam@givenspursley.com</u>		

BY: Heather Houle
MCDEVITT & MILLER LLP

EXHIBIT C

TRACFONE'S *EX PARTE* COMMUNICATION TO FEDERAL COMMUNICATIONS COMMISSION

REDACTED
AVAILABLE FOR PUBLIC INSPECTION

February 24, 2011

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: CC Docket No. 96-45 - Federal- Joint Board on Universal Service
WC Docket No. 03-109 - Lifeline and Link Up
NOTICE OF EX PARTE PRESENTATION**

Dear Ms. Dortch:

On February 18, 2011, undersigned counsel for TracFone Wireless, Inc. met with Zachary Katz, Legal Advisor to Chairman Genachowski, with Sharon Gillett, Chief, Wireline Competition Bureau, Carol Matthey, Deputy Chief, Wireline Competition Bureau, and with Trent Harkrader, Chief, Telecommunications Access Policy Division, Wireline Competition Bureau. During that meeting, we discussed the forthcoming notice of proposed rulemaking on Lifeline and Link Up matters, including eligibility certification, verification and consumer outreach. Also during that meeting, TracFone was requested to provide certain data regarding TracFone's average "break even" period for Lifeline customers and its Lifeline customers' average usage per month. The purpose for this supplemental ex parte presentation letter is to provide the data requested.

REQUEST FOR CONFIDENTIAL TREATMENT

Pursuant to Section 0.459 of the Commission's rules, TracFone, by its undersigned counsel, requests that certain information contained in this letter be accorded confidential treatment and that such information not be routinely available for public inspection. In particular, TracFone requests that its average break even period for Lifeline customers and its Lifeline customers' average monthly usage receive confidential treatment. The requested data includes highly confidential competitively sensitive information which would cause TracFone harm if that data became available to existing or potential competitors. In addition, the requested data is not available to the public. Public disclosure of data regarding the length of time it takes TracFone to recoup the costs of enrolling a customer in Lifeline (i.e., the break even period) and customer usage data and access by TracFone's competitors to the requested information would be competitively harmful to TracFone because it would provide competitors with important

REDACTED
AVAILABLE FOR PUBLIC INSPECTION

Ms. Dortch
February 24, 2011
Page 2 of 2

information regarding the amount of funds TracFone expends to enroll and service a Lifeline customer and regarding whether TracFone's Lifeline offering is meeting the needs of its customers. Accordingly, pursuant to Section 0.459 of the Commission's rules, TracFone respectfully requests that the information provided in this letter not be routinely available for public inspection.

SUPPLEMENTAL INFORMATION

TracFone was asked about the average "break even" period for enrolling Lifeline customers. TracFone estimates the break even period for its SafeLink Wireless[®] Lifeline customers to be [REDACTED]. That is duration which customers must remain enrolled in TracFone's Lifeline program in order for TracFone to be able to recover its costs of capturing and serving that customer, including handset acquisition costs, delivery costs, and costs of marketing and outreach. TracFone also was asked about its Lifeline customers' average usage per month. Of TracFone's three Lifeline plans, its 250 minute per month plan is the most popular. Customers enrolled in that plan receive 250 minutes of free wireless airtime per month. On average, those customers use [REDACTED] minutes per month for voice calling and send/receive [REDACTED] SMS text messages per month. At the plan rate of 1 minute of airtime per text message, average monthly usage by customers enrolled in the 250 minute plan is [REDACTED] minutes.

TracFone is providing the confidential version of this letter to the members of the Commission staff who attended the February 18 meeting. A redacted version of this letter is being filed electronically in accordance with Sections 0.459(a)(1) and 1.1206 of the Commission's rules. If there are questions, please communicate directly with undersigned counsel for TracFone.

Sincerely,



Mitchell F. Brecher
Counsel for TracFone Wireless, Inc.

cc: Mr. Zachary Katz
Ms. Sharon Gillett
Ms. Carol Matthey
Mr. Trent Harkrader