

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
)
Lifeline and Link Up Reform and Modernization) WC Docket No. 11-42
)
)

ORDER

Adopted: December 19, 2012

Released: December 19, 2012

By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, we select 14 projects to participate in the Commission’s broadband adoption Lifeline pilot program (Pilot Program),¹ 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.² 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 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.

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.³ 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,

¹ 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*).

² 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 See *id.* at 6794-95, para. 323.

delivered either as a standalone service or as part of a bundle of voice and broadband services.⁴ 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.⁵

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*).⁶ 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.⁷ 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.⁸ In response to the *Broadband Pilot Public Notice*, the Bureau received 24 applications seeking over \$30 million in funding.

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.⁹ 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).¹⁰ 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.¹¹ We eliminated those that did not address the application criteria set forth in the *Broadband Pilot Public Notice* or that were unlikely to provide additional useful data to the Commission beyond the data provided by stronger competing applications.¹²

5. Based on our review of the applications, the Bureau selects the following pilot projects to participate in the Pilot Program (in alphabetical order):¹³

⁴ 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.

⁵ See *id.* at 6795, paras. 324-25.

⁶ See generally *Broadband Pilot Public Notice*, 27 FCC Rcd 4840.

⁷ See *id.* at 4841-42.

⁸ 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)).

⁹ *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).

¹⁰ See *id.* at 6795-96, para. 326.

¹¹ See *id.* at 6795-96, 6804-05, 6806-07, paras. 326, 349, 351-53.

¹² See generally *Broadband Pilot Public Notice*, 27 FCC Rcd 4840.

¹³ 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

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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 (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,¹⁴ 7 wireline broadband projects,¹⁵ and 2 that will offer both wireline or wireless broadband technologies¹⁶ across 21 states and Puerto Rico.¹⁷ Additionally, out of the 14 selected pilot projects, 7 will provide discounted broadband service in rural areas,¹⁸ including 2 on Tribal lands,¹⁹ and 7 will provide discounted broadband service in urban and suburban areas.²⁰ 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.

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

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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*.

¹⁴ See, e.g., Allied Wireless Application, Nexus Application, PR Wireless Application, T-Mobile Application, TracFone Smartphone Application, PR Wireless and Virgin Mobile Application.

¹⁵ 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.

¹⁶ See PRT Application; XChange Application.

¹⁷ 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.

¹⁸ See, e.g., Frontier Application, Nexus Application, NTCA Application, Partnership for a Connected Illinois Project, Troy Cablevision Application, Vermont Telephone Application, Hopi Telecommunications Application.

¹⁹ 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.

²⁰ 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.

descriptions of how the applicant would randomize variations on broadband service offerings.²¹ 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.²² 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 adoption by low-income consumers.²³

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.²⁴ 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.²⁵ Finally, the Bureau has also selected projects that offer variations in other dimensions of broadband offerings, such as access to discounted equipment, speed and usage limits to determine the extent to which such factors affect adoption.²⁶

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.²⁷ 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.²⁸ 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) 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.²⁹ 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.³⁰ 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.³¹

²¹ See *Broadband Pilot Public Notice*, 27 FCC Rcd at 4841.

²² See, e.g., Nexus Application, Virgin Mobile Application, XChange Application.

²³ See Troy Cablevision Application, NTCA Application.

²⁴ See, e.g., XChange Application, TracFone Smartphone Application, Nexus Application.

²⁵ See, e.g., Partnership for Connected Illinois Project, Frontier Application, Nexus Application.

²⁶ See, e.g., Hopi Telecommunications Application, Gila River Application, Virgin Mobile Application.

²⁷ See, e.g., Gila River Application, Nexus Application, TracFone Smartphone Application.

²⁸ See NTCA Application, Vermont Telephone Application.

²⁹ 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).

³⁰ 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).

³¹ 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).

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).”³² 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.³³ Among the 9 selected projects offering wireline broadband service, 8 projects offer speeds at or above 4 Mbps downstream and 1 Mbps upstream in all or portions of their study areas.³⁴ 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.³⁵

11. *Digital 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.³⁶ 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.³⁷ 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.³⁸ 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.³⁹

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 income, age, ethnicity, gender and family size.⁴⁰ 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

³² See *id.*

³³ 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).

³⁴ 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.

³⁵ See Hopi Telecommunications Application; Frontier Application (in portions of its study area, 4 Mbps download and 1Mbps upload service is not available).

³⁶ See *Lifeline Reform Order*, 27 FCC Rcd at 6796, 6804-06, paras. 326, 348-49, 352.

³⁷ See, *e.g.*, Partnership for a Connected Illinois Project, Frontier Application, TracFone Smartphone Project, XChange Application.

³⁸ See, *e.g.*, Hopi Telecommunications Application, PR Wireless Application, PRT Application, Virgin Mobile Application, Gila River Application.

³⁹ 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.

⁴⁰ See *Lifeline Reform Order*, 27 FCC Rcd at 6795-96, para. 326.

detail across all of the selected projects.⁴¹ 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.⁴² 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.⁴³ 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.⁴⁴

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.⁴⁵ 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. The Bureau has informally consulted with staff at the National Telecommunications and Information Administration (NTIA) regarding data collection and barriers to broadband adoption.⁴⁶ Several of the selected projects will partner with BTOP grantees that have experience in offering digital literacy training.⁴⁷ Additionally, several projects will partner with Connected Nation and offer discounted or free computers to participating subscribers.⁴⁸

14. *Projects 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,”⁴⁹ 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;⁵⁰ or (ii) propose to test variations on broadband adoption included in competing projects that are better designed as field experiments.⁵¹

⁴¹ See Appendix B, survey questions.

⁴² See, e.g., XChange Application at 2, 18; PR Wireless Application at 1-2, 11-12; Hopi Telecommunications Application at 2.

⁴³ 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).

⁴⁴ 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).

⁴⁵ 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.

⁴⁶ See *Lifeline Reform Order*, 27 FCC Rcd at 6796, para. 327.

⁴⁷ See, e.g., Partnership for a Connected Illinois Project at 7-11; Nexus Application at 13-15; XChange Application at 11-13.

⁴⁸ See, e.g., Hopi Telecommunications at 7, 10; Frontier Application.

⁴⁹ *Lifeline Reform Order*, 27 FCC Rcd at 6795, para. 325.

⁵⁰ 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).

⁵¹ See UTPPhone 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
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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.⁵² 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.

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.⁵³ 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.⁵⁴ 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.⁵⁵ 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.⁵⁶

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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).

⁵² *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").

⁵³ See *Lifeline Reform Order*, 27 FCC Rcd at 6796, para. 343.

⁵⁴ See *Broadband Pilot Program Public Notice*, 27 FCC Rcd at 4847-48.

⁵⁵ 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*).

⁵⁶ See *Broadband Pilot Program Public Notice*, 27 FCC Rcd at 4843.

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 written confirmation from subscribers that they are not currently subscribing to broadband from any other ETC under the Pilot Program.⁵⁷

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.⁵⁸ 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.⁵⁹ However, subscribers participating in the Pilot Program are limited in receiving a maximum of 12 months of subsidized broadband service.⁶⁰ Additionally, we expect all subscribers to be enrolled within nine months of the commencement of the trial period, or no later than November 1, 2013.⁶¹

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 Form.⁶²

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.⁶³ 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 Income Broadband Pilot Program Reporting Form,

⁵⁷ 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.

⁵⁸ 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.

⁵⁹ See *Broadband Pilot Public Notice*, 27 FCC Rcd at 4843-44.

⁶⁰ See *Lifeline Reform Order*, 27 FCC Rcd at 6795, paras. 324-25.

⁶¹ See *Broadband Pilot Public Notice*, 27 FCC Rcd at 4843-44.

⁶² 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.

⁶³ See *Lifeline Reform Order*, 27 FCC Rcd at 6800-01, para. 336.

in anonymized form, prior to the subscribers receiving the subsidized broadband service.⁶⁴ 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.⁶⁵ 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.⁶⁶ 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 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.⁶⁷

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.⁶⁸ 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 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.⁶⁹

⁶⁴ 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.

⁶⁵ See Appendix B, Blocks A, B, C, and D.

⁶⁶ See *Broadband Pilot Public Notice*, 27 Rcd at 4841.

⁶⁷ 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 reimbursement 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.

⁶⁸ See *Lifeline Reform Order*, 27 FCC Rcd at 6807, para. 354.

⁶⁹ 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).

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.

FEDERAL COMMUNICATIONS COMMISSION

Julie A. Veach
Chief
Wireline Competition Bureau

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 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.⁷⁰

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 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 non-recurring fees.⁷¹

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 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

⁷⁰ 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).

⁷¹ 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).

equipment. Lifeline support for this project will not exceed \$226,752, with no reimbursement for non-recurring fees.⁷²

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 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 \$166,657.⁷³

5. Nexus (OH, MI, IA, NV, CA, LA, MS, NJ): The project will study the effects of varying 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.⁷⁴

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 Project⁷⁵, 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'

⁷² 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).

⁷³ 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).

⁷⁴ 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).

⁷⁵ 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.

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, and includes reimbursement for non-recurring fees for each ETC.⁷⁶

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.⁷⁷

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.⁷⁸

⁷⁶ 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).

⁷⁷ *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).

⁷⁸ *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).

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.⁷⁹

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.⁸⁰

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.⁸¹

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

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,

⁷⁹ 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).

⁸⁰ 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).

⁸¹ 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).

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.⁸²

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

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.⁸³

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.⁸⁴

⁸² 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).

⁸³ 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).

⁸⁴ 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).

APPENDIX B

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)		
	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).

**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

**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; Stand-alone BB	
	Technology used	Mobile, Fixed-wireless, Wireline (Telco or Cable), Other (indicate)	
	Broadband speed provided	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	

**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		

**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

Provided by ETC

**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).

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 <i>actually</i> 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. the third unsubsidized month)?	Yes/No	

Provided by ETC

**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).

Block G	Question	Response	Notes
Subscriber-Provided Information at Enrollment	Unique Subscriber Identifier		Unique, anonymized identifier assigned by the ETC
	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	

Collected from Subscriber

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 choose more than one	Monthly cost too expensive, didn't use service, 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, 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"

	<p>Reason(s) for use of Internet (can choose more than one response)</p>	<p>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 (e.g. check bus schedule), other -- - specify</p>		
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**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	Collected from Subscriber
Follow-Up and Subscriber-Usage 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	
	Number of Household members using discounted broadband service			

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

APPENDIX C**List of Submitted Applications**

1. Allied Wireless
2. Choice Communications
3. Churchill 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. Troy Cablevision
20. UTPhone, Inc.
21. Vermont Telephone
22. Virgin Mobile
23. XChange
24. YourTel America, Inc. and TerraCom Inc.