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**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

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**IN THE MATTER OF THE FILING OF  
TRACFONE WIRELESS, INC.'S  
PETITION FOR DESIGNATION AS AN  
ELIGIBLE TELECOMMUNICATIONS  
CARRIER IN THE STATE OF SOUTH  
DAKOTA FOR THE LIMITED  
PURPOSE OF PROVIDING LIFELINE  
SERVICE TO QUALIFYING  
CUSTOMERS**

**Docket No. TC24-005**

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**TRACFONE WIRELESS, INC.'S RESPONSE TO FIRST DATA REQUEST OF  
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION STAFF**

TracFone Wireless, Inc. (TracFone) provides the following response to the first data request of the South Dakota Public Utilities Commission Staff issued on September 11, 2024.

Dated: October 11, 2024

## RESPONSE TO FIRST DATA REQUEST

- 1-1. With this Petition, TracFone is seeking a single ETC designation but will offer Lifeline service under multiple brands. Provide the legal basis on which the Commission may grant a single ETC designation to TracFone which would also apply to each of the brands that TracFone will offer Lifeline services under.**

### Response

TracFone Wireless, Inc. is a legal corporation that is authorized to do business in South Dakota. TracFone offers its services under several brand names. The brand names are not legal entities, and therefore, are not common carriers that can seek an ETC designation. See 47 U.S.C. § 214(e)(2) (“A State commission shall upon its own motion or upon request designate a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier for a service area designated by the State commission.”). Corporations commonly offer services under brand names. Neither the Communications Act nor the Federal Communications Commission (FCC) rules governing the Lifeline program prohibit an ETC from offering its services under brand names. TracFone further notes that the FCC was aware that the company offers Lifeline services under several brands when it approved TracFone’s amended compliance plan (which sought approval of a proposed acquisition of TracFone by Verizon Communications, Inc. from América Móvil, S.A.B. de C.V.). See *Wireline Competition Bureau Approves the Amended Compliance Plan of TracFone Wireless, Inc.*, WC Docket Nos. 11-4 and 09-97, Public Notice, DA 21-1467 (November 22, 2021).

- 1-2. Provide a diagram of TracFone’s corporate structure which includes TracFone, Verizon, and each brand name under which TracFone plans to provide service in South Dakota.**

### **Response**

Verizon Communications, Inc. is the 100 percent owner of TracFone Wireless, Inc. TracFone seeks to offer Lifeline service in South Dakota under the following brand names: SafeLink Wireless; Simple Mobile; Straight Talk; Total Wireless; TracFone Wireless; and Walmart Family Mobile.

- 1-3. The title of this docket, as submitted by TracFone, suggests this is an ETC application for TracFone Wireless, Inc. On page 1 of the Petition TracFone mentions 6 different brand names. Explain what name TracFone is requesting be issued an ETC designation in this docket.**

### **Response**

The application is an ETC application for TracFone Wireless, Inc. TracFone Wireless, Inc. is a legal corporation that is authorized to do business in South Dakota. TracFone offers its services under several brand names. The brand names are not legal entities.

- 1-4. If TracFone is looking for one ETC designation explain why 6 brand names are mentioned on page 1 of the Petition.**

### **Response**

TracFone mentioned the brand names under which it offers Lifeline service so that the Commission would be aware that low-income consumers who are eligible for Lifeline would have a choice of plans to which they could apply the Lifeline discount.

- 1-5. Explain the process of how a potential customer seeking Lifeline service from TracFone would end up with service from TracFone Wireless, SafeLink Wireless, Simple Mobile, Straight Talk, Total by Verizon, or Walmart Family Mobile. Does the potential customer have a choice of which brand to receive service from?**

**Response**

A potential Lifeline customer can choose to receive Lifeline service from any one of the listed brands. As detailed in Exhibit 1, each brand offers different plans. Any plan that meets the required minimum service standards for Lifeline service set forth in 47 C.F.R. § 54.408 may be chosen by a Lifeline-eligible consumer. For all plans except plans offered under the SafeLink Wireless brand, Lifeline customers will receive a \$10 discount off the retail rate. TracFone's SafeLink Wireless Lifeline plan provides Lifeline customers with a bundled voice and data plan that includes unlimited airtime voice minutes, unlimited text messaging and 4.5 GB of mobile broadband data.

**1-6. For each of the brand names TracFone Wireless, SafeLink Wireless, Simple Mobile, Straight Talk, Total by Verizon, and Walmart Family Mobile, provide:**

**a. The area in South Dakota in which the particular brand is offered;**

All of TracFone's brands are offered in TracFone's South Dakota coverage area, with the exception of SafeLink Wireless, which is only available to Lifeline-eligible customers. See TracFone's South Dakota coverage map provided as Exhibit 2 to its ETC Petition.

**b. The service offering particular to that brand, including price, mobile broadband speed, data allotment, voice minutes, and text messaging;**

**Response**

See Exhibit 1 and Exhibit 2.

**c. Unique benefits of the particular brand and what differentiates the brand from others:**

**Response**

See Exhibit 1 and Exhibit 2.

- d. **Contact information for a designated contact person from that brand name;**

**Response**

SafeLink Wireless – David Avila; [David.Avila@verizon.com](mailto:David.Avila@verizon.com)

Simple Mobile – Antonio Pujula; [Amtonio.Pujula@verizon.com](mailto:Amtonio.Pujula@verizon.com)

Straight Talk – Angela Fisher-Enders; [Angela.Fisher-Enders@verizon.com](mailto:Angela.Fisher-Enders@verizon.com)

Total Wireless – Brian Ciccone; [Brian.Ciccone@verizon.com](mailto:Brian.Ciccone@verizon.com)

TracFone Wireless – Elliot Fletcher; [Elliott.Fletcher@verizon.com](mailto:Elliott.Fletcher@verizon.com)

Walmart Family Mobile – Angela Fisher-Enders; [Angela.Fisher-Enders@verizon.com](mailto:Angela.Fisher-Enders@verizon.com)

- e. **Information regarding that brand’s prioritization on the Verizon network;**

**Response**

There is no TracFone brand that is prioritized over another on the Verizon network. The following applies to all TracFone brands regarding prioritization of data traffic:

Some Carriers differentiate the wireless service they sell by prioritizing the data traffic of their customers over the data traffic of customers on a non-Carrier brand at times and at locations where there are competing customer demands for network resources. Where the network is lightly loaded, a Tracfone customer will notice little, if any, effect from having lower priority. This will be the case in the vast majority of times and locations. At times and at locations where the network is heavily loaded in relation to available capacity, however, a Tracfone customer will experience increased latency during a data session, particularly if the customer is engaged in a data-intensive activity. When network loading goes down or if a customer moves to a location that is less heavily loaded in relation to available capacity, the latency associated with a customer’s data connection will improve.

- f. **The locations of retail centers, store fronts, or physical offices in South Dakota associated with the particular brand;**

## **Response**

TracFone does not have its own retail centers, store fronts, or physical offices in South Dakota. The following national retailers sell the Total Wireless, TracFone Wireless and Simple Mobile brands: Best Buy, Dollar General, Target, and Walmart. Straight Talk and Walmart Family Mobile brands are available at Walmart. The SafeLink Wireless brand is only available online.

- g. The Terms and Conditions of Lifeline Service particular to each brand;**

## **Response**

Each brand has its own set of terms and conditions governing the service, although SafeLink Wireless and Walmart Family Mobile have Lifeline-specific terms and conditions. See Exhibit 3 and Exhibit 4. Information about the Lifeline service offered by each brand is available at the following links. In addition, the Lifeline application and consents and disclosures provided as part of the Lifeline enrollment flow advise customers of relevant Lifeline program requirements.

SafeLink Wireless – <https://www.safelinkwireless.com/en/#!/aboutLifeline> and <https://support.safelinkwireless.com/en/topics/>

Simple Mobile - <https://www.simplemobile.com/gdp>

Straight Talk - <https://www.straighttalk.com/gdp>

Total Wireless - <https://www.totalwireless.com/gdp>

TracFone Wireless - <https://www.tracfone.com/gdp> and <https://www.tracfonewirelessinc.com/en/lifeline/>

Walmart Family Mobile - see also <https://media.tracfone.com/wps/wcm/connect/finance-en/finance/termsandconditions>

- h. Any other unique information about the particular brand.**

**Response**

See Exhibit 1 and Exhibit 2.

- 1-7. In addition to the brands previously mentioned, Page 2 of the Petition states that TracFone also offers its services under the brand names Net10 Wireless, Page Plus, and GoSmart Mobile. Will these brand names be offered in South Dakota? If not, why not? If so, please provide the same information for these brands that was asked for in Data Requests 1-6.**

**Response**

TracFone is no longer offering service to new customers under the brand names Net10 Wireless, Page Plus, and GoSmart Mobile.

- 1-8. Do these brands have unique customer service teams or does TracFone manage them all?**

**Response**

TracFone manages all of the brands under which it offers service.

- 1-9. Are these Terms and Conditions available to potential customers prior to enrollment?**

**Response**

Terms and Conditions are available online to potential customers.

- 1-10. Explain the relationship between TracFone and Walmart Family Mobile. Explain how the SDPUC can approve Lifeline services from Walmart Family Mobile under a petition from TracFone.**

**Response**

Walmart Family Mobile is a brand name under which TracFone offers service. Walmart Family Mobile plans are marketed by Walmart. TracFone is the service provider for all Walmart Family Mobile plans and consumers apply for Lifeline service with TracFone, not with Walmart.

- 1-11. On Total by Verizon's website, it states "Total by Verizon is a registered trademark of Verizon Trademark Services, LLC. © 2024 VERIZON."**

**Straight Talk, SafeLink Wireless, and Simple Mobile, on the other hand, are registered trademarks of TracFone Wireless, Inc. Explain how the SDPUC can approve Lifeline services of Total by Verizon under a petition from TracFone.**

**Response**

The brand name Total by Verizon is no longer being used. TracFone provides service under the brand name Total Wireless. TracFone is authorized by Verizon to use this brand name. Services offered under the brand name Total Wireless are provided by TracFone.

**1-12. Provide the information as required by ARSD 20:10:32:43(1)-(2).**

**Response**

Applicant

TracFone Wireless, Inc.  
9700 N.W. 112th Avenue  
Miami, FL 33178  
(800) 867-7183

Designated Contact

Javier Rosado  
AVP – Product Marketing  
TracFone Wireless, Inc.  
9700 N.W. 112th Avenue  
Miami, Florida 33178  
(305) 715-6575

TracFone’s proposed effective date of the designation of ETC status is the date the Commission issues an order designating TracFone as an ETC.

**1-13. In accordance with ARSD 20:10:32:43(3), provide a detailed map that illustrates, by wire center, the service area for which designation is sought.**

**Response**

TracFone seeks ETC designation in the exchanges listed in Exhibit 5. TracFone does not have the ability to create a wire center map. Therefore, TracFone relies on the



Study Area Boundary Map available at

<https://sdbit.maps.arcgis.com/apps/webappviewer/index.html?id=73648b1b111b4d81b71>

[e71fdfb49c295](#). TracFone seeks designation as an ETC in all exchanges, except for those served by members of the SDTA. The SDTA's website lists the following companies as members:

Alliance Communications Cooperative  
Beresford Municipal Telephone Company  
Cheyenne River Sioux Tribe Tel. Authority  
Faith Municipal Telephone Company  
Fort Randall Telephone Company  
Golden West Telecommunications Cooperative  
Interstate Telecommunications Cooperative  
James Valley Telecommunications  
Kennebec Telephone Company  
Midstate Communications  
RC Technologies  
Santel Communications Cooperative  
Swiftel Communications/Brookings Municipal Telephone  
TrioTel Communications  
Valley Telecommunications Cooperative  
Venture Communications Cooperative  
West River Cooperative Telephone  
West River Telecommunications Cooperative

**1-14. If a customer meets their data limit for the month, is the customer cut off from data usage? Or, does the customer continue to use data and then receive additional charges? Please explain.**

**Response**

If a customer meets their data limit for the month they are not able to use data.

**1-15. Does TracFone's Lifeline offering offer Top-Up or Add-On programs? If so, provide the details of these options.**

**Response**

TracFone's Lifeline offering does not include a Top-Up or Add-On program. However, all Lifeline customers, like all non-Lifeline customers, may choose to purchase additional service.

**1-16. If applicable, what percentage of TracFone's current subscribers purchase additional voice or data?**

**CONFIDENTIAL Response**

This response is subject to a request for confidential treatment pursuant to A.R.S.D. 20:10:01:41. Approximately [REDACTED] percent.

**1-17. Page 18 of the Petition states that Lifeline customers have the option of receiving a free smartphone. Please provide the smartphone models that TracFone offers for free.**

**Response**

TracFone no longer offers a free smartphone to Lifeline subscribers. As noted on Page 12 of the Petition (which was filed when the ACP was in effect), TracFone Lifeline customers that were also TracFone ACP customers received a free smartphone.

**1-18. Does TracFone give refurbished smartphones to customers?**

**Response**

Not applicable.

**1-19. Provide a copy of Form 10-K for TracFone.**

**Response**

See Exhibit 6.

**1-20. Does or did TracFone offer ACP services in South Dakota? If so, provide a chart showing all ACP discount amounts.**

**Response**

TracFone offered ACP services in South Dakota. The ACP discount amount for all brands was \$30.

**1-21. If applicable, how many ACP customers, in total and separately for South Dakota, does TracFone have or had?**

**CONFIDENTIAL Response**

This response is subject to a request for confidential treatment pursuant to A.R.S.D. 20:10:01:41. As of the end of May 2024, TracFone had [REDACTED] ACP customers nationwide, including [REDACTED] ACP customers in South Dakota.

**1-22. Provide a chart showing all Lifeline discount amounts.**

**Response**

The Lifeline discount for all brands is \$10 comprised of \$9.25 Lifeline support and \$0.75 TracFone-funded discount.

**1-23. Do any unused minutes and data in a given month roll over to the following months?**

**Response**

Unused minutes and data in a given month do not roll over to the following month for all brands, except for the TracFone Wireless brand (which includes unlimited rollover of unused minutes and data).

**1-24. Does TracFone plan to do targeted advertising to the current ACP customers of TracFone?**

**Response**

TracFone does not have current ACP customers because ACP has been terminated. TracFone will do targeted advertising to reach low-income consumers that are eligible for Lifeline service, some of which may have been former ACP customers.

**1-25. Has TracFone or its various brands ever been penalized for any sort of waste, fraud, or abuse of the Lifeline or ACP program?**

**Response**

In 2023, TracFone entered into a Consent Decree with the FCC to resolve an investigation that was initiated after TracFone self-identified and reported to the FCC and the Universal Service Administrative Company certain instances in which it previously may have violated Lifeline and/or Emergency Broadband benefit Program rules. The Consent Decree does not constitute a finding of liability by the FCC nor an admission of liability by TracFone. A copy of the Consent Decree is provided as Exhibit 7.

**1-26. Will all local, 911, E911, and customer service calls be free and not count against minutes used?**

**Response**

Yes.

**1-27. Does TracFone differentiate between local and long-distance calls?**

**Response**

No.

**1-28. Confirm TracFone will agree to cooperate with the South Dakota Public Utilities Commission to resolve consumer complaints.**

**Response**

TracFone confirms that it will cooperate with the South Dakota Public Utilities Commission to resolve consumer complaints.

**1-29. Explain how TracFone handles consumer complaints and the process used by the company.**

**CONFIDENTIAL Response**

This response is subject to a request for confidential treatment pursuant to A.R.S.D. 20:10:01:41. See Exhibit 8.

**1-30. Provide updated financials for 2023, audited if available.**

**Response**

See Exhibit 6.

**1-31. Provide the number of Lifeline customers TracFone has in each state it offers service in. Separate out by Tribal and non-Tribal customers.**

**Response**

See Exhibit 9 for the number of Lifeline customers TracFone had in each state as of September 30, 2024.

**1-32. Provide the number of non-Lifeline customers TracFone has in each state it offers service in.**

**CONFIDENTIAL Response**

This response is subject to a request for confidential treatment pursuant to A.R.S.D. 20:10:01:41. See CONFIDENTIAL Exhibit 10 for the number of non-Lifeline customers TracFone had in each state as of September 30, 2024.

**1-33. Provide a description of the plans, including details and pricing, for non-Lifeline customers in South Dakota. Are all the Lifeline plans available to non-Lifeline subscribers without the Lifeline discount? Can a customer have the Lifeline discount applied to a more expensive plan?**

**Response**

See Exhibit 1 and Exhibit 2. Note that with the exception of the SafeLink Wireless plan, all plans in Exhibit 1 and Exhibit 2 are available to non-Lifeline

customers. The SafeLink Wireless plan is only available to Lifeline-eligible customers. All non-Lifeline plans that meet the Lifeline minimum service standards set forth in 47 C.F.R. 54.408 and offer monthly service are available to Lifeline-eligible customers, including plans that are more expensive.

**1-34. Provide a detailed list of all Lifeline Eligible plans TracFone plans to offer. The list should include, but is not limited to, minutes, data, price, roll over data or minutes option, etc.**

**Response**

See Exhibit 1.

**1-35. For each of TracFone's Lifeline offerings in South Dakota, provide a breakdown of TracFone's fixed cost and variable cost to serve a single Lifeline subscriber.**

**Response**

TracFone does not maintain data regarding the fixed and variable cost to serve a single Lifeline subscriber.

**1-36. Confirm TracFone will not charge a number-portability fee on its Lifeline plans.**

**Response**

TracFone confirms that it will not charge a number-portability fee on its Lifeline plans.

**1-37. Confirm TracFone will not charge any service deposits on its Lifeline plans.**

**Response**

TracFone confirms that it will not charge any service deposits on its Lifeline plans.

**1-38. Are there any locations in TracFone's proposed service area that do not currently have a wireless Lifeline offering available to them? Are there any**

**locations that do not have a prepaid wireless Lifeline offering available to them?**

**Response**

Based on a review of the most recent data available on the Universal Service Administrative Company's website (*see* LI04-Qtly-Low-Income-Disbursement-Amts-by-Company-2Q2024.xlsx available at <https://www.usac.org/about/reports-orders/fcc-filings/>) only two wireless ETCs that received Lifeline support in June 2024 for services provided in South Dakota: Boomerang Wireless LLC and James Valley Wireless, LLC. TracFone is not aware of the precise areas of coverage for these two carriers, nor can it determine whether there are certain areas within its proposed service area where there is no wireless Lifeline offering or no prepaid wireless Lifeline offering available.

**1-39. Will TracFone use Marketing Agents to enroll customers? If so, does TracFone compensate Marketing Agents based on enrollments? What procedures does TracFone have in place to assure its Marketing Agents do not misuse beneficiary data?**

**Response**

TracFone will not use marketing agents to enroll customers in South Dakota.

**1-40. Is there a fee or penalty assessed by TracFone for a customer to cancel or de-enroll for any reason at any time?**

**Response**

No.

**1-41. What was TracFone's breakdown of Lifeline revenue versus non-Lifeline revenue in 2022 and 2023?**

**Response**

TracFone's revenue is consolidated with Verizon's revenue, and therefore, not separately available. TracFone's Lifeline revenue from federal Lifeline support was

\$31,532,214 and \$290,339,672. The amounts reflect the amount of Lifeline support claimed by TracFone during each year.

**1-42. Provide a copy of all media sources used in the advertising of TracFone's services and charges, including point of sale materials, customer direct mail, customer brochures, and print media.**

**Response**

TracFone will advertise its Lifeline services using digital and radio advertisements. See Exhibit 11.

**1-43. Does TracFone anticipate geographic areas in South Dakota wherein customers may experience service issues due to inadequate service coverage? If so, what is the process and procedure for handling customer service issues after signing the individual up for services?**

**Response**

TracFone does not anticipate any geographic areas within its requested service area (i.e., South Dakota CenturyLink wire centers and rural areas that are not served by an SDTA member) due to inadequate service coverage.

**1-44. If coverage issues are expected, will TracFone make potential customers aware of possible coverage issues prior to enrollment? Explain.**

**Response**

Not applicable.

**1-45. If the answer to Data Request 1-43 was yes, describe in detail how TracFone will comply with ARSD 20:10:32:43.01.**

**Response**

Not applicable.

**1-46. Confirm TracFone will file copies with the SDPUC of all applicable FCC Forms and Reports annually if this docket is approved, including but not limited to Form 555 and Form 481.**



**Response**

TracFone confirms that it will file copies with the SDPUC of all applicable FCC Forms and Reports annually, including but not limited to Form 555 and Form 481.

**1-47. Confirm TracFone will comply with all future certification and filing requirements as required by SD Administrative Rules and Codified Laws.**

**Response**

TracFone confirms that it will comply with all applicable future certification and filing requirements as required by SD Administrative Rules and Codified Law.

**1-48. Has TracFone contacted any of the Tribes to see if they want TracFone to provide them with Lifeline services?**

**Response**

TracFone has not contacted Tribes yet. However, if there are Tribal lands within the service area for which it is designated as an ETC, it will contact the relevant Tribes.

**1-49. Page 7 of the Petition states that TracFone's Lifeline offering includes unlimited voice minutes. However, Page 11 of the Petition states that the Lifeline plan includes 350 voice minutes. Please explain the discrepancy.**

**Response**

TracFone's Lifeline offering includes unlimited voice minutes. The reference to 350 voice minutes was inadvertent.

## CERTIFICATE OF SERVICE

I hereby certify that a copy of TracFone's Response to First Data Request of South Dakota Public Utilities Commission Staff dated October 11, 2024, was electronically served upon the following parties to PUC Docket No. TC24-005:

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