



2. The Commission determined that such an abeyance was unnecessary, as the Staff could (and subsequently did) rely on the Commission's Data Request ("DR") process to gather the information it needed.

3. On or about the same time, the Staff committed to conduct an audit of all ETCs providing low income or disabled USF discounts to consumers in Missouri.

4. Over the year since that pleading, the Staff has developed a standard set of DRs for all new ETC applications that it continues to refine and has sent the standard set along with follow-up DRs to companies seeking designation or designated as ETCs in Missouri. The Staff has learned a great deal about the practices and procedures used by the various companies, sometimes leading to methods by which alleged frauds could be perpetrated on the federal USF.

5. In addition, the Federal Communications Commission has issued a Report and Order and Further Notice of Proposed Rulemaking<sup>1</sup>, FCC 12-11, referred to herein as the "USF Reform Order." That Order contained significant changes to the way companies will operate to administer the Lifeline program and eliminated the Link Up program. It also introduced a series of measures intended to reduce the fraud and abuse problems, which the Staff characterized as "severe" in its June, 2011 pleading referenced above.

6. The Staff wishes for the Commission to open this repository docket, so that it can file a report of its findings to date and continue to provide the Commission updates on its investigation.

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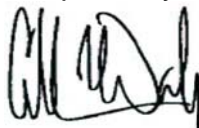
<sup>1</sup> In the Matter of Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42; Lifeline and Link Up, WC Docket No. 03-109; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Advanced Broadband Availability Through Digital Literacy Training, WC Docket No. 12-23; Adopted: January 31, 2012; Released: February 6, 2012; FCC 12-11.

7. The Staff also intends to use the information that it has gathered in its investigation to propose updates to the Commission's rules about ETC designation and the USF (including the Missouri USF) designed to combat potential fraudulent activity and to comply with the changes brought about by the FCC's USF Reform Order.

8. The Staff has two goals in mind at this time. The first would be to develop a report to the Commission about the investigation it has conducted and the things it has learned about the process over the past year, in approximately 60-90 days. The other is to use that information in order to timely revise the Commission's rules as necessary. At least one revision will need to be accomplished on an emergency basis.

**WHEREFORE**, the Staff respectfully moves the Commission to open a repository docket in which to gather information related to the Staff's investigation into the practices and procedures of companies offering low income (Lifeline) or disabled universal service fund discounts.

Respectfully submitted,



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**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 7<sup>th</sup> day of May, 2012.

A handwritten signature in black ink, appearing to be "Allan D. [unclear]".