

May 31, 2016

James W. McTarnaghan
JMcTarnaghan@perkinscoie.com
D. +1.415.344.7007
F. +1.415.344.7207

BY EMAIL AND HAND DELIVERY

Michael C. Amato
Acting Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298

**Re: TracFone Wireless, Inc. (U-4321-C) Information Only Filing re
Transfer of LifeLine Customers from Budget Prepay, Inc. to
Budget Mobile**

Dear Acting Director Amato:

Pursuant to General Order No. 96-B, Telecommunications Industry Rule 8.6.3, TracFone Wireless, Inc. (“TracFone”) hereby submits this information-only filing regarding the upcoming transfer of LifeLine customers from Budget PrePay, Inc. d/b/a Budget Mobile (“Budget”) to TracFone during June 2016. The purpose of this letter is to provide the Commission with information regarding the upcoming transfer of customers from Budget to TracFone. This information-only filing was discussed with Commission Staff, including Jonathan Lakritz, Fe Lazaro, Michael Pangilinan and Sindy Yun at a meeting on May 24, 2016. TracFone, of course, is happy to address any other questions you may have regarding the transfer.

Description of Transfer

TracFone and Budget have entered into an agreement in which some of Budget’s existing Lifeline customers will be transferred from Budget to TracFone. Among the customers that will be transferred to TracFone are California consumers participating in the California LifeLine program that are currently provided service by Budget. TracFone anticipates that transfer of customers will begin in June 2016 with those Budget customers provided service on the underlying T-Mobile network.

California LifeLine participants will benefit from this transfer through the receipt of TracFone’s generous LifeLine Bundled Plans which provide access to more data than Budget’s previously offered plans. To that end, in anticipation of the transfer, Budget recently proposed in Advice Letter No. 17, filed May 6, 2016 to conform its rate plans and terms and conditions to those offered by TracFone. Such Advice Letter was approved by Commission Staff on May 27, 2016.

Notice to Customers

TracFone and Budget are committed to providing California LifeLine participants with full notice of the transfer and to provide a seamless transition.

Budget will send notices to participants in advance of the transfers informing participants that the transfer will be occurring and providing a range of dates during which transfer is expected. Budget has submitted its notice to the CPUC LifeLine team for review and approval and anticipates sending such notice to participants in early June.

Closer in time to the actual transfer, Budget will communicate with consumers with a Transfer of Benefits Provider message. This communication, delivered by email or SMS, will provide any information necessary for the consumer to complete the port process. Once the customer is transferred to TracFone, TracFone will communicate with participants through a Welcome Letter. This Welcome Letter will be mailed to participants and will provide LifeLine benefit details, program eligibility rules, additional features available for service, and terms and conditions of service. TracFone will submit these materials to LifeLine staff in advance of sending to consumers.

Operations

TracFone and Budget have worked closely with the California LifeLine Team and with Xerox, as the California LifeLine Administrator, to develop operational protocols for the transfer and migration of LifeLine participants currently served by Budget to TracFone. The initial group of customers to be transferred will be those whose service is provided using the T-Mobile network as the underlying carrier. For those customers, the following operational steps are contemplated:

1. Budget will verify customers that will be transferred;
2. Customers will be loaded into the TracFone customer database;
3. TracFone will submit customer files targeted for LifeLine benefit transfer;
4. California LifeLine Administrator (Xerox) will perform LifeLine benefit transfer;
5. LifeLine service and benefits will continue to be delivered to customers in an uninterrupted manner;
6. Such customers will retain the same underlying network, the same phone number and same handset.

Michael C. Amato
May 31, 2016
Page 3

TracFone and Budget contemplate that transfers will occur in groups over several weeks to avoid overburdening the port transfer at the California LifeLine Administrator. TracFone, Budget and Xerox have also agreed that there will be a test group at the beginning of the process to ensure that the operational processes are effective and to ensure a seamless transfer for customers.

Outreach to Consumer Representatives

The CPUC LifeLine team has suggested that TracFone and Budget reach out to representatives of various consumer groups to provide details of the customer transfer in order that such groups are aware of the transfer and can address inquiries that they may receive from their constituency. To that end, TracFone and Budget plan on reaching out to representatives of TURN, the Office of Ratepayer Advocates, Greenlining and CforAT prior to the transfer of customers to provide information.

Changes in TracFone's Registration Information

GO 96-B, Telecommunications Industry Rule 8.6.3, specifically requires that an information-only filing identify changes in the carrier's registration information. The transfer of customers discussed herein does not result in any change in TracFone's registration information.

TracFone and Budget have worked closely with the LifeLine team and with Xerox as the California LifeLine Administrator during this process and wish to express their appreciation for the collaborative and cooperative efforts to complete this transfer in a smooth transition for the consumers involved and both carriers. If you have any questions regarding this information-only letter or the underlying transfer of customers from Budget to TracFone, please call me at (415) 344-7007 or contact me by email at jmctarnaghan@perkinscoie.com.

Respectfully submitted,



James W. McTarnaghan

cc: Jonathan Lakritz
Fe Lazaro
Michaela Pangilinan
Sindy Yun
David Avila
Suzanne Toller

131233671.7