

Docket Number: TC23-041
Subject Matter: Fourth Data Request
Request to: TERRACOM INC. dba Maxsip Tel (TERRACOM)
Request from: South Dakota Public Utilities Commission Staff
Date of Request: March 28, 2025
Responses Due: April 11, 2025

- 4-1. Refer to TERRACOM's response to Data Request 3-7. Is TERRACOM, or any of its current or previously affiliated companies, currently under investigation for waste, fraud, or abuse of the Lifeline program? Explain.

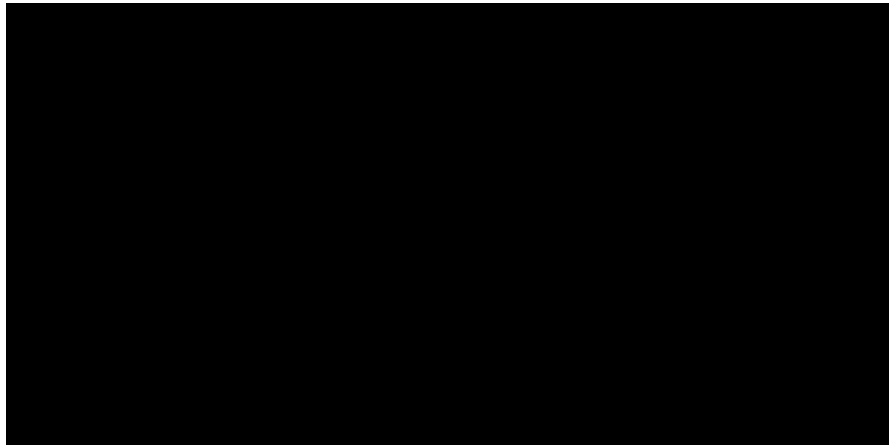
Response: No.

- 4-2. Refer to TERRACOM's response to Data Request 3-4. Explain what is meant by the line items in the table referred to as "Home phone sales" and "Retail & customer sales". Also, provide an update to the table that includes 2024.

Response: CONFIDENTIAL

Please see below for an updated table that includes 2024. Home phone sales means the revenue received from Home phone customers in excess of the Lifeline reimbursement amount. Retail and customer sales represents revenue from top-up sales, device sales, and retail accounts.

[BEGIN CONFIDENTIAL



END CONFIDENTIAL]

- 4-3. Provide TERRACOM's Income Statement and Statement of Cash Flows for calendar year 2024 and its Balance Sheet as of December 31, 2024.

Response: CONFIDENTIAL

Please see attached Exhibit 4-3 which is being filed confidentially.

- 4-4. Refer to TERRACOM's response to Data Request 2-12. Explain the steps TERRACOM has taken to ensure the duplicate subscribers issue does not happen again. Explain the steps TERRACOM has taken to ensure data breaches do not happen again. Explain the steps TERRACOM has taken to ensure failure to de-enroll subscribers does not happen again.

Response: TERRACOM relies upon the National Lifeline Eligibility Verifier and National Lifeline Accountability Database to ensure its customers are not duplicates. TERRACOM also audits any duplicate addresses to ensure there is a household worksheet and the home is residential, if it's an assisted living address we contact the facility and gather data Ex. (bed count, male, female, address, phone number and shelter name) TERRACOM enters this information in its database to run a check on multiple subscribers at an address.

TERRACOM ensures data breaches do not happen again by creating strong passwords and changing them every 30 days. TERRACOM uses multi-factor authentication (MFA) as a back up to prove identity. TERRACOM updates its software and servers using the latest versions. TERRACOM has security checks in place to make sure all employees use secure URL's. TERRACOM trains employees on risk and potential threats.

TERRACOM has a task in place to de-enroll its subscribers for non-usage. TERRACOM sends a message after 30 days of non-usage and on the 45th day they are de-enrolled. TERRACOM also de-enrolls immediately upon request from the subscribers.