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## Minnesota Customers of TerraCom's Lifeline Phone Service May Be Eligible for One Year of Free Credit Monitoring

*Investigation found that the company failed to protect consumers' personal information*

SAINT PAUL – The Minnesota Public Utilities Commission and the Minnesota Department of Commerce are alerting Minnesota customers of TerraCom Inc's Lifeline phone service that they may be eligible for one year of free credit monitoring due to a data breach at the company.

In 2013, a national news story reported that personal information for some of TerraCom's customers could be accessed through the Internet. In response, the Public Utilities Commission and Commerce Department initiated an investigation into the data breach and TerraCom's handling of customer information. The Federal Communications Commission (FCC) initiated a similar investigation at the national level.

At the time, TerraCom had more than 2,400 wireless phone customers in Minnesota affected by the breach. TerraCom serves Minnesotans through the federal Lifeline program, which provides discounted phone service to eligible low-income consumers.

The FCC investigation found that TerraCom's vendor stored customers' personal information on unprotected servers that were accessible over the Internet. This included names, addresses, Social Security numbers, birthdates and other sensitive information.

The FCC recently reached a \$3.5 million settlement with TerraCom and a related company. As a condition of the settlement, TerraCom is required to develop and implement a data security compliance plan to protect customer information. In addition, the company must notify all customers whose information was subject to unauthorized access and offer them free credit monitoring services for one year.

"These corrective actions required of TerraCom should send a strong message to the company and the entire industry that the private data of their customers is to be vigorously protected," said Beverly Jones Heydinger, Chair of the Commission.

"All telephone companies have a responsibility to safeguard their customers' personal information, particularly with the duty and increasing need to protect against cybersecurity attacks," said Commerce Commissioner Mike Rothman. "It's important that TerraCom's customers know they may be eligible for this free credit monitoring to protect against identity theft."

The Commission and the Commerce Department are concerned that some of TerraCom's Minnesota customers may not receive the company's notification because of address changes or other reasons.

**Consumers who were enrolled with TerraCom's Lifeline service in 2013 and believe they may be eligible for the free credit monitoring should contact TerraCom at 877-351-4747.**

The Commission's Consumer Affairs Office can be reached by email at [consumer.puc@state.mn.us](mailto:consumer.puc@state.mn.us) or by phone at 651-296-0406 or 800-657-3782. The Commerce Department's Telecommunications Division can be reached by email at [telecom.commerce@state.mn.us](mailto:telecom.commerce@state.mn.us) or by phone at 651-539-1883.