

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of

TAG Mobile, LLC
Licensee

TAG Mobile Bankruptcy Sale Entity,
LLC
Transferor

and

Vector Holdings Group, LLC
Transferee

Application for Consent of Transfer
Control of a Company Holding
International Section 214 Authority and
Blanket Domestic Section 214 Authority
Pursuant to the Communications Act of
1934, as Amended.

WC Docket No. 20-140

**COMMENTS OF THE
CALIFORNIA PUBLIC UTILITIES COMMISSION**

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June 24, 2020

I. INTRODUCTION

The California Public Utilities Commission (CPUC or California) submits these comments pursuant to the Federal Communications Commission's (FCC) Public Notice (PN), DA 20-565, issued May 28, 2020.¹ The PN seeks comment on an application (Application) filed by TAG Mobile, LLC (TAG Mobile), TAG Mobile Bankruptcy Sale Entity (TAG Bankruptcy Entity), and Vector Holdings Group, LLC (Vector) (collectively, the Applicants), pursuant to 47 U.S.C. § 214 and 47 C.F.R. §§ 63.03-04, for transfer of control from TAG Mobile/TAG Bankruptcy Entity to Vector. The PN states that Vector is wholly owned by Quadrant Holdings Group (Quadrant) and that Quadrant is wholly owned by Mr. Issa Asad.²

The purpose of these comments is to provide the FCC with information about Q LINK Wireless, Inc. (Q LINK). Q LINK applied to the CPUC, on two separate occasions, to obtain an eligible telecommunications carrier (ETC) designation to offer Lifeline services in California. Below are the details regarding these two requests. The CPUC recommends that the FCC closely examine the pending Application in light of the information we are providing here.

II. DISCUSSION

Pursuant to 47 U.S.C. § 214 and 47 C.F.R. §§ 63.03-04, the Applicants seek authority from the FCC to transfer the ownership of TAG Mobile to TAG Bankruptcy

¹ See PN re: *Domestic Section 214 Application Filed for the Transfer of Control of TAG Mobile Bankruptcy Sale Entity LLC to Vector Holdings Group LLC*; WC Dkt. No. 20-140; (DA 20-565) (Issued May 28, 2020).

² *Id.* at 2.

Entity and then to Vector. The Applicants state that TAG Bankruptcy Entity was formed for the purpose of this transaction and is wholly owned by TAG Mobile. Included in the transfer request are TAG Mobile's regulatory assets which comprise the company's Lifeline customers in multiple states and its federal 214 authorizations. California is one of the states in which TAG Mobile operates and hence, TAG Mobile's Lifeline customers in California are subject to this transaction.

According to the Application, Vector (buyer of TAG Mobile) is wholly owned by Quadrant, and Quadrant is wholly owned by Mr. Asad. Q LINK is also wholly owned by Quadrant and thus, Mr. Asad also owns Q LINK.

In the last eight years, Q LINK has twice applied to the CPUC for an ETC designation to offer federal Lifeline service in California. In August 2012, Q LINK submitted its first request for an ETC designation. Upon review and for reasons listed below, the CPUC in November 2014, denied Q LINK's ETC request in Resolution T-17463 (attached hereto as Attachment 1). The request was denied for multiple reasons, including the following:

- Q LINK's response to Staff's data requests were incomplete, evasive and misleading;
- Q LINK failed to provide complete financial information which called into question the operation of the company in the absence of Lifeline Funds;
- Q LINK failed to disclose that its principals were involved in litigation until staff informed them; and

- Q LINK failed to respond to Staff’s questions regarding customer care, including Q LINK’s complaint mechanism.³

In November 2018, Q LINK reapplied to the CPUC for an ETC designation to offer Lifeline services in California. In August 2019, following several discussions, Q LINK agreed to withdraw its ETC request. Q LINK also committed to the CPUC that it would not reapply for an ETC designation in California for 30 months, a period beginning August 8, 2019 and extending until February 2022.

Although Vector and Q LINK are separate entities, and Q LINK is not party to the pending Application, Mr. Asad is the owner of both companies. If the pending Application is approved, Vector would become the new owner of TAG Mobile, which would effectively allow Mr. Asad to operate and provide Lifeline services in California, albeit under the name of TAG Mobile. This would undermine the commitment that Q LINK made to the CPUC that it would not seek an ETC authority in California until February 2022. The FCC should consider this information in reviewing the pending Application.

In addition, because TAG Mobile is a licensed wireless carrier in California, the company is required to comply with the CPUC’s requirements for a transfer of

³ CPUC Resolution T-17643 at 15.

ownership. The California Public Utilities Code §§ 851 and 854⁴ and the CPUC's rules⁵ require wireless carriers to notify the CPUC of any transaction involving a change in ownership. TAG Mobile is a wireless Lifeline service provider in California with approximately 5700 Lifeline customers as of April 2020. To date, TAG Mobile has not notified the CPUC of its intent to transfer the ownership to Vector. The CPUC plans to review the transfer request once it is submitted.

II. CONCLUSION

The CPUC provides the foregoing information to assist the FCC in evaluating the Applicant's request for transfer of control from TAG Mobile/TAG Bankruptcy Entity to Vector. The FCC should closely examine the Application before reaching a decision.

⁴ CA Pub. Util. Code §§ 851 and 854 state:

851(a) A public utility, other than a common carrier by railroad subject to Part A of the Interstate Commerce Act (49 U.S.C. Sec. 10101 et seq.), shall not sell, lease, assign, mortgage, or otherwise dispose of, or encumber the whole or any part of its railroad, street railroad, line, plant, system, or other property necessary or useful in the performance of its duties to the public, or any franchise or permit or any right thereunder, or by any means whatsoever, directly or indirectly, merge or consolidate its railroad, street railroad, line, plant, system, or other property, or franchises or permits or any part thereof, without first having either secured an order from the commission authorizing it to do so for qualified transactions valued above five million dollars (\$5,000,000), or for qualified transactions valued at five million dollars (\$5,000,000) or less, filed an advice letter and obtained approval from the commission authorizing it to do so.

854(a) No person or corporation, whether or not organized under the laws of this state, shall merge, acquire, or control, including pursuant to a change in control as described in subparagraphs (D) to (E), inclusive, of paragraph (1) of subdivision (b) of Section 854.2, either directly or indirectly, any public utility organized and doing business in this state without first securing authorization to do so from the commission. The commission may establish by order or rule the definitions of what constitute merger, acquisition, or control activities which are subject to this section. Any merger, acquisition, or control without that prior authorization shall be void and of no effect. No public utility organized and doing business under the laws of this state, and no subsidiary or affiliate of, or corporation holding a controlling interest in a public utility, shall aid or abet any violation of this section.

⁵ See CPUC D.95-10-032, Ordering Paragraph 3. The CPUC can require the applicant to file an application for approval of the transfer after review of the notice.

Respectfully submitted,

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June 24, 2020

ATTCHMENT 1

(Resolution T-17463 - This Resolution denies the request of Q LINK WIRELESS, LLC to be designated as an Eligible Telecommunications Carrier to provide only federal Lifeline wireless service in specified areas of California.)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Communications Division

RESOLUTION T-17463

Carrier Oversight & Programs Branch

November 20, 2014

R E S O L U T I O N

Resolution T-17463. This Resolution denies the request of Q LINK WIRELESS, LLC to be designated as an Eligible Telecommunications Carrier to provide only federal Lifeline wireless service in specified areas of California.

Summary

By this Resolution, the California Public Utilities Commission (CPUC or Commission) denies the request of Q LINK WIRELESS, LLC (Q LINK) (U-4419-C), a wireless reseller, to be designated as an Eligible Telecommunications Carrier (ETC) to provide only federal Lifeline wireless service to qualifying customers in California in the service areas of the Uniform Regulatory Framework (URF) carriers.¹

Background

The Federal Communications Commission (FCC) established universal service support (USF) mechanisms to ensure that “[q]uality services [are] available at just, reasonable, and affordable rates” for consumers throughout the nation.² The FCC’s and the CPUC’s Lifeline programs further this goal by providing discounts on monthly telephone services to eligible low-income consumers.

¹ The URF carriers are AT&T California, Verizon California, Surewest Telephone, Frontier Communications of California, and Frontier of the Southwest.

² 47 U.S.C. § 254(b)(1).

Federal ETC Designation Requirements

In order to receive federal universal service support, a carrier must be designated as an ETC. Section 254(e) of the Communications Act, as amended (the Act), states that “only an eligible telecommunications carrier designated under section 214(e) of this title shall be eligible to receive specific Federal universal service support.”³

Under Section 214(e)(2) of the Act, state commissions are given the primary responsibility for designating ETCs in their states. This section states that, “[u]pon request and consistent with the public interest, convenience, and necessity, the state commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the state commission” so long as the requesting carrier meets the requirements of Section 214(e)(1).⁴ Section 214(e)(1) provides that, a common carrier designated as an ETC must offer services supported by the federal Universal Service Fund (USF) throughout the designated service area either by using its own facilities or a combination of its own facilities and resale of another carrier’s services and must advertise the services and the related charges using advertising media of general distribution throughout the designated service area. Advertising must include the availability of Lifeline services in a manner reasonably designed to reach those likely to qualify for those services.⁵

In addition, the FCC’s rules require that a carrier requesting ETC designation must:

- 1) Certify that it will comply with the service requirements applicable to the support that it receives;
- 2) Submit a five-year plan that describes proposed improvements or upgrades to the applicant’s network throughout its proposed service area;
- 3) Demonstrate its ability to remain functional in emergency situations;
- 4) Demonstrate that it will satisfy applicable consumer and service quality standards;
- 5) Demonstrate that it is financially and technically capable of providing the Lifeline service; and

³ 47 U.S.C. § 254(e).

⁴ 47 U.S.C. § 213(e)2.

⁵ 47 C.F.R. §§ 54.400 *et seq.* contains the FCC’s Lifeline rules issued to implement § 254 of the Act. Section 54.401 defines Lifeline as a non-transferrable retail service offering for which qualifying low-income consumers pay a reduced charge for voice telephony service after applying the federal Lifeline support amount.

- 6) Submit information describing the terms and conditions of any voice telephone service plans offered to Lifeline customers.⁶

Before granting an ETC status to a carrier, state commissions must determine that it is in the public interest to do so.

The federal Lifeline program reimburses ETCs for providing discounts to eligible low-income customers of \$9.25 per month and provides additional reimbursements for serving customers living on Tribal lands.⁷

California Public Utilities Commission ETC Designation Requirements

A carrier requesting an ETC designation from the CPUC must also comply with the CPUC's ETC rules. In Resolution T-17002 (May 25, 2006), the CPUC adopted *The Comprehensive Procedures and Guidelines for ETC Designation and Reporting Requirements for ETCs* that are consistent with the federal requirements. Pursuant to this Resolution, carriers are required to provide the following:

1. A description of the proposed service offerings and attached service area maps; description of the advertising plan(s);
2. Commitment to provide service; submission of the 2-year service quality improvement plan;
3. Ability to remain functional; commitment to consumer protection;
4. Demonstration that a carrier's usage plan is comparable to that of the incumbent LEC in the proposed service area; and
5. Public interest determination.

In addition, ETC designation requests must comply with General Order (GO) 153 which implements the *Moore Universal Telephone Service Act*. GO 153 contains California Lifeline program requirements. ETCs are required to comply with GO 153 requirements, including the California Third-Party Administrator's (TPA) determination of customer eligibility for certifications and renewals. Carriers must also comply with CPUC User Fee and surcharge obligations. The CPUC User Fee is levied on all telecommunications carriers providing services directly to customers and the amount of fees is a percentage calculation based on all intrastate customer billings for telecommunications services. All telecommunications carriers that provide basic telephone service are also required to collect and remit Public Purpose Program (PPP) surcharges from end-users that fund the CPUC's universal service program.

⁶ 47 C.F.R. § 54.202(a).

⁷ 47 C.F.R. § 54.403.

Notice/Protests

The advice letter filings were served via email to all parties on the ETC service list and appeared in the Commission's Daily Calendar on September 12, 2012. No protests were filed.

Discussion

Overview of Q LINK ETC Filing

Q LINK WIRELESS, LLC (Q LINK), a wireless service provider, is a Delaware limited liability company with principal offices at 499 East Sheridan Street, Suite 300, in Dania, Florida 33004. On February 9, 2012, the Commission issued Q LINK its Wireless Registration Identification number U-4419-C, allowing it to operate as a reseller of Commercial Mobile Radiotelephone Services (CMRS) to the public in California.

On August 23, 2012, Q LINK filed a Tier III Advice Letter (AL) 2 requesting ETC designation to receive federal support for providing federal prepaid wireless Lifeline service to qualified customers in the service areas of URF carriers, excluding the Small LECs service areas.⁸ Q LINK proposes to offer three federal Lifeline service plans using the Sprint Wireless network through reselling Sprint's services under the Q LINK WIRELESS brand. Q LINK stated that it has been granted ETC designation in three states and has ETC designation requests pending in 15 states.

On September 7, 2012, Q LINK filed AL 1 to correct the AL 2 filing advice letter sequence number. On December 21, 2012, Q LINK filed AL Supplement 1A to amend the price of its original 250 Monthly Minute Lifeline Plan from \$2.50 to no charge (\$0) per month and an activation charge at \$30. Q LINK also committed to comply with GO 153 LifeLine rules including working with the California TPA and to submit all advertising to the California LifeLine team for review prior to use in California.

Q LINK filed AL Supplement 1B on February 22, 2013 to amend the service activation charge from \$30 to no charge (\$0).

⁸ The Small LECs group is composed of Calaveras Telephone Co. (U-1004-C), Cal-Ore Telephone Co. (U-1006-C), Ducor Telephone Co. (U-1007-C), Foresthill Telephone Co. (U-1009-C), Happy Valley Telephone Co. (U-1010-C), Hornitos Telephone Co. (U-1011-C), Kerman Telephone Co. (U-1012-C), Pinnacles Telephone Co. (U-1013-C), Ponderosa Telephone Co. (U-1014-C), Sierra Telephone Co. (U-1016-C), Siskiyou Telephone Co. (U-1017-C), Volcano Telephone Co. (U-1019-C), Winterhaven Telephone Co. (U-1021-C), and Frontier Communications West Coast (U-1020-C). These telephone companies generally operate in rural areas and have regulated rates.

On December 20, 2013, staff sent Q LINK a data request for further information regarding its AL. On December 27, 2013, Q LINK responded that the company would establish store locations once it receives ETC designation from the CPUC. Q LINK also denied that the company or its affiliates' owners/principals and/or operating officers were involved in litigation. It stated that "neither the owners/principals nor executives have been convicted of any crimes." Q LINK also stated that it was operating in 23 states with over 100,000 customers.

On March 14, 2014, staff sent a follow-up data request for clarification of company officer names, corporate organizational structure, and a clarification of service complaints. The response to this request, received April 17, 2014, was incomplete and resulted in a conference call on April 23, 2014, and another data request.

On May 7, 2014, Q LINK responded to the third data request providing information about the parent company's subsidiaries and operating officers. Q LINK provided names and positions of the corporate officers, including information regarding a suit against the principal of Quadrant Holdings, the parent company of Q LINK. Staff emailed a further set of questions on May 9, 2014, and Q LINK responded on May 16, 2014.

On July 16, 2014, staff sent more questions, related to pricing, affiliations of Q LINK personnel and customer care functions. The staff questions followed up with previous questions, which Q LINK did not answer completely. As of October 13, 2014, Q LINK has not submitted responses to this last data request.

Issues of Compliance with Federal ETC Rules

Advertise using media of general distribution. Q LINK submits that its Lifeline services meet the definition of voice telephony and commits to advertise the availability and rates for its services using media of general distribution such as internet, radio, television and local kiosks.

Page 5 of Q LINK's AL states that "Airtime replenishment cards will be made available at retail outlets frequented by low-income customers throughout the Company's Service Area,"⁹ but does not specifically identify any retail outlets by name.

Staff checked the websites of retail outlets which low-income consumers may frequent, namely Walmart and Target. Neither appears to sell Q LINK pre-paid wireless cards. In its 5th request for information, dated July 16, 2014, staff asked for specific examples of the retail vendors which sell Q LINK's service and an example of the signage and

⁹ AL1, Application, p 5.

documents provided to the retail vendors. To date, Q LINK has not responded to staff's 5th request for information.

Although Q LINK has ETC designation in 25 states, staff did not find that Q LINK directly advertises its Lifeline service on its website in a manner similar to that represented in its AL, or that the company has specifically identified, by name, retail outlets that sell its Lifeline service and replenishment cards. Staff does not believe that Q LINK is actively marketing its federal Lifeline service using methods of general distribution as the company has represented in its AL.

Commit to provide service throughout the designated service area. Q LINK requests ETC designation to offer Lifeline service in the service areas of URF carriers, which includes AT&T California, Verizon California, Frontier and SureWest, and commits to provide service in these areas using service it obtains from its underlying facilities-based carrier, Sprint Wireless, and expand its service area as Sprint builds out its facilities. Appendix A, Attachment A, is a map of Sprint's territory in California submitted by Q LINK as its proposed service area.

A common carrier that applies for ETC designation must make specific commitments to provide supported services throughout the designated area to all requesting customers as follows:¹⁰

1. Provide service on a timely basis to requesting customers within the applicant's service area wherever the applicant's network already passes the potential customer's premises, and
2. Provide service within a reasonable period of time, if the potential customer is within the applicant's licensed service area but outside its existing network coverage, if service can be provided at reasonable costs by:
 - a. Modifying or replacing the requesting customer's equipment,
 - b. Deploying a roof mounted antenna or other equipment,
 - c. Adjusting the nearest cell tower,
 - d. Adjusting network or customer facilities,
 - e. Reselling services from another carrier's facilities to provide service, or
 - f. Employing, leasing, or constructing an additional cell site, cell extender, repeater, or other similar equipment.

¹⁰ CPUC Resolution T-17002, Appendix A, Section II re: Compliance with *In the Matter of Federal-State Joint Board on Universal Service*, Report and Order, CC Dkt. 96-45 (FCC 05-46), rel. Mar 17, 2005. ¶ 22.

Given the importance of Lifeline service to public safety and access to E9-1-1, it is imperative both that an ETC be able to determine if it has coverage where a prospective Lifeline customer lives and also that the customer is aware of potential coverage limitations. Q LINK did not address what specific steps it would undertake to ensure that the company has service where the prospective customer resides.

Demonstrate financial and technical capability. Q LINK states it provides federal Lifeline and prepaid retail telecommunications service in 25 other states, with many other applications pending.¹¹

Regarding financial capability, Q LINK asserts that it is financially able to provide Lifeline-supported services because it does not intend to offer exclusively Lifeline-supported services and therefore is not exclusively dependent on federal support to fund its operations. To demonstrate its financial capability, Q LINK included unaudited financial statements for its parent company, Quadrant Holdings Corporation. The financial statements were part of Q LINK's *Third Amended Compliance Plan*, approved by the FCC, and consisted of a balance sheet and a profit and loss statement. However, no financial information was included in its ETC AL and therefore, staff was unable to determine if the company would be able to operate without Lifeline subsidy money.

To demonstrate that it has the technical capability to provide federal wireless Lifeline service, Q LINK states that it has its own management staff and also relies upon the technical expertise of its underlying facilities-based carrier, Sprint Wireless. Q LINK's AL¹² states that Q LINK senior management has great depth in the telecommunications industry with over 80 years of combined experience and offers extensive telecommunications business technical and managerial expertise to Q LINK, and refers to Exhibit 9 of the AL for key management résumés. There is only one résumé, that of Mr. Issa Asad, referred to as the co-founder of Q LINK Wireless and the Managing Member of Quadrant Holdings Group LLC, Q LINK's parent company. Upon further inquiry, staff found that Mr. Asad is the only stockholder of Quadrant Holdings. Additionally, the FCC-approved compliance plan section entitled *Key Management Résumés* (Exhibit D of the plan) only identifies one person – Mr. Issa Asad. Both of these résumés state that Mr. Asad has 15 years of telecommunications experience. A review of Quadrant Holding's website shows there are conflicting statements as to the level of telecommunications expertise resident at the holding company. The main web page states that:

¹¹ Q LINK response to 3rd data request, May 7, 2014.

¹² AL, p. 11 and fn. 34.

“Quadrant Holdings is a privately-held, vertically integrated company that owns and manages a diverse portfolio of telecommunications and technology companies in the South Florida area. Our partnerships have over 30 years of telecom experience and are pioneers in the industry.” [emphasis added] (See Exhibit 1 to this Resolution)

The Quadrant Holdings Portfolio webpage states that:

“Quadrant Holdings manages telecommunications and technology companies that have over 20 years telecom experience and are pioneers in the prepaid telecom industry.” [emphasis added] (See Exhibit 2 to this Resolution)

Q LINK’s website does not provide information on telecommunications experience. Given that there is a significant difference between the representation made in the AL regarding 80 years of telecommunications experience, the 15 years of experience identified in Mr. Asad’s resumes, and the 20 and 30 years of experience cited on Quadrant Holdings website, staff is concerned that the claim of 80 years’ experience is an exaggeration and questions whether the company has the level of telecommunications experience claimed and the ability to remain functional should Mr. Asad leave the company.

Staff’s third data request asked the company to provide information on other company expertise, however, résumés were not provided. The fifth data request asked again for that information; no response was received.

Issues of Compliance with State ETC Rules

Public Interest Determination of Proposed Plans and Prices.

When analyzing pricing for the public interest determination, staff relies on competitive information to determine what plans are reasonable. Staff evaluated Q LINK’s proposed pricing through the prism of the expected monthly cost to a low-income consumer based on average minutes of use in comparison to comparable wireless ETC Lifeline plans and incumbent local exchange carrier (ILEC) Lifeline plans.¹³ To

¹³ *In the Matter of Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993 Annual Report and Analysis of Competitive Market Conditions With Respect to Mobile Wireless, Including Commercial Mobile Services*, WT Dkt. No. 11-186 (FCC 13-34) (*Sixteenth Report on Mobile Competition*). The FCC annually issues a mobile competition report which reflects analysis of 2011 data submitted by carriers. Staff analysis uses the 615

demonstrate that its proposed federal Lifeline wireless plans are reasonable, Q LINK provided summaries of its plans in comparison to other wireless and wireline Lifeline offerings. Staff updated these charts using the information from Q LINK's website.

Q LINK's proposed plans include:

1. *Lifeline Plan 1*: 250 Monthly Minutes and 250 anytime minutes for \$0/month;
2. *Lifeline Plan 2*: 500 Monthly Minutes and 500 anytime minutes for \$5/month; and
3. *Lifeline Plan 3*: 1,000 Monthly Minutes and 1,000 anytime minutes/month for \$20/month.

Customers can purchase, as needed, Q LINK's additional airtime available on its website to add to minutes of voice and text in increments of \$10, \$20, \$30 and \$50. These additional minutes of use have prices from \$0.20 per minute at the lower numbers of minutes to \$0.10 per minute for 500 minutes. Staff notes that the AL states that per minute price is \$0.033, however, the website and its terms and conditions section show different pricing. Staff has received no information that there will be a different website for California and therefore has used the carrier's generally advertised rates in its analysis.

Texts are counted against the allotted monthly voice minutes, with one text (incoming or outgoing) consuming either one third or one minute of voice time, depending on the plan. The FCC's *Sixteenth Annual Mobile Wireless Report*¹⁴ notes that, in 2008, the average number of texts per user per year was 4,183, which translates to 348 per month and the average text price in 2010 was \$0.009 per text. Since Q LINK's proposed rate plans do not include text allowance, a user would have to spend voice minutes for each incoming and outgoing text. Using the FCC's data, Q LINK's Plan 1 would require a user to spend \$20 (if the user did not make any voice calls that month), and the other plans would use one minute of time per text. Other mobile resellers include the same number of texts as minutes in each of their plans for free; a 250 voice minute plan includes 250 texts and 500 voice minutes plan includes 500 texts.

Chart 1 illustrates Q LINK's voice plans against plans offered by other ETCs using the FCC average number of minutes of use in 2011 from the *Sixteenth Annual Mobile Wireless Report*. If a Q LINK Lifeline customer exhausts the monthly 250 minutes, in order to

average minutes of use (MOU) for wireless voice as a base to evaluate Lifeline plan offerings (Table 38).

¹⁴ *Annual Report and Analysis of Competitive Marketing Conditions with Respect to Mobile Wireless, Including Commercial Mobile Services, Sixteenth Report*, WT Docket 11-186 (FCC 13-34), Rel. March 2013. Table 38. Page 178.

obtain the 615 average wireless minutes of use per month, the user can purchase additional minutes to add time. The \$50 card for 500 minutes recharges all of the 365 minutes required to meet the average monthly usage at the lowest minute plan (250), however combinations of other cards have per minute rates of \$0.20 and \$0.175 per minute. Q LINK’s AL states that it will charge a Lifeline customer \$0.03 per minute (Exhibit 2), however the *Terms and Conditions* (Exhibit 3) reflect the \$0.20 and \$0.175 per minute rates. Due to the inconsistencies in the per minute rates that Q LINK has in various parts of its AL, staff used the \$0.20/minute rate in its analysis as a worst case scenario to the Lifeline customer.

Chart 1 -- Comparison of Proposed Federal Lifeline Wireless Plans to Other Prepaid Federal Lifeline Wireless Plans in Service Area (Assuming Average Wireless MOU)

	Q LINK Plan 1	QLINK Plan 2	Q LINK Plan 3	Budget Mobile 250	Budget Mobile 500	Budget Mobile 1000	Budget Prepay Unlimited talk/text	Nexus 250	Nexus 500	Nexus 1000	Cricket Unlimited
Avg. MoU*	615	615	615	615	615	615	615	615	615	615	615
Basic Plan Minutes (Allowance)	250	500	1000	250	500	1000	unlimited	250	500	1000	unlimited
Avg. Excess MoUs	365	115	-	365	115	-	-	365	115	-	-
Cost per Min in excess of allowance	\$0.200	\$0.200	\$0.200	\$0.033	\$0.033	\$0.033	-	\$0.033	\$0.033	\$0.033	-
Cost of excess minutes**	\$73.00	\$23.00	\$0.00	\$12.05	\$3.80	\$0.00	-	\$12.05	\$3.80	\$0.00	-
Min Lifeline Plan Cost (per D.10-11-033) or Cost per Plan	\$0	\$5	\$20.00	\$0.00	\$5.00	\$20.00	\$32.00	\$2.50	\$3.50	\$20.00	\$21.50
Total GO 133 Cost to Customers	\$73.00	\$28.00	\$20.00	\$12.05	\$8.80	\$20.00	\$32.00	\$14.55	\$7.30	\$20.00	\$21.50
Caller ID	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Long Distance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Voicemail	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Federal Excise Tax	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Additional costs of vertical features	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Cost to Lifeline Customers with 769 MoU and additional costs of vertical features	\$73.00	\$28.00	\$20.00	\$12.05	\$8.80	\$20.00	\$32.00	\$14.55	\$7.30	\$20.00	\$21.50

*Average Minutes of use and texts in 2011 based on FCC data. Reference at footnote 34.
 ** Proposed Q LINK Lifeline Plans in AL 1B, based on company web page August 2014.

Chart 2 shows a comparison of Q LINK federal Lifeline wireless plans to other retail federal Lifeline wireless and prepaid wireless plans offered by local exchange carriers. The higher per minute pricing used on the mobile comparison chart is used here also.

Chart 2 -- Comparison of Proposed Federal Lifeline Wireless Plans to California ILEC Federal Lifeline Wireless Measured Rate Plans and Prepaid Wireless Plans (Assuming Average Wireless MOU)

	Q LINK Plan 1	Q LINK Plan 2	Q LINK Plan 3	AT&T Lifeline MR (minimum)	AT&T Lifeline MR (maximum)	Verizon Lifeline MR (minimum)	Verizon Lifeline MR (maximum)	Virgin Mobile PayLo 1500	Nexus Reach Out Simple Plan 1000	Metro PCS Unlimited	AT&T Go Phone Unlimited Talk & Text	Sprint Basic Plus	Verizon Talk 450
Avg. MoU*	615	615	615	615	615	615	615	615	615	615	615	615	615
Basic Plan Minutes (Allowance)	250	500	1000	146	146	146	146	1500	1000	unlimited	unlimited	unlim	450
Avg. Excess MoUs	365	115	-	469	469	469	469	-	-	-	-	-	165
Cost per Min in excess of allowance according to AL	\$0.200	\$0.200	\$0.200	\$0.033	\$0.033	\$0.033	\$0.033	\$0.10	\$0.00	unlimited	unlimited	unlim	\$0.45
Cost of excess minutes**	\$73.00	\$23.00	\$0.00	\$15.48	\$15.48	\$15.48	\$15.48	\$0	\$0	\$0.00	\$0.00	\$0.00	\$74.25
Min Lifeline Plan Cost (per D.10-11-033) or Cost per Plan	\$0	\$5	\$20.00	\$2.50	\$3.66	\$2.50	\$3.66	\$30.00	\$20.00	\$40.00	\$45.00	\$50.00	\$59.99
Total GO 133 Cost to Customers	\$73.00	\$28.00	\$20.00	\$17.98	\$19.14	\$17.98	\$19.14	\$30.00	\$20.00	\$40.00	\$45.00	\$50.00	\$134.24
Caller ID	\$0.00	\$0.00	\$0.00	\$9.99	\$9.99	\$7.95	\$7.95	-	-	-	-	-	-
Long Distance	\$0.00	\$0.00	\$0.00	\$6.99	\$6.99	\$15.99	\$15.99	-	-	-	-	-	-
Voicemail	\$0.00	\$0.00	\$0.00	N/A	N/A	\$7.45	\$7.45	-	-	-	-	-	-
Federal Excise Tax	\$0.00	\$0.00	\$0.00	\$0.08	\$0.11	\$0.08	\$0.11	-	-	-	-	-	-
Total Additional costs of vertical features	\$0.00	\$0.00	\$0.00	\$17.06	\$17.09	\$31.47	\$31.50	-	-	-	-	-	-
Total Cost to Lifeline Customers with 769 MoU and additional costs of vertical features	\$73.00	\$28.00	\$20.00	\$35.04	\$36.23	\$49.45	\$50.64	\$30.00	\$20.00	\$40.00	\$45.00	\$50.00	\$134.24

*Average Minutes of use and texts in 2011 based on FCC data. Reference at footnote 34.
 ** Proposed Q LINK Lifeline Plans in AL 1B, based on company web page August 2014

Staff does not find that it is in the public interest to approve a package that would cost a Lifeline customer more than a similar or better off-the-shelf retail offering.

Due Diligence Review. An integral part of staff’s processing of an ETC designation request is a due diligence review of the requesting carrier to supplement the public interest analysis and to determine if the carrier has engaged in behavior that may call into question its fitness to be granted ETC designation to serve California low-income consumers.

The results of staff’s due diligence review are summarized as follows:

Company’s Operations. The company appears to be operated primarily by one person and if that person is not able to fulfill those duties, it is unclear how operations will continue. Additionally, Q LINK did not disclose a business relationship with Q LINK Rx Benefits when specifically asked multiple times for information on affiliated companies.

Company’s Rate Plans. Two out of three of Q LINK’s pricing plans are unsuitable for California customers because there are generally available pricing plans from non-Lifeline providers at significantly lower costs to the consumer.

Background of Company Principals. Q LINK did not disclose litigation of the company’s principal and managing member, Mr. Issa Asad. Staff discovered that Mr. Asad was engaged in a business relationship with an individual censured by the State

of North Dakota under its Consumer Fraud Law (Mr. Kenneth Jacobi). State of Florida documents also confirm the business relationship between the principal of Q LINK and Mr. Jacobi. Q LINK provided inconsistent Information regarding the technical experience of Q LINK managing member Mr. Issa Asad. According to Florida court documents, Mr. Asad has recently been charged with 2nd degree murder in Broward County, Florida, relating to a July 19, 2014, incident.

Customer Complaint Function. Q LINK did not produce requested customer care information. It appears that Q LINK tracks customer complaints only through the *Better Business Bureau*. Staff uncovered that consumer complaints have been lodged against the company, even in states where it does not provide any phone service.

Misleading and Inconsistent Statements and Non-Responsive Replies to Staff Inquiries. After reviewing Q LINK's AL, staff issued five data requests for additional information. Q LINK's responses were incomplete and evasive, requiring multiple follow-up data requests. To date, Q LINK has not responded to staff's fifth request for information.

The specific questions that Q LINK did not respond directly include:

- Contradictory statements as to whether the company offers service in California. AL 1 page 14 states that "Q LINK provides service in California by reselling service, which it obtains from its underlying facilities-based provider." Response to staff data request #1, question #2, states that Q LINK has yet to begin service in California and that the company will launch its operations and services upon designation as an ETC in California.
- Contradictory statements regarding the per-minute price Lifeline customers will pay after free minutes are used. AL 1 pages 4 and 5 (see footnote 7) and Exhibit 2, state that additional minutes will be priced at \$0.033 per minute, whereas page 5, footnote 8 refers to Exhibit 3, (*Company Lifeline Terms and Conditions*). There is no mention in the *Terms and Conditions* of any \$0.033 additional minute rate. *Terms and Condition* item number 6 (Minute Cards) shows per minute rates ranging from \$0.20 to \$0.13 per minute.
- Contradictory statements as to Q LINK's technical capability and management's telecommunications experience. AL 1, page 17 states, "Furthermore, the senior management of Q LINK has great depth in the telecommunications industry with over 80 years combined experience and offers extensive telecommunications business technical and managerial expertise to the Company [fn 34 referring to AL 1 Exhibit 9 *Key Management Résumés*]. Only one résumé was attached, Mr. Asad's, citing 15 years of telecommunications experience. The

website for Q LINK's parent company, Quadrant Holdings, cites 20¹⁵ and 30¹⁶ years of telecommunications experience in different areas of the website.

- Incorrect information regarding Q LINK's affiliated companies. In response to staff's first data request, Quadrant Holdings was identified as the only affiliate. Upon further questioning, Q LINK stated that Centurion Logics (a software company) was also an affiliated company. Staff found on Quadrant Holdings website another affiliate, Q LINK Rx Benefits,¹⁷ which says that the company is engaged in "Providing pharmaceutical discount card services to underinsured and noninsured customers, Q Link Benefits helps low-income individuals to pay for their prescription drug costs."
- Q LINK has not responded to staff's fifth data request, dated July 16, 2014, which asked for information regarding a) retail wireless offerings, b) clarification of California Lifeline rates, c) customer service practices, d) key employee résumés, e) specific business relationship, and f) affiliated entities. Q LINK's legal counsel confirmed that this request was outstanding on August 28, 2014.
- Q LINK did not disclose necessary information relevant to its application until staff presented the company with independently researched information. This information related to recent litigation of company principals. Although Q LINK initially represented that they had no recent or current litigation, the company later acknowledged that it failed to disclose litigation. Staff presented evidence of litigation in which Cybercom Networks and Mr. Issa Asad, the managing member of Q LINK, were named as defendants.
- Q LINK did not disclose that its managing member, Mr. Issa Asad, has been charged with murder in Broward County, Florida.
- Q LINK's responses to staff questions regarding affiliated companies and positions held by the principal of Q LINK, Mr. Issa Asad, were contradicted by information staff received from research obtained from the Commission's Safety and Enforcement Division (SED). Q LINK provided information which was contradictory in its filings with the CPUC and the FCC, and, based on information from SED, did not completely reveal its business relationships. Of particular concern to staff is a relationship with XM Brands, which was issued a cease and desist order by the State of North Dakota under its Consumer Fraud Law.

¹⁵ <http://quadrantholdings.com/portfolio/>

¹⁶ <http://quadrantholdings.com/>

¹⁷ <http://quadrantholdings.com/portfolio/>

Having a principal associated with Q LINK who has been censured for deceptive advertising, misrepresentations and unauthorized charges, and Q LINK's denial of such relationships leads staff to the conclusion that it is not in the public interest to designate Q LINK as an ETC in California.

- Q LINK lacked clarity in furnishing information regarding customer care and its record of handling customer issues. Staff has information regarding a complaint from California which alleged the solicitation of cash by Q LINK, and presented Q LINK with questions regarding Better Business Bureau complaints in states where Q LINK does not operate and regarding Q LINK's internal handling of customer complaints. In general and specifically, staff found the answers to Q LINK's customer care functions evasive, non-responsive, contradictory and lacking in clarity.

Staff believes that the inaccuracies and misstatements in Q LINK's AL and attachments such as the FCC *Compliance Plan* and résumé of key management, as well as incomplete and non-responsive answers to staff data requests which required multiple follow-up requests, indicates at best a lack of attention in preparing and answering staff data requests, and demonstrates an intent to mislead staff for the purposes of gaining ETC designation in California.

Safety Concerns. Although wireless phone service offers great mobility for consumers, there are safety concerns related to wireless mobile phone service and the ability to place an emergency call. Where there is a lack of coverage, poor signal strength, or atmospheric or terrain conditions that affect connections, emergency calls may not be completed. In rural areas, for example, with spotty connectivity or interference (e.g. due to geographic or structural obstacles), wireless mobile resellers of wholesale facilities service cannot guarantee full, accessible emergency connections for their own direct customers. An incomplete emergency call can have devastating results.

Given that E9-1-1 and/or 9-1-1 safety is a common concern for all of California's wireless customers, staff found further indication of a lack of attention by Q LINK to its application, and potentially its operations in California. Q LINK initially indicated that it blocks roaming coverage on its handsets, however in later data requests the company clarified that it does provide roaming within the US at no additional cost. The company did not provide information about how potential customers are informed when they are seeking service in areas where there is not good coverage or clear information about the limitations of location accuracy for 9-1-1 calls when using a cell phone indoors. Staff finds these lapses problematic for California consumers.

Final Conclusions and CD Staff Recommendations. Based on the overall review of the company's proposal and method of operation, staff does not recommend that Q LINK be granted ETC designation to offer federal Lifeline service in California for the following reasons:

- ♦ Q LINK's responses to staff's data requests were incomplete, evasive and misleading.
- ♦ Q LINK failed to disclose that its principals were involved in litigation until staff informed them. Most recently, the company did not disclose a second degree murder charge of the managing member of Q LINK.
- ♦ Q LINK's technical capability for operation appears to be tied to one individual and shareholder, who, should he leave the company, calls into question the ability of the company to continue operations.
- ♦ Q LINK failed to provide complete financial information which calls into question the operation of the company in the absence of Lifeline funds.
- ♦ Q LINK did not adequately describe how customers will be informed of the coverage problems of Q LINK's facilities-based carrier or its location information for emergency calling.
- ♦ Q LINK failed to respond to staff's questions regarding customer care, including Q LINK's complaint mechanism. It is unclear how customers' complaints are logged and resolved.
- ♦ Information in Q LINK's AL, supplements, data responses, and the company's advertised price of minutes of use in excess of the plan thresholds are inconsistent.
- ♦ Two out of three plans proposed, when applying consumer's average monthly minutes of use, can be purchased from non-Lifeline providers at cheaper monthly rates. Based on the information provided, staff is unable to determine if Q LINK is actively marketing its Lifeline services using methods of general distribution as required.
- ♦ Q LINK did not disclose affiliated companies or the names of the principals associated with these companies. Staff research indicates that at least one of these companies was run by a person censured for violations of consumer fraud by the State of North Dakota.

Comments

In compliance with P.U. Code § 311(g), the Commission emailed a notice letter on October 15, 2014, informing all parties on the eligible telecommunications carrier service list of the availability of this resolution for public comments at the Commission's website www.cpuc.ca.gov. The notice letter also informed parties that the final conformed resolution adopted by the Commission will be posted and available at this same website.

On October 30, 2014, through its attorney, Q LINK WIRELESS LLC requested an extension of the comment period for this draft resolution citing 1) the number and nature of CD's concerns about Q LINK WIRELESS and 2) the workload of Q LINK's counsel of record. The Director of the Communications Division responded to this request on November 4, 2014, denying the request for an extension of comment time, noting that staff had been working with Q LINK's attorney throughout 2014, and that the company was provided 25 days to comment on the draft resolution, which is more than is typically afforded to parties to comment on a draft resolution. We also reminded the company that its comments should focus on legal issues, factual inaccuracies or technical errors.

On November 10, 2014, Q LINK attorneys filed comments that did not adhere to the instructions in the Notice of Availability. The comments were nineteen pages in length, excluding two Exhibits, in excess of the page-limit for comments and did not focus on factual, legal, and/or technical errors in the draft resolution. The comments were also argumentative, and used as an opportunity to propose three new Lifeline plans that the company had not identified before and to respond to previously unanswered staff data requests. The comments addressed the following issues:

- 1) The company asserted that it is compliant with all federal ETC rules, and that it does actively market its availability of federal Lifeline services and rates using media of general distribution.

In its July 2014 data request, staff asked Q LINK for examples of advertising for Federal Lifeline and retail services in states that Q LINK is operating. To-date, Q LINK has not provided any examples. Additionally, Q LINK did not name any specific retail outlets and organizations their Lifeline service and airtime cards are sold and/or advertised.

- 2) Q LINK asserted that it is financially and technically capable of providing Lifeline service, stating that staff did not ask for financial information and that Q LINK does not rely solely on Lifeline subsidies to operate.

Q LINK's assertion is factually inaccurate. Staff asked for details on Q LINK's revenues from Lifeline service in December 2013, but Q LINK failed to provide the information.

Its parent company's website information, Quadrant Holdings, also contradicts the company's assertion about the primary source of funding for the company.¹⁸

- 3) The company disagrees with CD staff's assessment of its compliance with state ETC rules. Q LINK maintains that it provided information on its proposed Lifeline plans, and asserts that it was "never afforded the opportunity to file one complete supplement and/or amendment before the draft resolution was circulated."¹⁹

Staff finds this argument factually incorrect. Staff advised Q LINK on July 8, 2014, that the company could supplement or withdraw its advice letter at any time prior to release of the draft resolution.

- 4) Q LINK provided information on its management team and affiliated companies and disagrees with staff's determination that the company did not fully identify companies affiliated with Q LINK.

Staff found on Quadrant Holdings' website a company called Q LINK Rx Benefits prominently displayed next to the description of Q LINK and Centurion.²⁰ In its comments, Q LINK states that "[T]here is no company or entity named Q LINK Rx Benefits." The website information contradicts Q LINK's comments because the website refers to Quadrant Holdings' companies and Q LINK Rx Benefits as one of three companies.²¹

- 5) Q LINK claims that it did not have the opportunity to discuss its operations with staff prior to the release of information.

¹⁸ Quadrant Holdings web page: "Q Link Wireless, a company supported by the Federal Lifeline program." <http://quadrantholdings.com/features/portfolio/> Website visited November 12, 2014.

¹⁹ Q LINK comments at page 9.

²⁰ <http://quadrantholdings.com/portfolio/> "Q LINK Rx Benefits, Providing pharmaceutical discount card services to underinsured and noninsured customers, Q Link Benefits helps low-income individuals to pay for their prescription drug costs. Q Link Benefits uses efficient customer acquisition techniques to grow, with the objective of expanding into the country's chief pharmaceutical discount card provider." Site visited November 12, 2014.

²¹ "Quadrant Holdings is proud to partner with exceptional companies....These companies include... Q Link Wireless, a company supported by the Federal Lifeline Program, Centurion, ... and Q Link Benefits, a prescription benefit program for our consumers." <http://quadrantholdings.com/portfolio/> Site visited November 12, 2014.

This statement is factually incorrect. CD staff had a conference call with Q LINK counsel and managing member Issa Asad on April 23, 2014. CD and Commission legal division staff met with Q LINK counsel on July 8, 2014, at which time staff again expressed its many concerns that are reflected in the draft resolution. At that time, CD staff advised Q LINK that procedurally, its advice letter could be withdrawn at any time before a draft resolution.

Q LINK has not identified in its comments any legal issues, factual inaccuracies or technical errors in the draft resolution. CD staff notes that Q LINK had all of 2014 to update any of its advice filings with any new information, up until the time the resolution was released for comment on October 15, 2014.

Staff does not believe that Q LINK's comments provide a sufficient basis to approve Q LINK's request for ETC designation for the State of California, and recommends that the Commission deny Q LINK's request.

Findings and Conclusions

1. Q LINK WIRELESS, LLC, a wireless reseller, is a Delaware limited liability company with principal offices at 499 East Sheridan Street, Suite 300 in Dania, Florida 33004.
2. On February 9, 2012, the Commission issued Q LINK WIRELESS, LLC its Wireless Identification Registration number U-4419-C allowing it to operate as a reseller of CMRS to the public in California.
3. On August 23, 2012, Q LINK WIRELESS, LLC filed Tier III AL 2 requesting ETC designation to receive federal support for providing federal Lifeline wireless service to qualified customers in the service areas of URF carriers, excluding the Small LECs service areas.
4. Q LINK WIRELESS, INC proposes to offer federal prepaid wireless Lifeline service using Sprint Wireless network and reselling Sprint's services.
5. Q LINK's three Lifeline service plans are: *Lifeline Plan 1*: 250 Monthly Minutes and 250 anytime minutes for \$0/month; *Lifeline Plan 2*: 500 Monthly Minutes and 500 anytime minutes for \$5/month; and *Lifeline Plan 3*: 1,000 Monthly Minutes and 1,000 anytime minutes/month for \$20/month.
6. On September 7, 2012, Q LINK WIRELESS, LLC filed AL 1 to correct the AL 2 filing advice letter sequence number.
7. On December 21, 2013, Q LINK WIRELESS, LLC filed AL Supplement 1A to amend the pricing of 250 Monthly Minute Plan from \$2.50 per month to no charge (\$0) per month and an activation charge at \$30. It also committed to comply with GO 153 LifeLine rules including working with the California TPA

and to submit all advertising to the California LifeLine team for review prior to use in California.

8. On February 22, 2013, Q LINK WIRELESS, LLC filed AL Supplement 1B to amend the activation charge from \$30 to no charge (\$0).
9. Q LINK WIRELESS, LLC only seeks federal Lifeline support and does not seek California LifeLine support.
10. Q LINK WIRELESS, LLC has not met the FCC's ETC public interest standard.
11. Q LINK WIRELESS, LLC has not met the CPUC's ETC requirements of Resolution T-17002.
12. Q LINK WIRELESS, LLC provided contradictory and misleading statements regarding the company principals and operations.
13. The due diligence by the Communications Division and SED found fitness issues regarding consumer protection and a lack of disclosure and pattern of evasion regarding the company structure.
14. Q LINK WIRELESS, LLC did not provide adequate financial information.
15. Q LINK WIRELESS, LLC did not disclose information related to recent litigation of company principals.
16. Q LINK WIRELESS, LLC did not to disclose information about its affiliates.
17. It is not in the public interest to approve Q LINK WIRELESS, LLC'S (U-4419-C) request for ETC designation to provide federal Lifeline wireless service throughout California in the service areas of URF carriers, excluding the Small LECs service areas.
18. Q LINK WIRELESS, LLC'S request for ETC designation in California should be denied.
19. On October 15, 2014, the Commission emailed a draft of this resolution to the ETC service list for public comments.
20. On October 30, 2014, Q LINK WIRELESS, LLC sent a letter to the Director of the Communications Division requesting an extension of time for the draft resolution comment period and on November 4, 2014, the request was denied.
21. On November 10, 2014, Q LINK WIRELESS, LLC filed comments requesting that the Commission reject the resolution in its current form or hold the draft resolution so that Q LINK WIRELESS, LLC can amend or refile its advice letter. The company commented that:

- a. It is compliant with all federal rules,
 - b. It disagrees with staff assessment of its compliance to state rules
 - c. It did not have the opportunity to discuss with staff, and
 - d. It intends to refile a revised advice letter.
22. Q LINK WIRELESS LLC's comments exceeded the limit specified in the October 15, 2014, Notice of Availability, did not focus on factual, legal, and/or technical errors in the draft resolution as instructed in the Notice of Availability, were argumentative, were used as an opportunity to propose three new Lifeline plans that the company had not identified before, and were used to respond to previously unanswered staff data requests.

THEREFORE, IT IS ORDERED that:

1. The Commission denies Q LINK WIRELESS, LLC's (U-4419-C) Advice Letter 1 requesting ETC designation in California to provide federal Lifeline prepaid wireless service throughout California in the service areas of the uniform regulatory framework carriers, excluding the small local exchange carriers' service areas.

Resolution T-17463

CD/KE1

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on November 20, 2014, the following Commissioners voting favorably thereon:

/s/ Paul Clanon

PAUL CLANON

Executive Director

MICHAEL R. PEEVEY

President

MICHEL PETER FLORIO

CATHERINE J.K. SANDOVAL

CARLA J. PETERMAN

MICHAEL PICKER

Commissioners

Resolution T-17463

CD/KE1

APPENDIX A
Resolution T-17463

Attachment A

Resolution T-17463, Q LINK WIRELESS, LLC

Proposed Service Area for Federal Lifeline Wireless ETC Service in California

