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September 9, 2016

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street
Washington, D.C. 20554

Re: IGNITION WIRELESS, LLC d/b/a Expo Mobile
Petition for Designation as an Eligible Telecommunications Carrier
WC Docket No. 09-197

Dear Ms. Dortch:

Attached please find IGNITION WIRELESS, LLC d/b/a Expo Mobile's Petition for Limited Designation as an Eligible Telecommunications Carrier in the States of Alabama, Connecticut, Delaware, Florida, Maine, New Hampshire, North Carolina, New York, Tennessee, Texas, the Commonwealth of Virginia, and the District of Columbia.

If you have any questions or if I may provide you with additional information, please do not hesitate to contact me. Thank you for your assistance.

Respectfully submitted,

/s/ Lance J.M. Steinhart

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IGNITION WIRELESS, LLC d/b/a Expo Mobile

Enclosure
cc: Jeremy Sands

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)
)
Federal-State Joint Board on Universal Service) WC Docket No. 09-197
)
IGNITION WIRELESS, LLC d/b/a Expo)
Mobile)
)
Petition for Limited Designation as an Eligible)
Telecommunications Carrier in the States of)
Alabama, Connecticut, Delaware, Florida,)
Maine, New Hampshire, New York, North)
Carolina, Tennessee, Texas, the)
Commonwealth of Virginia, and the District)
of Columbia)

**PETITION FOR LIMITED DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER IN THE STATES OF ALABAMA,
CONNECTICUT, DELAWARE, FLORIDA, MAINE, NEW HAMPSHIRE, NEW YORK,
NORTH CAROLINA, TENNESSEE, TEXAS, THE COMMONWEALTH OF VIRGINIA,
AND THE DISTRICT OF COLUMBIA**

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September 9, 2016

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SUMMARY

IGNITION WIRELESS, LLC d/b/a Expo Mobile (“Ignition”) is seeking limited designation as an Eligible Telecommunications Carrier (“ETC”) in the States of Alabama, Connecticut, Delaware, Florida, Maine, New Hampshire, North Carolina, New York, Tennessee, Texas, the Commonwealth of Virginia, and the District of Columbia (collectively the “Non-Jurisdictional States”) pursuant to Section 214(e)(6) of the Communications Act, solely for purposes of offering services supported by the Universal Service Fund’s (“USF”) Lifeline program. Ignition is a Mobile Virtual Network Operator (“MVNO”) that purchases wireless service on a wholesale basis from Sprint. Each Non-Jurisdictional State has provided an affirmative statement that it does not exercise jurisdiction over wireless providers for purposes of ETC designation. Accordingly, pursuant to Section 214(e)(6), the Commission has the authority to designate Ignition as an ETC in the Non-Jurisdictional States.

Ignition meets all of the requirements under Section 214(e)(1) for the limited ETC designation requested herein except for providing service, at least in part, using its own facilities. However, the Commission granted forbearance from enforcement of this facilities requirement to carriers seeking Lifeline-only ETC designation in its Lifeline and Link-Up Reform Order released February 6, 2012.¹ Through its contracts with underlying carriers, Ignition has the ability to offer all of the services and functionalities supported by the USF and set forth in Section 54.101(a) of the Commission’s rules. Ignition therefore respectfully requests that the Commission promptly approve the instant request for limited ETC designation to enable the

¹ *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“*Lifeline and Link Up Reform Order*” or “*Order*”).

Company to rapidly provide Lifeline services to qualifying customers in the Non-Jurisdictional States.

Designating Ignition as an ETC in the Non-Jurisdictional States will promote the public interest by providing qualifying low-income customers in the Non-Jurisdictional States with lower prices and high-quality wireless services. Many low-income customers in the Non-Jurisdictional States have yet to reap the well-documented benefits of wireless service because of financial constraints, poor credit history, or intermittent employment. Ignition's prepaid service offerings are ideally suited to provide these customers with reliable and cost-effective wireless services. As an ETC, Ignition will be able to provide discounted and affordable services to these consumers who are among the intended beneficiaries of USF support.

ETC designation for Lifeline service is consistent with precedent and will serve the public interest, and should be granted without delay.

**Before the
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IGNITION WIRELESS, LLC d/b/a Expo)
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Petition for Limited Designation as an Eligible)
Telecommunications Carrier in the States of)
Alabama, Connecticut, Delaware, Florida,)
Maine, New Hampshire, North Carolina, New)
York, Tennessee, Texas, the Commonwealth)
of Virginia, and the District of Columbia)

**PETITION FOR LIMITED DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER IN THE STATES OF ALABAMA,
CONNECTICUT, DELAWARE, FLORIDA, MAINE, NEW HAMPSHIRE, NORTH
CAROLINA, NEW YORK, TENNESSEE, TEXAS, THE COMMONWEALTH OF
VIRGINIA, AND THE DISTRICT OF COLUMBIA**

I. INTRODUCTION

IGNITION WIRELESS, LLC d/b/a Expo Mobile (“Ignition” or “the Company”), pursuant to Section 214(e)(6) of the Communications Act of 1934, as amended (“Act”), and Section 54.201 of the rules of the Federal Communications Commission (“FCC” or “Commission”), hereby requests limited designation as an eligible telecommunications carrier (“ETC”) in the States of Alabama, Connecticut, Delaware, Florida, Maine, New Hampshire, North Carolina, New York, Tennessee, Texas, the Commonwealth of Virginia, and the District of Columbia (collectively the “Non-Jurisdictional States”). Ignition seeks ETC designation in the Non-Jurisdictional States only for purposes of participation in the Universal Service Fund’s (“USF”) Lifeline program and does *not* seek to participate in the Link-Up or the High-Cost support programs.

Since the Alabama Public Service Commission, the Connecticut Department of Public Utility Control, the Delaware Public Service Commission, the District of Columbia Public Service Commission, the Florida Public Service Commission, the Maine Public Utilities Commission, the New Hampshire Public Utilities Commission, the North Carolina Utilities Commission, the New York Public Service Commission, the Tennessee Regulatory Authority, the Texas Public Utility Commission, and the Virginia State Corporation Commission (collectively, the “State Commissions”) lack jurisdiction to designate Ignition as an ETC, the Commission, under Section 214(e)(6) of the Act, has the authority to consider and grant this request.² As more fully described below, Ignition satisfies the requirements for designation as an ETC in the Non-Jurisdictional States, including the requirements outlined in the FCC’s *USF/ICC Transformation Order*³ and *Lifeline and Link Up Reform Order*,⁴ and will offer all of the services and functionalities supported by the universal service program throughout its designated service areas in the Non-Jurisdictional States. Grant of Ignition’s request, therefore, will promote the public interest by providing customers in the Non-Jurisdictional States with low prices and high quality wireless services.

² See 47 U.S.C. § 214(e)(6).

³ *In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund*, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (“*USF/ICC Transformation Order*”).

⁴ See supra note 1.

II. BACKGROUND

A. Company Overview

Ignition is a Washington Limited Liability Company.⁵ Ignition will provide prepaid wireless telecommunications services to consumers by using the Sprint Spectrum L.P. (“Sprint”) network on a wholesale basis. Sprint is a nationwide carrier that provides wholesale capacity on its wireless network to wireless resellers like Ignition. Pursuant to an existing agreement, Ignition will obtain direct from Sprint the network infrastructure, including wireless transmission facilities, to allow Ignition to operate as a Mobile Virtual Network Operator (“MVNO”), similar to TracFone and Virgin Mobile, both of whom have been granted ETC status by the Commission.⁶ Ignition will purchase services from Sprint on a wholesale basis for mobile calling and text messaging, package those services into Ignition’s own service plans and pricing, and bundle those service with Ignition’s handset selection, mobile applications, marketing materials, web interface, and customer service to produce finished wireless service offerings to sell to end-user customers.

Affordable and easy to use prepaid wireless services are attractive to low-income and lower-volume consumers, providing them with access to emergency services and a reliable means

⁵ The Company does not have any holding companies, operating companies or affiliates.

⁶ *Federal-State Joint Board on Universal Service, TracFone Wireless, Inc., Petitions for Designation in the States of Alabama, Connecticut, Delaware, Florida, North Carolina, New Hampshire, New York, North Carolina, Pennsylvania, Tennessee, Virginia, and Washington D.C.*, CC Docket No. 96-45, Order, 23 FCC Rcd 6206 (2008) (“*TracFone ETC Order*”); *Petition of Virgin Mobile USA, L.P. for Forbearance from 47 U.C.S. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, CC Docket No. 96-45, Order, 24 FCC Rcd 3381 (2009) (“*Virgin Mobile Order*”). The Commission had previously granted TracFone forbearance from the facilities requirement for ETC designation, permitting TracFone to offer the supported services via resale only. *Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, CC Docket No. 96-45, Order, 20 FCC Rcd 15095 (2005) (“*TracFone Forbearance Order*”). The *Virgin Mobile Order* contained both the forbearance analysis and ETC designation.

of communication that can be used both at home and while traveling to remain in touch with friends and family and for contacting prospective employers. By providing affordable wireless plans and quality customer service to consumers who are otherwise unable to afford them, or were previously ignored by traditional carriers, Ignition will expand the availability of wireless services to many more low-income consumers, which is one of the principal objectives of Congress' universal service program as codified in Section 254 of the Act, 47 U.S.C. § 254.

Ignition will offer consumers simple and affordable prepaid calling plans, a variety of prepaid service plans, easy-to-use handsets and high-quality customer service. Given its pricing and marketing strategy and the demographics of other, similar MVNOs' customers, Ignition anticipates that many of its customers will be from low-income backgrounds and will not previously have enjoyed access to wireless service because of economic constraints, poor credit history, or sporadic employment. Ignition does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service.

B. Lifeline Program

Universal service has been a fundamental component of U.S. telecommunications policy since adoption of the Act over 70 years ago. Section 254 of the Act codified that commitment in 1996, and embodies the Commission's historical commitment to the concept of universal service, including for low-income consumers. Section 254(b) sets forth the principles upon which the Commission shall base its policies for the promotion and advancement of universal service. These principles require the Commission to ensure that all consumers, including low-income consumers,

have access to telecommunications services at affordable and reasonably comparable rates.⁷ As part of those universal service support programs, Lifeline support helps defray the monthly costs of telecommunications services for low-income consumers by providing them with discounts off the monthly cost of telephone service, with additional discounts available for individuals living on tribal lands.⁸

While generally praising the Low-Income program's success, the Commission has noted that "there is more that we can do to make telephone service affordable for more low-income households," and has specifically targeted telephone subscription among low income consumers as one area for improvement.⁹ Over recent years, the Commission has sought to increase Lifeline participation because "When consumers are able to only intermittently remain on the network, they are not fully connected to society and the economy...The Commission has found that the low-income program 'provide[s] the best source of assistance for individuals to obtain and retain universal service, and, therefore, help maintain and improve telephone subscribership' and fulfill our obligations under Section 254 of the Act."¹⁰

C. Proposed Lifeline Offering

Ignition intends to be a leader in the prepaid marketplace by offering consumers exceptional value and competitive amounts of voice usage at all price points. Attached hereto as

⁷ See 47 U.S.C. § 254. Section 254(b)(3) of the Act requires the Commission to determine whether "consumers in all regions of the Nation, *including low-income consumers* and those in rural, insular, and high cost areas...have access to telecommunications [services] ..." 47 U.S.C. § 254(b)(3) (emphasis added).

⁸ 47 C.F.R. §§ 54.400 and 54.401.

⁹ See *Lifeline and Link Up Reform Order* at ¶¶ 27-30; See also *Lifeline and Link-Up*, WC Docket No. 03-109, Report and Order and Further Notice of Proposed Rulemaking, 19 FCC Rcd 8302, 8305 ¶ 1 (2004) ("*Lifeline Order*").

¹⁰ See *Lifeline and Link-Up Reform Order* at ¶ 16.

Attachment A is a table of the Company's Lifeline offering. Ignition will provide customers with 250 minutes at no charge which may be used for text messaging at the rate of one text per once voice minute.¹¹ The Company's Lifeline offering will include a free handset; nationwide coverage; and access to voice mail, call waiting, and caller ID features. There is no additional charge for toll calls. Calls to 911 and calls to the Company's customer service by dialing 611 are free and will not be deducted from available minutes. Additional minutes will be available for purchase in competitive denominations, currently \$5.00 (50 units), \$10.00 (200 units), \$20.00 (500 units), \$30.00 (800 units), and \$50.00 (1,500 units). In lieu of a no-cost plan option, the Company will also offer its monthly and pay-as-you go retail wireless plans (located at www.expomobile.com), discounted with the Lifeline subsidy, to its Lifeline customers.

III. THE COMMISSION HAS AUTHORITY TO PERFORM THE ETC DESIGNATION

Pursuant to Section 214(e)(6), the Commission may designate as an ETC "a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a state commission."¹² The Commission has established that a carrier must demonstrate that it "is not subject to the jurisdiction of a state commission" before it may consider an application for ETC designation.¹³ The Commission also has stated that any carrier seeking

¹¹ The Company reserves the right to alter the proposed Lifeline rate plans on a state-by-state basis, particularly as required by state public utility commissions (PUC). The Company commits to pass through the entire Lifeline subsidy amount directly to the consumer.

¹² See 47 U.S.C. § 214(e)(6).

¹³ See *Procedures for FCC Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act*, CC Docket No. 96-45, Public Notice, 12 FCC Rcd 22947, 22948 (1997).

ETC designation from it must provide the Commission with an “affirmative statement” from the state PUC that it lacks jurisdiction to perform the ETC designation.”¹⁴

None of the states for which Ignition requests ETC designation from the FCC has the jurisdiction to designate the Company as an ETC:

a) The Alabama Public Service Commission has concluded that it “has no jurisdiction to take action” on ETC petitions, and that “wireless providers seeking ETC status should pursue their ETC designation request with the FCC.” A copy of the Alabama Public Service Commission’s order is attached as Attachment B.

b) The Connecticut Department of Public Utility Control has provided letters clarifying that it lacks jurisdiction to entertain a wireless carrier’s ETC petition. A sample letter is attached as Attachment C.

c) The Delaware Public Service Commission has provided letters clarifying that it lacks jurisdiction to entertain a wireless carrier’s ETC petition. A sample letter is attached as Attachment D.

d) The District of Columbia Public Service Commission has provided a letter clarifying that it lacks jurisdiction to entertain a wireless carrier’s ETC petition. The letter is attached as Attachment E.

e) The Florida Public Service Commission has provided letters clarifying that it lacks jurisdiction to entertain a wireless carrier’s ETC petition. A sample letter is attached as Attachment F.

¹⁴ See *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscriberhip in Unserved and Underserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, 15 FCC Rcd 12208, 12264 ¶ 113 (2000).

f) The Maine Public Utilities Commission has concluded that “the Commission will no longer certify carriers that apply for ETC designation for the sole purpose of offering Lifeline, Link-Up, or other low-income program benefits. Going forward, such carriers will apply to the [FCC] for ETC designation.” A copy of the Maine Public Utilities Commission’s Order is attached as Attachment G.

g) The New Hampshire Public Utilities Commission has provided a letter clarifying that it lacks jurisdiction to entertain a wireless carrier’s ETC petition. The letter is attached as Attachment H.

h) The New York Public Service Commission has provided letters clarifying that it lacks jurisdiction to entertain a wireless carrier’s ETC petition. A sample letter is attached as Attachment I.

i) The North Carolina Utilities Commission has concluded that “the Commission lacks jurisdiction over CMRS services and the appropriate venue for the designation of ETC status for such services is with the FCC.” A copy of the North Carolina Utilities Commission’s Order is attached as Attachment J.

j) The Tennessee Regulatory Authority has concluded that its statutory “lack of jurisdiction over CMRS providers” precludes it from processing ETC petitions. A copy of the Tennessee Regulatory Authority’s order is attached as Attachment K.

k) The Texas Public Utility Commission adopted an amendment to “exclude commercial mobile radio service (CMRS) resellers from eligibility for designation by the commission as an eligible telecommunications carrier (ETC).” And instead, “a CMRS reseller will be able to seek designation as an ETC by the Federal Communications Commission (FCC).” A copy of the Texas Public Utility Commission’s Order is attached as Attachment L.

1) The Virginia Corporation Commission has concluded that “§ 214(e)(6) of the Act is applicable” to wireless ETC petitions “because [the Virginia Commission] has not asserted jurisdiction over CMRS carriers,” and that wireless ETC applicants “should apply to the Federal Communications Commission.” A copy of the Virginia Commission’s Order is attached as Attachment M.

Accordingly, for each of the Non-Jurisdiction States, Ignition is “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission.”¹⁵ As such, the Commission is authorized to designate Ignition as an Eligible Telecommunications Carrier.

IV. IGNITION REQUESTS ETC DESIGNATION IN ITS SERVICE AREAS IN THE NON-JURISDICTIONAL STATES FOR PARTICIPATION IN THE LIFELINE PROGRAM

A. Ignition Requests ETC Designation in its Existing Service Area

Consistent with prior orders granting other MVNOs ETC status,¹⁶ Ignition requests ETC designation for its entire service area in Alabama, Connecticut, Delaware, District of Columbia, Florida, Maine, New Hampshire, North Carolina, New York, Tennessee, Texas, and Virginia (i.e., the area served by the facilities-based carriers from whom it obtains wholesale service), but excluding any Tribal Areas.¹⁷ Ignition understands that its service area overlaps with several rural carriers’ service areas but maintains that the public interest factors described below justify its designation in these service areas, especially since it only seeks ETC designation for purposes of participation in the Lifeline program.

¹⁵ 47 U.S.C. § 214(e)(6).

¹⁶ See *TracFone ETC Order* and *Virgin Mobile Order*, *supra* note 6.

¹⁷ See Attachment N for a chart reflecting the service areas of the non-rural and rural telephone companies that Ignition’s authorized service area covers in the Non-Jurisdictional States.

B. Ignition’s Limited ETC Designation Request Only Seeks Authority to Participate in the Lifeline Program

Consistent with the scope of forbearance granted by the Commission, Ignition requests ETC designation in the Non-Jurisdictional States for the sole purpose of participating in the Lifeline program. Ignition does not seek eligibility to receive support from the Link-Up program or High Cost support program. As demonstrated herein, the instant request to participate in the Lifeline program is consistent with the Commission’s requirements for ETC designation, and would promote the goals of universal service by offering the many benefits of supported services to low-income customers in the Non-Jurisdictional States. As discussed above, Ignition’s Lifeline offerings will include many features specifically designed for qualifying low-income customers, who currently lack appealing and affordable options for wireless services, many of whom are therefore unable to subscribe to wireless services.

C. The Limited Designation Request is Consistent with Recent Precedent

Ignition’s request for designation to participate in the Lifeline program is consistent with the Commission’s decisions conditionally designating several other wireless resellers, including TracFone Wireless and Virgin Mobile,¹⁸ as ETCs in several states. In its decisions, the Commission determined that the requests of TracFone and Virgin Mobile satisfied all of the eligibility requirements and that designation would serve the public interest.¹⁹ The Commission specifically noted in the *TracFone* and *Virgin Mobile Orders* that designation of prepaid wireless providers as ETCs will provide a variety of benefits to low-income consumers, including

¹⁸ See *supra* note 6.

¹⁹ See *TracFone ETC Order*, 23 FCC Rcd at 6212-13 ¶ 15; *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38.

increased consumer choice, high-quality service offerings and mobile access to emergency services on wireless devices.²⁰

Ignition requests that the Commission expeditiously process its pending ETC applications so that it can quickly join the handful of existing wireless ETCs in providing qualifying low-income customers with affordable USF-supported Lifeline wireless services throughout the Non-Jurisdictional States. Designation of prepaid wireless providers such as TracFone, Virgin Mobile and Ignition as ETCs is a significant step towards ensuring that all customers, particularly low-income customers, share in the many benefits associated with access to affordable wireless telecommunications services. During an economic downturn, many existing wireless customers have to forego wireless services because he or she can no longer afford them. Designation of ETC status to prepaid wireless carriers like TracFone, Virgin Mobile and Ignition helps to close the widening gap for wireless services and provide low-income customers with the significant advantages associated with access to wireless services. The Commission has found that voice service has “become crucial to full participation in our society and economy, which are increasingly dependent upon the rapid exchange of information.”²¹ As noted in a study sponsored by the Massachusetts Institute of Technology’s Legatum Center for Development and Entrepreneurship and New Millennium Research Council, low-income customers receive significant economic and social benefits from wireless services, including enhanced productivity, increased economic opportunity, and broader access to emergency and safety services.²²

²⁰ See *TracFone ETC Order*, 23 FCC Rcd at 6212-13 ¶ 15; *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38.

²¹ See *Lifeline and Link Up Reform Order* at ¶ 12.

²² Nicholas P. Sullivan, New Millennium Research, *Cell Phones Provide Significant Economic Gains for Low-Income American Households: A Review of Literature and Data from Two New* (continued on next page)

V. IGNITION SATISFIES THE REQUIREMENTS FOR DESIGNATION AS AN ETC

Section 214(e)(1) of the Act and Section 54.201(d) of the Commission's rules provide that applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier's services, except where the Commission has forbore from the "own facilities" requirement. Applicants also must commit to advertise the availability and rates of such services.²³ As detailed below, Ignition satisfies each of the above-listed requirements.

A. Ignition is a Common Carrier

CMRS resellers like Ignition are common carriers.²⁴

B. Ignition Will Provide the Supported Services Consistent With the Commission's Grant of Forbearance from Section 214's Facilities Requirements

Although Section 214 requires ETCs to provide services using their facilities, at least in part, the Commission has forbore from that requirement with respect to carriers such as Ignition. In the *Lifeline and Link Up Reform Order*, the Commission granted forbearance from the "own-

Surveys, (April 2008), available at http://newmillenniumresearch.org/archive/Sullivan_Report_032608.pdf.

²³ See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

²⁴ *Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services*, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1425 ¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory "mobile services" category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) ("mobile services" providers are common carriers); see also *PCIA Petition for Forbearance for Broadband PCS*, WT Docket No. 98-100, Memorandum Opinion and Order and Notice of Proposed Rulemaking, 13 FCC Rcd 16857, 16911 ¶ 111 (1998) ("We concluded [in the *Second Report and Order*] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services *and resellers of such services*." (emphasis added)).

facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:²⁵

(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

(2) the carrier must file, and the Bureau must approve, a compliance plan providing specific information regarding the carrier’s service offerings and outlining the measures the carrier will take to implement the obligations contained in this Order as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary.”

Ignition will avail itself of the FCC’s grant of blanket forbearance.²⁶ In accordance with the *Lifeline and Link Up Reform Order*, Ignition filed its Compliance Plan with the FCC on September 1, 2016. A copy of its Compliance Plan is attached to this Petition as Attachment O. Ignition commits to providing Lifeline service in the Non-Jurisdictional States in accordance with the Compliance Plan.²⁷

C. Ignition Offers All of the Required Services and Functionalities

Through its wholesale arrangements with Sprint, Ignition is able to provide all of the services and functionalities supported by the universal service program under Section 54.101 of

²⁵ See *Order* at ¶¶ 368, 373 and 379.

²⁶ Although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the facilities requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state, particularly for purposes of state universal service funding under state program rules and requirements. The Company will follow the requirements of the Commission’s Lifeline rules and its Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income fund.

²⁷ To the extent that future changes in federal regulations render the commitments made in the Compliance Plan invalid, the Company reserves the right to modify its operations in accordance with federal regulations in effect at that time.

the Commission's rules in the Non-Jurisdictional States. Ignition will make these services and functionalities available to qualifying consumers with service addresses in Alabama, Connecticut, Delaware, District of Columbia, Florida, Maine, New Hampshire, North Carolina, New York, Tennessee, Texas, and Virginia.

1. Voice Grade Access to the Public Switched Telephone Network

Ignition provides voice grade access to the public switched telephone network ("PSTN") through the purchase of wholesale CMRS services from Sprint.

2. Local Usage

As part of the voice grade access to the PSTN, an ETC must provide minutes of use for local service at no additional charge to end-users. The FCC has not specified a minimum amount of local usage that an ETC must offer.²⁸ Ignition offers a variety of rate plans that include minutes of use for, among other things, local service.

3. Access to Emergency Services

Ignition provides nationwide access to 911 and E911 emergency services for all of its customers to the extent the local government in its service area has implemented 911 or E911 systems. In accordance with its forbearance, Ignition will provide access to 911 and E911 services regardless of activation status and availability of minutes, and will provide only E911-compliant handsets to its Lifeline customers.

²⁸ See e.g., *In the Matter of Federal-State Joint Board on Universal Service*, Recommended Decision 15 FCC Rcd 7331 (2002).

4. Toll Limitation for Qualifying Low-Income Consumers

In its *Lifeline and Link Up Reform Order*, the FCC stated that toll limitation would no longer be deemed a supported service.²⁹ “ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls.”³⁰ Nonetheless, Ignition’s offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or pay-as-you-go, basis. Ignition’s service, moreover, is not offered on a distance-sensitive basis and local and domestic long distance minutes are treated the same. Ignition will not seek reimbursement for toll limitation service.

D. Advertising of Supported Services

Ignition will advertise the availability and rates for the services described above using media of general distribution as required by Section 54.201(d)(2) of the Commission’s regulations,³¹ and in accordance with the requirements set forth in the *Lifeline and Link Up Reform Order*.³² The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline services, using media of general distribution that may include advertisements via newspapers, radio and the internet. These advertising campaigns will be specifically targeted to reach low-income customers, promoting the availability of cost-effective wireless services to this neglected consumer segment.

In addition, Ignition may supplement these methods of communication to specifically advertise and promote the availability of its Lifeline offerings to qualifying customers throughout

²⁹ See *Order* at ¶ 367.

³⁰ See *id.* at ¶ 49.

³¹ See 47 C.F.R. § 54.201.

³² See *id.* at Section VII.F.

the Non-Jurisdictional States. Ignition may distribute brochures at various state and local social service agencies, and/or partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline services. In such case, Ignition will provide retail vendors with signage to be displayed where Ignition products are sold, and with printed materials describing Ignition's Lifeline program.

E. Service Commitment Throughout the Proposed Designated Service Area

Ignition will provide service in the Non-Jurisdictional States by reselling service which it obtains from its underlying facilities-based provider. The underlying provider's network is operational and largely built out. Thus, Ignition will be able to commence offering its Lifeline service to all locations served by its underlying carrier very soon after receiving approval from the Commission. Ignition commits to comply with the service requirements applicable to the support that it receives.³³

F. Five-Year Network Improvement Plan

As set forth in the *Lifeline and Link Up Reform Order*, a common carrier seeking designation as a Lifeline-only ETC is not required to submit a five-year network improvement plan as part of its application for designation as an ETC.³⁴

G. Ability to Remain Functional in Emergency Situations

In accordance with 47 C.F.R. §54.202(a)(2), Ignition has the ability to remain functional in emergency situations. As described herein, Ignition purchases wireless network services on a wholesale basis from Sprint, a large, national carrier that is itself subject to various regulatory requirements to remain functional in emergencies. Through Sprint, Ignition provides to its

³³ See *Order* at page 208, revised § 54.202(a)(1)(i).

³⁴ See *id.* at ¶ 386.

customers the same ability to remain functional in emergency situations as currently provided by Sprint to its own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, the ability to reroute traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations. Furthermore, the Company is subject to its own 911 requirements in 47 C.F.R. 20.18(m), and has committed to specific 911 and E911-related requirements – including with respect to E911 handsets – in its Compliance Plan.

H. Commitment to Consumer Protection and Service Quality

Under FCC guidelines, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards.³⁵ The Company commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. Ignition commits to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service.

I. Ignition is Financially and Technically Capable

Ignition is financially and technically capable of providing Lifeline-supported services.³⁶ Ignition has been in business for ten (10) years and will provide service to both Lifeline and non-Lifeline customers. Ignition currently provides retail wireless service throughout the nation with a majority of its customers in California, Illinois, and New York. Ignition has not been subject to enforcement action or ETC revocation proceedings in any state. Ignition is financially able to provide Lifeline-supported services; the Company does not – and does not intend to – rely exclusively on universal service support to operate. In the event that USAC ceases disbursements

³⁵ See 47 C.F.R. § 54.202(a)(3).

³⁶ See Order at ¶ 387.

for a period of time, the Company will still be able to provide service to its customers. The Company will continue to rely on its successful business model and service offerings to sustain and grow its business, independent of USF disbursements that provide discounts for qualifying Lifeline subscribers. Furthermore, the senior management of Ignition has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.³⁷ Ignition will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

VI. IGNITION WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE LIFELINE AND LINK-UP REFORM ORDER

A. Consumer Eligibility and Enrollment

Ignition will certify and verify consumer eligibility for Lifeline in accordance with its Compliance Plan, which outlines how the Company will comply with the requirements set forth in the *Lifeline and Link Up Reform Order*, and in compliance with applicable Commission rules, including as such rules may heretofore be amended. In instances where a state or federal agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, Ignition will rely on the state identification or database.³⁸ In instances where Ignition is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

1. One-Per-Household

Ignition understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as “any individual or group of individuals who are

³⁷ See Attachment O, Exhibit D for key management resumes.

³⁸ See *Order* at ¶ 98.

living together at the same address as one economic unit.”³⁹ Upon receiving an application for Lifeline support, Ignition will check the National Lifeline Accountability Database (“NLAD”) to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. Ignition will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address. If Ignition determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, Ignition will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, Ignition will require applicants to complete and submit to the Company USAC’s one-per-household template, which will contain the following: (1) an explanation of the Commission’s one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant’s household and share in the household’s expenses or benefit from the applicant’s income; and (4) the penalty for a consumer’s failure to make the required one-per-household certification (i.e., de-enrollment).⁴⁰ Ignition will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a draft sample of which is attached,⁴¹ Ignition will obtain a consumer’s permanent residential address (which cannot be a P.O. Box or General Delivery

³⁹ See *Order* at ¶ 74.

⁴⁰ See *id.* at ¶ 78.

⁴¹ See Attachment O, Exhibit A. The draft form remains subject to change, but substantially reflects the content of the Company’s application.

address), unless he or she only have a temporary address, and a billing address for the service, if different (which may include a P.O Box or General Delivery address).⁴² Ignition will inquire on its certification forms whether or not the applicant's address is a temporary one.⁴³ If and when the ninety (90) day verification rules become effective, Ignition will notify the consumer that if he or she have a temporary address, the Company will contact the consumer every ninety (90) days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within thirty (30) days of Ignition's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.⁴⁴ Also on its certification forms, Ignition will explain that if the subscriber moves, he or she must provide their new address to the Company within thirty (30) days of moving.⁴⁵ If the subscriber has moved, Ignition will update the NLAD with the information within ten (10) business days of receipt of the information.⁴⁶

As detailed below, Ignition's certification form will clearly explain the one-per-household requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

2. Initial and Annual Certification

Consumers will be signed up in person or directed, via company literature, collateral or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the

⁴² *See Order* at ¶ 85.

⁴³ *See id.* at ¶ 89.

⁴⁴ *See id.* As of the date of filing of this Petition, this requirement has not been approved pursuant to the Paperwork Reduction Act.

⁴⁵ *See id.* at ¶ 85.

⁴⁶ *See id.* at ¶ 85.

program and state-specific eligibility criteria. Ignition’s application form will identify that it is a “Lifeline” application. Ignition will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services.

Ignition’s initial and annual certification forms will conform to the list of requirements provided in 47 C.F.R. § 54.410(d). The Company’s Lifeline certification forms, a draft sample of which is provided in Attachment O as Exhibit A, will require each prospective subscriber to provide the following information:

- (i) The subscriber’s full name;
- (ii) The subscriber’s full residential address;
- (iii) Whether the subscriber’s residential address is permanent or temporary;
- (iv) The subscriber’s billing address, if different from the subscriber’s residential address;
- (v) The subscriber’s date of birth;
- (vi) The last four digits of the subscriber’s social security number, or the subscriber’s Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
- (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

- (i) Lifeline is a federal benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of the Commission’s rules and would result in the consumer’s de-enrollment from the program, and potentially, prosecution by the United States government; and
- (vi) a Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

Ignition will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within thirty (30) days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within thirty (30) days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every ninety (90) days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.⁴⁷

Enrollment in person. The Company estimates that approximately seventy per cent (70%) of its Lifeline enrollment will occur in person at community events. When a prospective customer

⁴⁷ See Order at ¶ 168.

applies at an event, Company employees, agents or representatives (“personnel”) will ask to see a government issued ID and will validate the address via a USPS/Melissa Database. The Company will check the NLAD to confirm that the applicant is not already receiving a Lifeline subsidy from Ignition or any other ETC. If the customer indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete USAC’s one-per-household template as well. In cases where an eligibility database exists, personnel will query the database to determine eligibility. In states where eligibility databases are not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. Ignition’s Lifeline application contains an “Office Use Only” section, which must be completely filled out and signed by Company personnel in order to record information about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID).⁴⁸

Ignition personnel will review verbally all certifications and disclosures with the applicant before he or she signs the application form, making sure each applicant verbally acknowledges each required certification before moving on to the next. Upon successful completion of the certification process, the customer is allowed to receive his or her free phone in-person. In instances where eligibility databases cannot be accessed in real-time, Ignition will mail the phone to eligible customers once verification of eligibility is complete. Each customer’s account is then activated upon the customer’s personal initiation or actual use of the phone.

⁴⁸ The Company hereby assures the Commission that it will comply with all applicable regulations and laws with respect to the retention and treatment of subscriber eligibility documentation.

Ignition may also enroll customers at retail stores, in which case the protocol for signing up customers closely resembles the process at an event. Company employees, agents or representatives are able to access necessary databases (USPS/Melissa, NLAD, eligibility databases) to verify eligibility, and, when required, can personally review eligibility based on proof of income or program participation. Company personnel are able to verbally review the required disclosures with applicants and obtain the completed application form in person. Phones are delivered upon successful completion of the certification process, as detailed above.

Enrollment by phone. With respect to those enrolling via the phone, Company personnel are able to verbally explain the Lifeline program and its eligibility requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant's signature via IVR. If the customer indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete USAC's one-per-household template as well. If no eligibility database is available, personnel will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, NLAD, eligibility databases). If no eligibility database is available, the application will be placed in a "hold" status until the Company receives copies of the applicant's proof documentation and government-issued ID, at which point Company personnel will review the documentation and complete the "Office Use Only" section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of

document ID). Ignition will deliver phones to eligible customers by mail. The customer's account is activated upon the customer's personal initiation or actual use of the phone.

Enrollment online. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. Ignition will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.⁴⁹ If the customer indicates that their address is a multi-household residence, online interface will require the applicant to complete USAC's one-per-household template as well. If no eligibility database is available, the online interface will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, NLAD, eligibility databases). If no eligibility database is available, the application will be placed in a "hold" status until the Company receives copies of the applicant's proof documentation and government-issued ID, at which point Company personnel will review the documentation and complete the "Office Use Only" section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID). Ignition will deliver phones to eligible customers by mail. The customer's account is activated upon the customer's personal initiation or actual use of the phone.

⁴⁹ See *Order* at ¶ 123.

General Enrollment Procedures. Ignition will determine eligibility utilizing the income and program criteria set forth in 47 C.F.R. § 54.409. Prior to enrolling a new subscriber, Ignition will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available,⁵⁰ or the National Verifier, once in place. If a database is used to establish eligibility, Ignition will not require documentation of the consumer's participation in a qualifying federal program; instead, Ignition or its representative will note in its records a description of what specific data was relied upon to confirm the consumer's initial eligibility for Lifeline.⁵¹ However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Ignition to check electronic databases for eligibility, Ignition will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.⁵² Ignition will require acceptable documentation both for income eligibility and for program eligibility. The Company will retain copies of the documentation in accordance with applicable federal and state regulations. Ignition understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Ignition remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.⁵³

Ignition will provide Lifeline-specific training to all personnel – employees, agents, and representatives – designed to give them an understanding of Lifeline program requirements and permit them to review customer documentation and determine whether it is sufficient to establish a

⁵⁰ *See Order* at ¶ 97.

⁵¹ *See id.* at ¶ 98.

⁵² *See id.* at ¶ 99.

⁵³ *See id.* at ¶ 110.

customer's eligibility to participate in the Lifeline program under the Commission's rules. No Company employee, agent, or representative may accept a Lifeline application unless he or she has first completed this training program and demonstrated an understanding of the underlying material. Among other things, the Lifeline program training will discuss the Company's Lifeline application form (see Attachment O, Exhibit A) on a section-by-section basis. The training will explain what sections of the form must be completed by the customer and will review the form disclosures in detail, to facilitate the ability of personnel to explain each item contained therein and answer any customer questions. Because the Company is responsible for the actions of all its personnel, including those enrolling customers in any Company-owned or agent retail locations, and a Company employee will be responsible for overseeing and finalizing every Lifeline enrollment prior to including that customer on an FCC Form 497 for reimbursement, the Company always "deals directly" with its customers to certify and verify customers' Lifeline eligibility.

3. Annual Re-Certification

Ignition understands that it must re-certify the eligibility of its entire Lifeline subscriber base and report the results to USAC by January 31 each year, and the Company may elect to perform this re-certification on a rolling basis throughout the year.⁵⁴ Ignition will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by text message, by email, or otherwise through the Internet—to confirm their continued eligibility.⁵⁵ The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. Ignition will obtain a signed certification from the subscriber that meets the certification

⁵⁴ *See Order* at ¶ 130.

⁵⁵ *See id.*

requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section VI.A.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within thirty (30) days. Ignition understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.⁵⁶

Alternatively, where a database containing consumer eligibility data is available, Ignition (or state agency or third-party, where applicable) will instead query the database and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, Ignition will contact the subscriber every year during the annual certification process to obtain a valid address.⁵⁷ Ignition understands that it has the option to elect USAC to administer the self-certification process on the Company's behalf.⁵⁸

Ignition will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of Ignition's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

(1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company

⁵⁶ See *Order* at ¶ 132.

⁵⁷ See *id.* at ¶ 131.

⁵⁸ See *id.* at ¶ 133.

uses to confirm consumer eligibility in each state, and

(2) that the Company is in compliance with all federal Lifeline certification procedures.⁵⁹

B. Other Reforms to Eliminate Waste, Fraud and Abuse

Ignition shares the Commission’s concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein and in its Compliance Plan, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally.

Ignition has implemented enrollment procedures designed to prevent subsidies for duplicate, ineligible, or inactive subscribers. The Company intends to contract with a third party Lifeline service bureau, currently CGM, LLC (“CGM”) of Roswell, Georgia, to edit all subsidy request data. CGM will process and validate the Company’s subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM’s systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, Ignition ensures that it does not over-request from support funds.

During the Lifeline application process, the Company details all required disclosures with the applicant, including the one-per-household rule. As detailed in section IV.A.2, Ignition validates each applicant’s identity via a government issued ID card, passport, etc. Additionally, as mentioned

⁵⁹ See Order at ¶ 126-27.

above, Ignition requires the applicant to provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Ignition validates the applicant's address via a USPS/Melissa Database to ensure the address is correct. Ignition also verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Ignition checks the NLAD and any available eligibility database. If an eligibility database is not available, the applicant is required to provide proof of eligibility. This prevents ineligible applicants or duplicate subscribers from receiving the subsidy.

1. National Lifeline Accountability Database

Ignition will participate in the NLAD. As required by the *Lifeline and Link Up Reform Order*, Ignition will provide to the NLAD subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.⁶⁰ Ignition will query the NLAD to check to see if a prospective subscriber is already receiving service from another ETC at a residential address prior to seeking reimbursement from the Fund.⁶¹

Furthermore, on its certification form, Ignition will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more

⁶⁰ See *Order* at ¶ 189.

⁶¹ See *id.* at ¶ 203.

than one Lifeline benefit.⁶²

2. Subscriber Usage

Ignition will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the subscriber. Furthermore, Ignition will not seek reimbursement from the USF for inactive subscribers who have not used the service as set forth in 47 C.F.R. §54.407(c)(2). Ignition will notify its subscribers at service initiation, via the certification form and via the script that is reviewed with every customer, about the non-transferability of the phone service, its usage requirements, and the de-enrollment as well as deactivation that will result following non-usage.⁶³ An account will be considered active if the authorized subscriber establishes usage, as “usage” is defined by 47 C.F.R. §54.407(c)(2), during the specified timeframe or during the notice period set forth in 47 C.F.R. §54.405(e)(3). Ignition utilizes tracking software to notify the customer if the customer has not used their service for a set period of time (i.e. fifteen (15) or thirty (30) consecutive days). Ignition will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.⁶⁴

3. Marketing & Outreach

Ignition will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms

⁶² See Order Appendix C.

⁶³ See *id.* at ¶ 257

⁶⁴ See *id.* at ¶ 262. 911 transmission will actually be performed by the Company’s underlying facilities-based CMRS provider.

of waste, fraud, and abuse. Ignition will explain in clear, easily understood language substantially the following disclosures in all marketing materials related to the supported service:⁶⁵ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit program. Ignition’s website and printed collateral will also explain the documentation necessary for enrollment, and the details of Ignition’s plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.⁶⁶ For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, Ignition will include the URL link for its website where disclosures will be listed. Additionally, Ignition will disclose the company name under which it does business.⁶⁷

4. Audits

The *Lifeline and Link Up Reform Order* requires ETCs that draw \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, to hire an independent licensed certified public accounting firm to conduct a biennial audit according to government

⁶⁵ See Attachment O, Exhibit B for a sample advertisement. The Company understands the term “marketing materials” includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. *See id.* at ¶ 275.

⁶⁶ *See Order* at ¶ 275.

⁶⁷ *See id.*

accounting standards to assess the ETC's overall compliance with the program's requirements.⁶⁸ Ignition will comply with this requirement, including applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within thirty (30) days upon issuance.⁶⁹

C. De-Enrollment

If at any time an Ignition Lifeline customer wishes to de-enroll from the Company's Lifeline program, Company customer service representatives will handle such elective de-enrollment requests and the Company will de-enroll the subscriber within two (2) business days after the request. Ignition Lifeline customers simply call the Company, via 611 or the toll-free customer service number (800-818-1597), and they can speak to a live operator to de-enroll from Ignition's Lifeline program. Ignition will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).⁷⁰

If a customer does not respond to the Company's annual verification survey within thirty (30) days, or if Ignition has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), Ignition will provide a written notice of impending

⁶⁸ See *Order* at ¶ 291.

⁶⁹ See *id.* at ¶ 294.

⁷⁰ See *id.* at ¶ 122.

service termination to the subscriber and then give the subscriber thirty (30) days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.⁷¹ Similarly, Ignition will de-enroll a subscriber if he or she fail to respond to the Company's attempt to verify a temporary address within thirty (30) days.⁷²

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁷³ Ignition will de-enroll a subscriber within five (5) business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

Non-Usage. Ignition will de-enroll any subscriber that has not used the Company's Lifeline service as discussed in section VI.B.2 above. Ignition will provide the subscriber advanced notice pursuant to 47 C.F.R. §54.405(e)(3), using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the notice period will result in service termination for non-usage; such notice may be initiated as early as fifteen (15) days of non-usage. Ignition will update the NLAD within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.⁷⁴

D. Additional Rule Amendments

1. Terms and Conditions of Service

Ignition's Lifeline terms and conditions of service are provided in Attachment O as

⁷¹ *See Order* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

⁷² *See id.* at ¶ 89.

⁷³ *See id.* at ¶ 214-16.

⁷⁴ *See id.* at ¶ 257.

Exhibit C. These terms and conditions are subject to change as needed, and the most current version may be found at www.expomobile.com/lifeline-terms-conditions. The terms and conditions of Ignition’s retail plans, as generally available to the public and to which a Lifeline customer can apply their Lifeline discount, can be found at <https://www.expomobile.com/expoaws/index.aspx/termsAndConditions>.

2. Reporting Requirements

Ignition will report all information required by section 54.422, including as it may heretofore be amended. This includes the names of the Company’s holding company, operating companies and affiliates, and any branding (“doing-business-as company” or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.⁷⁵

3. Reimbursement from USAC

In seeking reimbursement for Lifeline, Ignition will comply with the requirements of 47 C.F.R. § 54.407, including as it may hereto be amended. Ignition will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,⁷⁶ and the Company will seek reimbursement

⁷⁵ See *Order* at ¶¶ 296, 390. Section 153 of the Act defines “affiliate” as “a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

⁷⁶ See *id* at ¶ 128.

for actual lines served, not projected lines.⁷⁷

VII. DESIGNATION OF IGNITION AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is “to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies” to all citizens, regardless of geographic location or income.⁷⁸ Designation of Ignition as an ETC in the Non-Jurisdictional States will promote the public interest by providing low-income consumers in the Non-Jurisdictional States with affordable and high quality wireless services. Many low-income consumers have yet to reap the full benefits of the wireless marketplace. Whether because of financial constraints, poor credit or intermittent employment, these consumers often lack access to the benefits that wireless services bring to other consumers.⁷⁹ Designating Ignition as an ETC in the Non-Jurisdictional States will enable it to expand the availability of affordable telecommunications services to qualifying consumers, leading to lower prices and increased choice.⁸⁰

The instant request for limited ETC designation must be examined in light of the Act’s goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers—particularly low-income consumers—receive affordable and comparable telecommunications services. Given this

⁷⁷ See *Order* at ¶ 302.

⁷⁸ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

⁷⁹ See *supra* note 21.

⁸⁰ See *TracFone ETC Order*, 23 FCC Rcd at 6212 ¶ 15; *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38; *Policy and Rules Concerning the Interstate, Interexchange Marketplace, Implementation of Section 254(g) of the Communications Act of 1934*, CC Docket No. 96-61, Second Report and Order, 11 FCC Rcd 20730, 20760 ¶ 52 (1996).

context, designating Ignition as an ETC would significantly benefit low-income consumers eligible for Lifeline services in the Non-Jurisdictional States—the intended beneficiaries of universal service. The Company’s participation in the Lifeline program also undoubtedly would increase opportunities for the company to serve these customers with appealing and affordable service offerings.

A. Advantages of Ignition’s Service Offering

The public interest benefits of the Company’s wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted, 911 service and, where available, E911 service in accordance with current FCC requirements. Ignition’s Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers. Ignition’s Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring a variety of rate plans into the reach of Lifeline customers that are comparable in minutes and features to those available to post-paid wireless subscribers – but at low Lifeline rates and without the burden of credit checks, contracts, or activation fees.

Most importantly, Ignition’s Lifeline service will provide low-income residents with the convenience and security offered by wireless services—even if their financial position deteriorates. ETC designation in the Non-Jurisdictional States would enable Ignition to offer appealing and affordable service offerings to low-income customers to ensure that they are able to afford wireless services on a consistent and uninterrupted basis. Without question, prepaid wireless services have become essential for low-income customers, providing them with value for their money, access to

emergency services on wireless devices, and a reliable means of contact for prospective employers, social service agencies or dependents. Providing Ignition with the authority necessary to offer discounted Lifeline services to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

In sum, ETC designation in the Non-Jurisdictional States would enable Ignition to provide all of the public benefits cited by the Commission in its analysis in the *TracFone* and *Virgin Mobile Orders*. Namely, Ignition would provide “increased consumer choice, high-quality service offerings, and mobility,”⁸¹ as well as the safety and security of effective 911 and E911 services.⁸²

B. The Benefits of Competitive Choice

The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than four decades.⁸³ Designation of Ignition as an ETC will promote competition and innovation, and spur other carriers to target low-income consumers with service offerings tailored to their needs and to improve their existing networks to remain competitive, resulting in improved services to consumers. Designation of Ignition as an ETC will help assure that quality services are available at “just, reasonable, and affordable rates” as envisioned in the Act.⁸⁴ Designation of Ignition as an ETC would offer Lifeline-eligible consumers an additional choice of providers for accessing telecommunications services, representing a significant step towards ensuring that all low-

⁸¹ See *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38; *TracFone ETC Order*, 23 FCC Rcd at 6212 ¶ 15.

⁸² See *Virgin Mobile Order*, 24 FCC Rcd at 3391 ¶ 23.

⁸³ See, e.g., *Specialized Common Carrier Services*, 29 FCC Rcd 870 (1971).

⁸⁴ See 47 U.S.C. § 254(b)(1).

income consumers share in the many benefits associated with access to wireless services.

C. Impact on the Universal Service Fund

Ignition will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC's Lifeline program. By implementing the safeguards set forth in the *Lifeline and Link Up Reform Order*, Ignition will minimize the likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. Significantly, the Company's designation as an ETC will not increase the number of persons eligible for Lifeline support. Ignition's ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable wireless services to low-income consumers. According to the FCC, "the additional choice and service options of another wireless reseller offering a service for low-income consumers represents a significant benefit for consumers and is in the public interest," and "A new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance in the context of the Lifeline program outweighs the potential costs."⁸⁵

VIII. ANTI-DRUG ABUSE CERTIFICATION

Ignition certifies that no party to this Petition is subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

⁸⁵ See *Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A)*, Order, FCC 10-117 (rel. June 25, 2010) at ¶ 19.

IX. THE COMPANY WILL COMPLY WITH THE COMMISSION’S THIRD REPORT AND ORDER, FURTHER REPORT AND ORDER, AND ORDER ON RECONSIDERATION

The Company is aware that the FCC adopted its *Third Report and Order, Further Report and Order, and Order on Reconsideration* on March 31, 2016.⁸⁶ In part, the new *Third Report and Order* marks a considerable step forward with respect to creating a competitive Lifeline broadband program by allowing support for standalone fixed and mobile broadband service, establishing minimum service standards for such broadband and mobile voice services, and implementing a five and one-half (5 ½) year transition, during which time the FCC will gradually increase mobile voice and data requirements and simultaneously decrease voice support levels. Moreover, the *Third Report and Order* takes steps to curb abuse in the Lifeline program by establishing the National Verifier, which transfers the responsibility of eligibility determination away from Lifeline providers such as Ignition, lowering costs of conducting verification, and reducing the risks of facing a verification-related enforcement action. The Company is aware of the compliance requirements set forth in the *Third Report and Order* and commits to adhere to all obligations provided therein to the extent applicable to the Company.

⁸⁶ *In the Matter of Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket No. 11-42, WC Docket No. 00-197, WC Docket No. 10-90, Third Report and Order, and Order on Reconsideration, FCC 16-38 (rel. Apr. 27, 2016) (hereinafter, “*Third Report and Order*”).

X. CONCLUSION

As discussed above, designation of Ignition as an ETC in the Non-Jurisdictional States accords with the requirements of Section 214(e)(6) of the Act and is in the public interest.

For all of the foregoing reasons, Ignition respectfully requests that the Commission designate Ignition as an ETC in the Non-Jurisdictional States.

Respectfully submitted,

/s/ Lance J.M. Steinhart
Lance J.M. Steinhart
Managing Attorney
Lance J.M. Steinhart, P.C.
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
(770) 232-9208 (Fax)
E-Mail: lsteinhart@telecomcounsel.com

*Attorneys for IGNITION WIRELESS, LLC
d/b/a Expo Mobile*

September 9, 2016

Attachment A

Proposed Lifeline Rates

<u>Plan Name</u>	<u>Price</u>	<u>Minutes</u>	<u>Roll-Over</u>	<u>Text/Min.</u>	<u>Features</u>
Lifeline 250	\$0.00	250	No	1 Text= 1 Min	Voicemail Caller ID Call Waiting

Refill:

Cost	Minutes	Expiration	Text/Min.
\$5	50	30 Days	1 Text= 1 Min
\$10	200	30 Days	1 Text= 1 Min
\$20	500	30 Days	1 Text= 1 Min
\$30	800	30 Days	1 Text= 1 Min
\$50	1500	30 Days	1 Text= 1 Min

Attachment B

Affirmative Statement of the Alabama Public Service Commission

Alabama Public Service Commission

Orders

PINE BELT CELLULAR, INC. and PINE BELT PCS, INC.,

Joint Petitioners

PETITION: For ETC status and/or clarification regarding the jurisdiction of the Commission to grant ETC status to wireless carriers.

DOCKET U-4400

ORDER

BY THE COMMISSION:

In a joint pleading submitted on September 11, 2001, Pine Belt Cellular, Inc. and Pine Belt PCS, Inc. (collectively referred to as "Pine Belt") each notified the Commission of their desire to be designated as universal service eligible telecommunications carriers ("ETCs") for purposes of providing wireless ETC service in certain of the non-rural Alabama wireline service territories of BellSouth Telecommunications, Inc. ("BellSouth") and Verizon South, Inc. ("Verizon"). The Pine Belt companies noted their affiliation with Pine Belt Telephone Company, a provider of wireline telephone service in rural Alabama, but clarified that they exclusively provide cellular telecommunications and personal communications (collectively referred to as "CMRS" or "wireless") services in their respective service areas in Alabama in accordance with licenses granted by the Federal Communications Commission ("FCC"). The pivotal issue raised in the joint pleading of Pine Belt companies is whether the Commission will assert jurisdiction in this matter given the wireless status of the Pine Belt companies.

As noted in the filing of the Pine Belt companies, state Commissions have primary responsibility for the designation of eligible telecommunications carriers in their respective jurisdictions for universal service purposes pursuant to 47 USC §214 (e). The Commission indeed established guidelines and requirements for attaining ETC status in this jurisdiction pursuant to notice issued on October 31, 1997.

For carriers not subject to state jurisdiction, however, §214(e)(6) of the Telecommunications Act of 1996 provides that the FCC shall, upon request, designate such carriers as ETCs in non-rural service territories if said carriers meet the requirements of §214(e)(1). In an FCC Public Notice released December 29, 1997 (FCC 97-419) entitled "Procedures for FCC designation of Eligible Telecommunications Carriers pursuant to §214(e)(6) of the Telecommunications Act", the FCC required each applicant seeking ETC designation from the FCC to provide, among other things, "a certification and brief statement of supporting facts demonstrating that the Petitioner is not subject to the jurisdiction of a state Commission."

The Pine Belt companies enclosed with their joint pleading completed ETC application forms as developed by the Commission. In the event the Commission determines that it does not have jurisdiction to act on the Pine Belt request for ETC status, however, the Pine Belt companies seek an affirmative written statement from the Commission indicating that the Commission lacks jurisdiction to grant them ETC status as wireless carriers.

The issue concerning the APSC's jurisdiction over providers of cellular services, broadband personal communications services, and commercial mobile radio services is one that was rather recently addressed by the Commission. The Commission indeed issued a Declaratory Ruling on March 2, 2000, in Docket 26414 which concluded that as the result of certain amendments to the Code of Alabama, 1975 §40-21-120(2) and (1)(a) effectuated in June of 1999, the APSC has no authority to regulate, *in any respect*, cellular services, broadband personal communications services and commercial mobile radio services in Alabama. Given the aforementioned conclusions by the Commission, it seems rather clear that the Commission has no jurisdiction to take action on the Application of the Pine Belt companies for ETC status in this jurisdiction. The Pine Belt companies and all other wireless providers seeking ETC status should pursue their ETC designation request with the FCC as provided by 47 USC §214(e)(6).

IT IS, THEREFORE, ORDERED BY THE COMMISSION, That the Commission's jurisdiction to grant Eligible Telecommunications Carrier status for universal service purposes does not extend to providers of cellular services, broadband personal communications services, and commercial mobile radio services. Providers of such services seeking Eligible Telecommunications Carrier status should accordingly pursue their requests through the Federal Communications Commission.

IT IS FURTHER ORDERED, That this Order shall be effective as of the date hereof.

DONE at Montgomery, Alabama, this 12th day of March, 2002.

ALABAMA PUBLIC SERVICE COMMISSION

Jim Sullivan, President

Jan Cook, Commissioner

George C. Wallace, Jr., Commissioner

ATTEST: A True Copy

Walter L. Thomas, Jr., Secretary

Attachment C

Affirmative Statement of the Connecticut Department of Public Utility Control



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC UTILITY CONTROL

October 14, 2004
In reply please refer to:
UR&R:TE: Undocketed:PFR

Tracie R. Chesterman, Attorney
Greenberg Traurig
Met Life Building
200 Park Avenue
New York, NY 10166

Re: TracFone Wireless, Inc.

Dear Attorney Chesterman:

The Department of Public Utility Control (Department) is in receipt of a letter dated August 27, 2004, on behalf of TracFone Wireless, Inc. (TracFone or Company) requesting a statement that TracFone is not subject to the Department's jurisdiction. Specifically, TracFone requests affirmation from the Department that it does not exercise jurisdiction over Commercial Mobile Radio Service (CMRS) providers, including TracFone, for purposes of making determinations concerning eligibility for Eligible Telecommunications Carrier (ETCs) designations. TracFone is seeking designation as an ETC by the Federal Communications Commission (FCC). TracFone is a reseller of CMRS and provides service in Connecticut through a virtual network consisting of services obtained from licensed operators of wireless networks.

The Department does not regulate or license the wireless carrier services' rates and charges per the Federal Omnibus Budget Act of 1993. The Department does, however, continue to regulate the terms, conditions, and provisions under which those services are offered including the funding of other telecommunications services (i.e., 911, Universal Service, Lifeline, Telecommunications Relay Service (TRS), etc.). Since TracFone appears to be a wireless carrier and therefore is not subject to the Department's jurisdiction for the purposes of ETC status.

Sincerely,

DEPARTMENT OF PUBLIC UTILITY CONTROL

A handwritten signature in cursive script that reads "Louise E. Rickard".

Louise E. Rickard
Acting Executive Secretary

Attachment D

Affirmative Statement of the Delaware Public Service Commission



**STATE OF DELAWARE
PUBLIC SERVICE COMMISSION**

861 SILVER LAKE BOULEVARD
CANNON BUILDING, SUITE 100
DOVER, DELAWARE 19904

TELEPHONE: (302) 736-7500
FAX: (302) 739-4849

August 18, 2010

VIA E-MAIL

Lance J.M. Steinhart, P.C.
1720 Windward Concourse
Suite 115
Alpharetta, Georgia 30005

Dear Mr. Steinhart:

I received your letter on behalf of i-wireless, LLC requesting clarification on Delaware's competitive eligible telecommunication carrier process. This is to confirm that Delaware is a "default" State and, therefore, it is the FCC, not Delaware, that determines eligibility to receive the federally-subsidized price reductions. I am attaching the October 11, 2005 order in PSC Docket No. 05-016T that discusses this issue in a Verizon Delaware, Inc. docket.

I will attach these documents to an e-mail so that you will receive them expeditiously. If you would also like a hard copies of the documents by mail let me know by e-mail and I will forward them to you.

Sincerely

Janis L. Dillard
Acting Executive Director

DOCKET COPY
DO NOT REMOVE FROM OFFICE

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
VERIZON DELAWARE INC., TO MODIFY THE)
LIFELINE SERVICE BY ADDING AN INCOME) PSC DOCKET NO. 05-016T
QUALIFIER TO THE ELIGIBILITY CRITERIA)
(FILED JUNE 17, 2005))

ORDER NO. 6736

This 11th day of October, 2005, the Commission determines and Orders the following:

1. In the jargon of the federal Lifeline/Link-Up program, Delaware is a "federal default State." Delaware has never, by either state law or state regulation, ordained, nor funded, a stand-alone program to provide discounts on basic telephone services charges for low-income subscribers. Consequently, it was not until 1997, when the Federal Communications Commission ("FCC") revamped the federal Lifeline/Link-Up program, that Delaware subscribers first became eligible for participation in the federal Lifeline program.¹ And given that in a "federal default State" only federally-raised monies are used to reimburse eligible carriers for the Lifeline and Link-Up discounts, it is the FCC, and not the state commission, that gets to call the tune about who should be eligible to receive these federally-subsidized price reductions.

2. Since 1997, Verizon Delaware Inc. ("VZ-DE") has been designated as an "eligible telecommunications carrier" and has offered

¹See PSC Order No. 4684 (Dec. 16, 1997) (summarizing Delaware history and electing to allow "Tier 2" federal support to eligible Delaware subscribers).

federal Lifeline discounts on the federal list of supported services.² And even though in "default" States, Lifeline is almost an exclusively federal program, VZ-DE has, since 1997, filed at the State level, tariff provisions setting forth its Lifeline offerings.³

3. In 2004, the FCC changed some of the "eligibility" rules describing which subscribers may participate in the federal Lifeline/Link-Up program.⁴ In particular, the 2004 amendments added additional programs to the list of "eligible" programs where participation confers federal default Lifeline/Link-Up eligibility.⁵ The 2004 amendments also introduced an additional eligibility criteria premised on the subscriber's household income.⁶ Eligible telecommunications carriers, such as VZ-DE, were given one year to implement this new, additional income-based eligibility criteria.⁷

4. To implement these changes prescribed by the FCC, VZ-DE initially filed revisions to the Lifeline and Link-Up portions of its

²See PSC Order No. 4680 (Dec. 17, 1997) ("ETC" designation for VZ-DE). See also PSC Dckt. No. 97-023T (initial Lifeline tariff filing by VZ-DE).

³From December 2000 through December 2003, VZ-DE offered, under its state tariff, an "expanded" Lifeline program for Delaware. The discounts under such program exceeded the Tiers 1 & 2 levels normally available in a default State. VZ-DE offered this expanded program to fulfill a condition imposed by the FCC in approving the Bell Atlantic-GTE merger. See PSC Order No. 6317 (Dec. 9, 2003) (explaining content and cause of this expanded Lifeline offering). Whether Delaware remained a "default State" during this period when VZ-DE subsidized the deeper discounts is an issue that need now be explored or resolved. This "expanded" program ended in December 2003.

⁴In the Matter of Lifeline and Link-Up, Report and Order and Further NPRM, 19 FCC Rcd. 8302 (FCC 2004) ("Lifeline Order").

⁵47 C.F.R. §§ 54.409(b) (Lifeline eligibility criteria in "default" State); 54.415(b) (Link-Up eligibility criteria in "default" State).

⁶47 C.F.R. §§ 54.409(b), 54.410 (Lifeline); 54.415(b), 54.416 (Link-Up).

⁷47 C.F.R. §§ 54.410(a)(ii), 54.416.

State tariff. These changes incorporated into the State tariff provisions the expanded list of "eligibility-conferring" programs.⁸ At the same time, the Commission Staff began discussions with VZ-DE to determine whether, under the applicable federal default rules, it was appropriate for VZ-DE to continue to include in its State tariff Lifeline provisions language that conditioned Lifeline eligibility on the subscriber foregoing the ability to purchase many optional or vertical services.⁹ Eventually, VZ-DE revised its State tariff Lifeline provisions to delete the questioned restrictions.¹⁰ Then in June 2005, VZ-DE filed another Tariff revision to reflect its implementation of the household-income criteria for eligibility for Lifeline and Link-Up discounts.¹¹ Finally, on September 9, 2005, VZ-DE submitted another set of revised tariff sheets reflecting further textual revisions, as originally suggested by Staff. In part, these final changes sought to make the State tariff's description of how VZ-DE would administer its Lifeline/Link-Up program to more closely parallel the governing federal default rules.¹²

⁸See PSC Dckt. No. 04-017T (filed July 26, 2004; eff. July 27, 2004).

⁹That restriction - limiting Lifeline subscribers to a small group of designated vertical services - had been a continual part of VZ-DE's state-tariffed Lifeline offerings since 1997. In its Lifeline Order, the FCC expressed its belief that "any restriction on the purchase of vertical services may discourage qualified consumers from enrolling and may serve as a barrier to participation in the [Lifeline] program. Lifeline Order at ¶ 53.

¹⁰See PSC Dckt. No. 05-008T (filed April 8, 2005; eff. April 16, 2005).

¹¹See PSC Dckt. No. 05-016T (filed June 17, 2005; eff. June 22, 2005).

¹²See PSC Dckt. No. 05-016T, amended tariff sheets filed on September 9, 2005 but with effective date of June 22, 2005).

5. The Commission enters this Order not so much to "approve" the various Lifeline filings made by VZ-DE but to recount the course of the filings made since the FCC changed its federal Lifeline/Link-Up program in 2004. Indeed, given that Delaware is a "default" State, VZ-DE's Lifeline/Link-Up offerings are governed more by the federal default rules than by any "approved" State tariff provision. Any State tariff provision that might conflict with a federal default rule would necessarily have to yield. However, the Commission will accept the Lifeline and Link-Up tariff filings lodged by VZ-DE. The Commission believes that VZ-DE's last submission (in September 2005) sets forth a Lifeline and Link-Up offering that is consistent with the federal default rules. However, the filing and acceptance of the State tariff provisions should not be seen as foreclosing any later challenge that VZ-DE's program falls short of the federal directives.

Now, therefore, IT IS ORDERED:

1. That, as explained in the body of this Order, the Commission accepts the tariff filings made by Verizon Delaware Inc., to implement its responsibilities to provide federal Lifeline and Link-Up in this "federal default" jurisdiction. In particular, the Commission now accepts the tariff revision filing made September 9, 2005 pertaining to the following leaves in P.S.C.-Del.-No. 1:

Section 20D, Fourteenth Revised Sheet 1 (Link-Up);

Section 20D, Fifth Revised Sheet 2 (Link-Up); and

Section 20E, Eighth Revised Sheet 2 (Lifeline).

2. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Annetta McRae
Chair

Vice Chair

Jim Corway
Commissioner

John R. ...
Commissioner

[Signature]
Commissioner

ATTEST:

Norma J. Sherwood
Acting Secretary

Attachment E

Affirmative Statement of the District of Columbia Public Service Commission



Public Service Commission of the District of Columbia
1333 H Street, N.W., 2nd Floor, West Tower
Washington, D.C. 20005
(202) 626-5100
www.dcpsc.org

February 29, 2012

Via First Class & Electronic Mail

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C., Attorney at Law
1725 Windward Concourse, Suite 150
Alpharetta, GA 30005

Dear Mr. Steinhart:

Thank you for your February 23, 2012 letter requesting information on whether the Public Service Commission of the District of Columbia ("Commission") designates wireless telecommunications carriers as eligible telecommunications carriers ("ETC") for the purposes of receiving federal universal service funding. Please be advised that, pursuant to section 34-2006(b) of the District of Columbia Code, the Commission does not have jurisdiction over wireless carriers. Thus, the Commission has no authority to designate wireless telecommunications carriers as ETCs.

Attached please find a copy of the relevant section of the District of Columbia Code for your information. Should you need anything further, please contact Lara Walt at 202-626-9191 or lwalt@psc.dc.gov.

Sincerely,

A handwritten signature in black ink that reads "Richard A. Beverly".

Richard A. Beverly
General Counsel

Enclosure



D.C. Council Home

Home Search Help ©



Welcome to the online source for the District of Columbia Official Code

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

District of Columbia Official Code 2001 Edition Currentness

Division V. Local Business Affairs

Title 34. Public Utilities.

Subtitle V. Telecommunications. Chapter 20. Telecommunications Competition. ➔ **§ 34-2006. Exemptions.**

(a) This chapter shall not apply to cable television services performed pursuant to an existing cable television franchise agreement with the District of Columbia which is in effect on September 9, 1996. To the extent that a cable television company seeks to provide local exchange services within the District of Columbia, such company shall be regulated under the provisions of this chapter for their local exchange services.

(b) Pursuant to the federal Telecommunications Act of 1996, this chapter shall not apply to licensed or unlicensed wireless services authorized by the Federal Communications Commission operating in the District of Columbia.

(c) This chapter shall not:

- (1) Apply to the provision, rates, charges, or terms of service of Voice Over Internet Protocol Service or Internet Protocol-enabled Service;
- (2) Alter the authority of the Commission to enforce the requirements as are otherwise provided for, or allowed by, federal law, including the collection of Telecommunications Relay Service fees and universal service fees;
- (3) Alter the authority of the Office of Cable Television and Telecommunications with respect to the provision of video services in the District of Columbia; or
- (4) Alter the Commission's existing authority over the regulation of circuit-switched local exchange services in the District of Columbia.

CREDIT(S)

(Sept. 9, 1996, D.C. Law 11-154, § 7, 43 DCR 3736; June 5, 2008, D.C. Law 17-165, § 3(c), 55 DCR 5171.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-1456.

Effect of Amendments

D.C. Law 17-165 added subsec. (c).

Legislative History of Laws

For legislative history of D.C. Law 11-154, see Historical and Statutory Notes following § 34-2001.

For Law 17-165, see notes following § 34-403.

References in Text

The federal Telecommunications Act of 1996, referred to in (b), is Pub. L. 104-104, which is codified throughout Title 47 of the United States Code.

DC CODE § 34-2006

Current through January 11, 2012

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Attachment F

Affirmative Statement of the Florida Public Service Commission

COMMISSIONERS:
ART GRAHAM, CHAIRMAN
LISA POLAK EDGAR
RONALD A. BRISÉ
EDUARDO E. BALBIS
JULIE I. BROWN

STATE OF FLORIDA



GENERAL COUNSEL
S. CURTIS KISER
(850) 413-6199

Public Service Commission

June 2, 2011

Mr. Lance J.M. Steinhart, P.C.
Attorney At Law
1720 Windward Concourse
Suite 115
Alpharetta, GA 30005

Re: Docket No. 110101-TP – i-wireless, LLC's ETC designation

Dear Mr. Steinhart:

We received your May 20, 2011 letter requesting a statement that the Florida Public Service Commission's jurisdiction to grant ETC designation to i-wireless, LLC changed with Governor Scott's approval of HB 1231, the telecom reform bill. In your letter, you mentioned that i-wireless, LLC is a commercial mobile radio service provider.

This letter acknowledges that Governor Scott's approval of HB 1231, the telecom reform bill, revises Chapter 364, Florida Statutes, thereby changing the Commission's jurisdiction regarding telecommunications companies. I direct your attention to Chapter 364, Florida Statutes, including the revisions by HB 1231 for the proposition that the Federal Communications Commission, rather than this Commission is the appropriate agency to consider i-wireless, LLC's bid for ETC status.

Sincerely,

A handwritten signature in black ink that reads "S. Curtis Kiser".

S. Curtis Kiser
General Counsel

cc: Beth W. Salak, Director, Division of Regulatory Analysis
Robert J. Casey, Public Utilities Supervisor, Division of Regulatory Analysis
Adam J. Teitzman, Attorney Supervisor, Office of the General Counsel
Ann Cole, Commission Clerk, Office of Commission Clerk

Attachment G

Affirmative Statement of the Maine Public Utilities Commission

June 13, 2013

PUBLIC UTILITIES COMMISSION
Amendment to Standards for Designating
and Certifying Eligible
Telecommunications Carriers Qualified to
Receive Federal Universal Fund Support
(Ch. 206)

ORDER ADOPTING
AMENDED RULE AND
STATEMENT OF FACTUAL
AND POLICY BASIS

WELCH, Chairman; LITTELL and VANNOY, Commissioners

I. SUMMARY

By this Order, we adopt amendments to Chapter 206 of the Commission's rules which establishes standards for the designation and annual certification of Eligible Telecommunications Carriers (ETCs). After these amendments, the Commission will no longer certify carriers that apply for ETC designation for the sole purpose of offering Lifeline, Link-Up, or other low-income program benefits. Going forward, such carriers will apply to the Federal Communications Commission (FCC) for ETC designation.¹

II. BACKGROUND

Chapter 206, adopted by the Commission on November 20, 2007, established standards for the designation and annual certification of ETCs. The rule was created, in large measure, to supplement the federal rules for ETC designation to account for distinctions between the services provided by wireline and wireless ETCs.

Since the adoption of Chapter 206, carriers seeking ETC designation for the sole purpose of offering Lifeline, link-Up, or other low-income benefits have entered the market in ever increasing numbers.² The majority of these carriers are pre-paid wireless service providers that resell the cellular telephone service of large national carriers. These pre-paid wireless ETCs typically provide a telephone handset and offer a set number of minutes (anywhere from 68 to 250 minutes per month) to low-income

¹ This rule is a routine technical rule as defined in Title 5, chapter 375, subchapter 2-A of the Maine Revised Statutes.

² The federal Lifeline program provides a subsidy from the federal Universal Service Fund (USF) to ETCs for the purpose of providing discounted telephone service to qualifying low-income consumers. Link-Up is a federal program that provides a subsidy from the federal USF to ETCs to offset the cost of telephone service installation for low-income customers. The FCC has recently eliminated the Link-Up program for all areas of the country except Tribal Lands.

customers at no charge to the customer. The service is made "free" to the low-income customer by the application of a federal universal service fund subsidy (currently \$9.25 per month) to the monthly charge on a customer's account; a charge that exactly equals the amount of the subsidy.

When drafted, Chapter 206 did not contemplate the pre-paid Lifeline business model or the designation of "Lifeline-only" ETCs. Since the proliferation of pre-paid wireless Lifeline-only ETCs, the FCC has taken steps to standardize the certification requirements for such carriers. Notably the FCC recently enacted a requirement that a non-facilities-based wireless ETC applicant have a "compliance plan" approved by the FCC before a state commission or the FCC may designate the applicant as an ETC.³ Further, as there is no state subsidy for Lifeline service, the Commission expends substantial resources administering what is for all intents and purposes a federal program.

On April 9, 2013, we issued a Notice of Rulemaking (NOR) in this proceeding detailing the proposed amendments to Chapter 206. The Commission did not schedule a public hearing on this matter, but, pursuant to rulemaking procedures, we provided an opportunity for interested persons to request such a hearing; the Commission did not receive any public hearing requests. Additionally, we provided interested persons with an opportunity to provide written comments on the proposed amendments to Chapter 206. The deadline for submitting such comments was May 17, 2013; the Commission did not receive any comments by the deadline.

It is the view of the Commission that there is no longer any advantage to Maine consumers, financial or otherwise, for the Commission to certify ETCs that apply for the designation solely for the purpose of offering Lifeline service and receiving the federal Lifeline subsidy. Because the FCC will certify Lifeline-only ETCs, Maine consumers will continue to benefit from the availability of the services offered by those carriers.

In accordance with 5 M.R.S. § 8057-A(1), we stated in our NOR that we expect that there will be no fiscal impact from this rulemaking. Further, we stated that we expect that this rulemaking will not impose an economic burden on small businesses. We continue to believe this will be the case

III. DISCUSSION OF THE RULE AMENDMENTS

A. Section 1: Purpose

In the NOR we proposed to amend Section 1 of the rule to specify that the Commission will not designate ETCs seeking such designation solely for the purpose of receiving support to provide Lifeline, Link-Up, or other low-income services, and that carriers seeking designation for that purpose must apply to the Federal

³ In our experience, the majority of Lifeline-only wireless ETCs are non-facilities-based resellers.

Communications Commission. No comments were received regarding this proposed amendment. Therefore, we adopt the amendment to Section 1 of the rule without modification.

B. Section 2: Definitions

1. Applicant

In the NOR we proposed to amend the definition of "Applicant" to exclude carriers seeking ETC designation solely for the purpose of receiving support to provide Lifeline or other low-income services.

2. Lifeline/Link-Up

In the NOR we proposed eliminating the definition of "Lifeline/Link-up."

No comments were received regarding these proposed amendments. Therefore, we adopt these amendments to Section 2 of the rule without modification.

C. Section 3: Contents of Petition by Applicant

In addition to several non-substantive editorial changes, in the NOR we proposed eliminating the provision in Section 3 that requires ETC applicants to include in their application a statement that the ETC will advertise the availability of low-income programs such as Lifeline and Link-Up. No comments were received regarding this proposed amendment. Therefore, we adopt these amendments to Section 3 of the rule without modification.

D. Section 6: Annual Reports

In addition to several non-substantive editorial changes, in the NOR we proposed eliminating the requirement that Competitive ETCs annually certify that they have publicized the availability of low-income programs such as Lifeline and Link-Up.⁴ No comments were received regarding this proposed amendment. Therefore, we adopt these amendments to Section 6 of the rule without modification.

E. Section 7: Applicability to Carriers Designated as ETCs Before the Effective Date of this Chapter

In the NOR we proposed eliminating a superfluous section requiring submission of information by ETCs that were designated prior to December 4, 2007.

⁴ A Competitive ETC is an ETC that is not an Incumbent Local Exchange Carrier.

No comments were received regarding this proposed amendment. Therefore, we adopt this amendment to Section 7 of the rule without modification.

IV. ORDERING PARAGRAPHS

In light of the foregoing, we

O R D E R

1. That the attached Chapter 206 is hereby adopted;
2. That the Administrative Director shall notify the following of the final adoption of the attached rule:
 - a. All Local Exchange Carriers in the State of Maine;
 - b. All Eligible Telecommunications Carriers in Maine;
 - c. The Telephone Association of Maine;
 - d. All people who have filed with the Commission within the past year a written request for any Notice of Rulemaking.
3. That the Administrative Director shall send copies of this Order and the final rule:
 - a. The Secretary of State for publication in accordance with 5 M.R.S. § 8053(5); and
 - b. Executive Director of the Legislative Council.

Dated at Hallowell, Maine, this 13th day of June, 2013.

BY ORDER OF THE COMMISSION

/s/ Harry Lanphear

Harry Lanphear
Administrative Director

COMMISSIONERS VOTING FOR: Welch
Littell
Vannoy

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 11(D) of the Commission's Rules of Practice and Procedure (65-407 C.M.R.ch. 110) within **20** days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought. Any petition not granted within **20** days from the date of filing is denied.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within **21** days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.

Attachment H

Affirmative Statement of the New Hampshire Public Utilities Commission

THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Thomas B. Getz

COMMISSIONERS
Clifton C. Below
Amy L. Ignatius

EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland



PUBLIC UTILITIES COMMISSION

21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

Tel. (603) 271-2431

FAX (603) 271-3878

TDD Access: Relay NH
1-800-735-2964

Website:
www.puc.nh.gov

March 28, 2011

RE: ETC Certification in New Hampshire

The federal Universal Service Fund (USF) was created by the Federal Communications Commission (FCC) to promote the availability of quality services at just and reasonable rates to all consumers including low-income customers and those in high cost areas and to increase nationwide access to advanced services in schools, libraries and rural health care facilities. To qualify for universal service funding a carrier must first be certified as an Eligible Telecommunications Carrier (ETC) by the state public utilities commission or, if the state does not assert this authority, by the FCC. *See* 47 U.S.C. §214 (e).

The New Hampshire Public Utilities Commission maintains authority to determine whether landline telecommunications carriers qualify as ETCs. Pursuant to New Hampshire RSA 362:6, the Commission has no jurisdiction over mobile radio communications services. Consequently, the state declines jurisdiction over the certification of wireless carriers as ETCs, leaving that responsibility to the FCC.

Sincerely,

A handwritten signature in cursive script, appearing to read "F. Anne Ross".

F. Anne Ross

General Counsel

New Hampshire Public Utilities Commission

Attachment I

Affirmative Statement of the New York Public Service Commission

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350

Internet Address: <http://www.dps.state.ny.us>

PUBLIC SERVICE COMMISSION

WILLIAM M. FLYNN
Chairman
THOMAS J. DUNLEAVY
JAMES D. BENNETT
LEONARD A. WEISS
NEAL N. GALVIN



DAWN K. JABLONSKI
General Counsel

JANET HAND DEEXLER
Secretary

March 27, 2003

TO WHOM IT MAY CONCERN:

Re: Nextel CMRS Jurisdiction

We have received a letter request from NPCR, Inc. d/b/a Nextel Partners ("Nextel Partners") for a statement that the State of New York does not exercise jurisdiction over Commercial Mobile Radio Service providers for purposes of making determinations concerning eligibility for Eligible Telecommunications Carrier designations under 47 U.S.C. §214(e) and 47 C.F.R. §54.201 *et seq.* In response to this request, please be advised that the New York State Public Service Law (PSL) §5 provides that:

Applications of the provisions of this chapter [i.e., the PSL] through one-way paging or two-way mobile radio telephone service with the exception of such services provided by means of cellular radio communication is suspended unless the commission [i.e., the NYS Public Service Commission] . . . makes a determination, after notice and hearing, that regulation of such services should be reinstated to the extent found necessary to protect the public interest because of a lack of effective competition.

The New York State Public Service Commission has not made a determination that regulation should be reinstated under PSL §5. Consequently, based on the representation by Nextel Partners that it is a CMRS provider, Nextel Partners would not be subject to the application of the PSL, and consequently the jurisdiction of the New York Public Service Commission, for the purposes of making the Eligible Telecommunications Carrier designation.

Sincerely,

A handwritten signature in cursive script, appearing to read "Elizabeth H. Liebschutz".

Elizabeth H. Liebschutz
Assistant Counsel

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350
Internet Address: <http://www.dps.state.ny.us>

PUBLIC SERVICE COMMISSION

WILLIAM M. FLYNN
Chairman
THOMAS J. DUNLEAVY
JAMES D. BENNETT
LEONARD A. WEISS
NEAL N. GALVIN



DAWN JABLONSKI RYMAN
General Counsel

JACLYN A. BRILLING
Secretary

March 18, 2004

Mitchell Brecher
Greenberg Taurig, LLP
800 Connecticut Avenue, N.W.
Suite 500
Washington, D.C. 20006

RE: Case 04-C-0227 - Petition of TracFone Wireless, Inc. for a Declaratory Ruling that the Company, a Commercial Mobile Radio Service Provider, is not subject to Commission Jurisdiction.

Dear Mr. Brecher,

I am responding to your letter to Secretary Brillling, dated February 23, 2004, on behalf of TracFone Wireless, Inc. ("TracFone"). In your letter, you requested a statement that the State of New York does not exercise jurisdiction over Commercial Mobile Radio Service (CMRS) providers for purposes of making determinations concerning eligibility for Eligible Telecommunications Carrier designations under 47 U.S.C. §214(e) and 47 C.F.R. §54.201 *et seq.* You indicated that TracFone is an authorized reseller of CMRS throughout the United States, including New York.

In response to your request, please be advised that the New York State Public Service Law §5 provides that:

Applications of the provisions of this chapter [the Public Service Law] through one-way paging or two-way mobile radio telephone service with the exception of such services provided by means of cellular radio communication is suspended unless the [New York State Public Service] commission . . . makes a determination, after notice and hearing, that regulation of such services should be reinstated to the extent found necessary to protect the public interest because of a lack of effective competition.

Mr. Mitchell Brecher

March 18, 2004

The New York State Public Service Commission has not made a determination that regulation should be reinstated under Public Service Law §5. Consequently, based on the representation by TracFone that it is a CMRS provider, TracFone would not be subject to the application of the Public Service Law and, therefore, the jurisdiction of the New York Public Service Commission for the purposes of making the Eligible Telecommunications Carrier designation.

As this letter is responsive to your request for a statement, Case 04-C-0227 will be closed.

Sincerely,


Kathleen H. Burgess
Assistant Counsel

Attachment J

Affirmative Statement of the North Carolina Public Utilities Commission

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-100, SUB 133c

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Designation of Carriers Eligible for Universal)
Carrier Support) ORDER GRANTING PETITION

BY THE COMMISSION: On August 22, 2003, North Carolina RSA3 Cellular Telephone Company, d/b/a Carolina West (Carolina West), a commercial mobile radio service (CMRS) provider, filed a Petition seeking an affirmative declaratory ruling that the Commission lacks jurisdiction to designate CMRS carrier eligible telecommunications carrier (ETC) status for the purposes of receiving federal universal service support.

In support of its Petition, Carolina West stated that it was a CMRS provider authorized by the Federal Communications Commission (FCC) to provide cellular mobile radio telephone service in North Carolina, and that the FCC had clearly recognized that CMRS carriers such as Carolina West may be designated as ETCs. ETC status is necessary for a provider to be eligible to receive universal service support. Section 214(e)(6) of the Telecommunications Act provides that if a state commission determines that it lacks jurisdiction over a class of carriers, the FCC is charged with making the ETC determination. The FCC has stated that, in order for the FCC to consider requests pursuant to this provision, a carrier must provide an "affirmative statement" from the state commission or court of competent jurisdiction that the state lacks jurisdiction to perform the designation. To date, several state commissions have declined to exercise such jurisdiction.

North Carolina has excluded CMRS from the definition of "public utility." See, G.S. 62-3(23)j. Pursuant to this, the Commission issued its Order Concerning Deregulation of Wireless Providers in Docket Nos. P-100, Sub 114 and Sub 124 on August 28, 1995, concluding that the Commission no longer has jurisdiction over cellular services. Accordingly, Carolina West has now requested the Commission to issue an Order stating that it does not have jurisdiction to designate CMRS carriers ETC status for the purposes of receiving federal universal service support.

WHEREUPON, the Commission reaches the following

CONCLUSIONS

After careful consideration, the Commission concludes that it should grant Carolina West's Petition and issue an Order stating that it lacks jurisdiction to designate ETC status

for CMRS carriers. As noted above, in its August 28, 1995, Order in Docket Nos. P-100, Sub 114 and Sub 124, the Commission observed that G.S. 62-3(23)j, enacted on July 29, 1995, has removed cellular services, radio common carriers, personal communications services, and other services then or in the future constituting a mobile radio communications service from the Commission's jurisdiction. 47 USC 3(41) defines a "state commission" as a body which "has regulatory jurisdiction with respect to the intrastate operation of carriers." Pursuant to 47 USC 214(e)(6), if a state commission determines that it lacks jurisdiction over a class of carriers, the FCC must determine which carriers in that class may be designated as ETCs. Given these circumstances, it follows that the Commission lacks jurisdiction over CMRS services and the appropriate venue for the designation of ETC status for such services is with the FCC. Accord., Order Granting Petition, ALLTEL Communications, Inc., June 24, 2003.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of August, 2003.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script that reads "Patricia Swenson".

Patricia Swenson, Deputy Clerk

pb082503.01

Attachment K

Affirmative Statement of the Tennessee Regulatory Authority

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 11, 2003

IN RE:

APPLICATION OF ADVANTAGE CELLULAR
SYSTEMS, INC. TO BE DESIGNATED AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER

)
)
)
)
)

DOCKET NO.
02-01245

ORDER

This matter came before Chairman Sara Kyle, Director Deborah Taylor Tate and Director Pat Miller of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned in this docket, at the regularly scheduled Authority Conference held on January 27, 2003, for consideration of the *Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier* ("Application") filed on November 21, 2002.

Background

Advantage Cellular Systems, Inc. ("Advantage") is a commercial mobile radio service provider ("CMRS") seeking designation as an Eligible Telecommunications Carrier ("ETC") by the Authority pursuant to 47 U.S.C. §§ 214 and 254. In its *Application*, Advantage asserts that it seeks ETC status for the entire study area of Dekalb Telephone Cooperative, Inc., a rural cooperative telephone company. Advantage maintains that it meets all the necessary requirements for ETC status and therefore is eligible to receive universal service support throughout its service area.

The January 27, 2003 Authority Conference

During the regularly scheduled Authority Conference on January 27, 2003, the panel of Directors assigned to this docket deliberated Advantage's *Application*. Of foremost consideration was the issue of the Authority's jurisdiction. The panel unanimously found that the Authority lacked

jurisdiction over Advantage for ETC designation purposes.¹

This conclusion was implicitly premised on Tenn. Code Ann. § 65-4-104, which provides that:

The Authority has general supervisory and regulatory power, jurisdiction and control over all public utilities and also over their property, property rights, facilities, and franchises, so far as may be necessary for the purpose of carrying out the provisions of this chapter.

For purposes of Tenn. Code Ann. § 65-4-104, the definition of public utilities specifically excludes, with certain exceptions not relevant to this case, “[a]ny individual, partnership, copartnership, association, corporation or joint stock company offering domestic public cellular radio telephone service authorized by the federal communications commission.”

The Authority’s lack of jurisdiction over CMRS providers implicates 47 U.S.C. § 214(e), which addresses the provision of universal service. Where common carriers seeking universal service support are not subject to a state regulatory commission’s jurisdiction, 47 U.S.C. § 214(e)(6) authorizes the Federal Communications Commission (“FCC”) to perform the ETC designation.²

¹ This finding is not inconsistent with the Authority’s decision in *In re: Universal Service Generic Contested Case*, Docket 97-00888, *Interim Order on Phase I of Universal Service*, pp. 53-57 (May 20, 1998), in which the Authority required intrastate telecommunications carriers to contribute to the intrastate Universal Service Fund including telecommunications carriers not subject to authority of the TRA. The decision in Docket No. 97-00888 was based primarily on 47 U.S.C. § 254(f) which authorizes states to adopt regulations not inconsistent with the Federal Communications Commission’s rules on Universal Service and specifically requires every telecommunications carrier that provides intrastate telecommunications services to contribute to the preservation and advancement of universal service in that state. The *Interim Order* was issued prior to the effective date of 47 U.S.C. § 214(e)(6).

² 47 U.S.C. §214(e)(6) states:

(6) Common carriers not subject to state commission jurisdiction

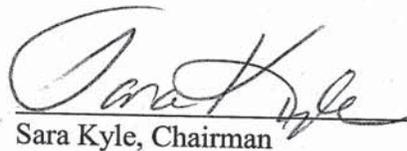
In the case of a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission, the Commission shall upon request designate such a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier for a service area designated by the Commission consistent with applicable Federal and State law. Upon request and consistent with the public interest, convenience and necessity, the Commission may, with respect to 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 under this paragraph, so long as each additional requesting carrier meets the requirements of paragraph (1). Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the Commission shall find that the designation is in the public interest.

As a matter of “state-federal comity,” the FCC requires that carriers seeking ETC designation “first consult with the state commission to give the state commission an opportunity to interpret state law.”³ Most carriers that are not subject to a state regulatory commission’s jurisdiction seeking ETC designation must provide the FCC “with an affirmative statement from a court of competent jurisdiction or the state commission that it lacks jurisdiction to perform the designation.”⁴

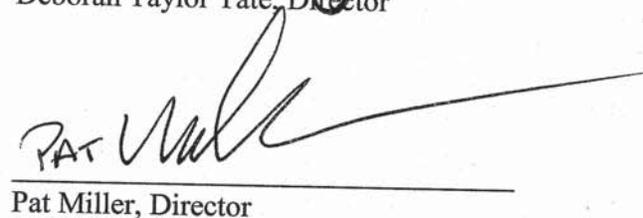
The panel noted that the FCC is the appropriate forum for Advantage to pursue ETC status pursuant to 47 U.S.C. § 214(e)(6). This Order shall serve as the above mentioned affirmative statement required by the FCC.

IT IS THEREFORE ORDERED THAT:

The Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier is dismissed for lack of subject matter jurisdiction.


Sara Kyle, Chairman


Deborah Taylor Tate, Director


Pat Miller, Director

³ *In the Matter of Federal-State Joint Bd. on Universal Service*, CC Docket No. 96-45, *Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking*, 15 F.C.C.R. 12208, 12264, ¶ 113 (June 30, 2000).

⁴ *See id.* (The “affirmative statement of the state commission may consist of any duly authorized letter, comment, or state commission order indicating that it lacks jurisdiction to perform designations over a particular carrier.”)

Attachment L

Affirmative Statement of the Texas Public Utility Commission

PROJECT NO. 40561

2012 NOV 21 AM 11:37
FILED CLERK

**RULEMAKING TO AMEND §
SUBSTANTIVE RULE 26.418 RELATING §
TO DESIGNATION OF COMMON §
CARRIERS AS ELIGIBLE §
TELECOMMUNICATIONS CARRIERS §
TO RECEIVE FEDERAL UNIVERSAL §
SERVICE FUNDS §**

PUBLIC UTILITY COMMISSION

OF TEXAS

**ORDER ADOPTING AMENDMENT TO §26.418
AS APPROVED AT THE NOVEMBER 16, 2012 OPEN MEETING**

The Public Utility Commission of Texas (commission) adopts an amendment to §26.418, relating to Designation of Common Carriers as Eligible Telecommunications Carriers to Receive Federal Universal Service Funds, with no changes to the proposed text as published in the August 31, 2012, issue of the *Texas Register* (37 TexReg 6874). The amendment will exclude commercial mobile radio service (CMRS) resellers from eligibility for designation by the commission as an eligible telecommunications carrier (ETC). Instead, a CMRS reseller will be able to seek designation as an ETC by the Federal Communications Commission (FCC). Project Number 40561 is assigned to this proceeding.

The commission did not receive any comments on the proposed amendment.

The amendment is adopted under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (West 2007 and Supp. 2012) (PURA), which provides the commission with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction; and specifically §51.001, which provides that it is the policy of this state to promote diversity of telecommunications providers and interconnectivity; encourage a fully competitive

telecommunications marketplace; and maintain a wide availability of high quality interoperable, standards-based telecommunications services at affordable rates.

Cross Reference to Statutes: PURA §§14.002 and 51.001.

§26.418. Designation of Common Carriers as Eligible Telecommunications Carriers to Receive Federal Universal Service Funds.

- (a) **Purpose.** This section provides the requirements for the commission to designate common carriers as eligible telecommunications carriers (ETCs) to receive support from the federal universal service fund (FUSF) pursuant to 47 United States Code (U.S.C.) §214(e) (relating to Provision of Universal Service). In addition, this section provides guidelines for rural and non-rural carriers to meet the federal requirements of annual certification for FUSF support criteria and, if requested or ordered, for the disaggregation of rural carriers' FUSF support.
- (b) **Applicability.** This section applies to a common carrier seeking designation as an ETC, except for commercial mobile radio service (CMRS) resellers. A CMRS reseller may not seek designation from the commission, but instead may seek designation as an ETC by the Federal Communications Commission (FCC). This section also applies to a common carrier that has been designated by the commission as an ETC, including a CMRS reseller.
- (c) **Service areas.** The commission may designate ETC service areas according to the following criteria.
- (1) **Non-rural service area.** To be eligible to receive federal universal service support in non-rural areas, a carrier must provide federally supported services pursuant to 47 Code of Federal Regulations (C.F.R.) §54.101 (relating to

Supported Services for Rural, Insular, and High Cost Areas) throughout the area for which the carrier seeks to be designated an ETC.

- (2) **Rural service area.** In the case of areas served by a rural telephone company, as defined in §26.404 of this title (relating to Small and Rural Incumbent Local Exchange Company (ILEC) Universal Service Plan), a carrier must provide federally supported services pursuant to 47 C.F.R. §54.101 throughout the study area of the rural telephone company in order to be eligible to receive federal universal service support.

- (d) **Criteria for determination of ETCs.** A common carrier shall be designated as eligible to receive federal universal service support if it:
 - (1) offers the services that are supported by the federal universal service support mechanisms under 47 C.F.R. §54.101 either using its own facilities or a combination of its own facilities and resale of another carrier's services; and
 - (2) advertises the availability of and charges for such services using media of general distribution.

- (e) **Criteria for determination of receipt of federal universal service support.** In order to receive federal universal service support, a common carrier must:
 - (1) meet the requirements of subsection (d) of this section;
 - (2) offer Lifeline Service to qualifying low-income consumers in compliance with 47 C.F.R. Part 54, Subpart E (relating to Universal Service Support for Low-Income Consumers); and

- (3) offer toll limitation services in accordance with 47 C.F.R. §54.400 (relating to Terms and Definitions) and §54.401 (relating to Lifeline Defined).
- (f) **Designation of more than one ETC.**
- (1) Non-rural service areas. In areas not served by rural telephone companies, as defined in §26.404 of this title, the commission shall designate, upon application, more than one ETC in a service area so long as each additional carrier meets the requirements of subsection (c)(1) of this section and subsection (d) of this section.
 - (2) Rural service areas. In areas served by rural telephone companies, as defined in §26.404 of this title, the commission may designate as an ETC a carrier that meets the requirements of subsection (c)(2) of this section and subsection (d) of this section if the commission finds that the designation is in the public interest.
- (g) **Proceedings to designate ETCs.**
- (1) At any time, a common carrier may seek commission approval to be designated an ETC for a requested service area.
 - (2) In order to receive support under this section for exchanges purchased from an unaffiliated carrier, the acquiring ETC shall file an application, within 30 days after the date of the purchase, to amend its ETC service area to include those geographic areas that are eligible for support.
 - (3) If an ETC receiving support under this section sells an exchange to an unaffiliated carrier, it shall file an application, within 30 days after the date of the sale, to

amend its ETC designation to exclude from its designated service area those exchanges for which it was receiving support.

(h) **Application requirements and commission processing of applications.**

(1) **Requirements for notice and contents of application.**

(A) Notice of application. Notice shall be published in the *Texas Register*. The presiding officer may require additional notice. Unless otherwise required by the presiding officer or by law, the notice shall include at a minimum a description of the service area for which the applicant seeks eligibility, the proposed effective date of the designation, and the following statement: "Persons who wish to comment on this application should notify the Public Utility Commission of Texas by (specified date, ten days before the proposed effective date). Requests for further information should be mailed to the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, or you may call the Public Utility Commission's Customer Protection Division at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136, or use Relay Texas (800) 735-2989 to reach the commission's toll free number (888) 782-8477."

(B) Contents of application for each common carrier seeking ETC designation. A common carrier that seeks to be designated as an ETC shall file with the commission an application complying with the requirements of this

section. In addition to copies required by other commission rules, one copy of the application shall be delivered to the commission's Regulatory Division and one copy shall be delivered to the Office of Public Utility Counsel. The application shall:

- (i) show that the applicant offers each of the services that are supported by the FUSF support mechanisms under 47 U.S.C. §254(c) (relating to Universal Service) either using its own facilities or a combination of its own facilities and resale of another carrier's services throughout the service area for which it seeks designation as an ETC;
- (ii) show that the applicant assumes the obligation to offer each of the services that are supported by the FUSF support mechanisms under 47 U.S.C. §254(c) to any consumer in the service area for which it seeks designation as an ETC;
- (iii) show that the applicant advertises the availability of, and charges for, such services using media of general distribution;
- (iv) show the service area in which the applicant seeks designation as an ETC;
- (v) contain a statement detailing the method and content of the notice the applicant has provided or intends to provide to the public regarding the application and a brief statement explaining why the proposed notice is reasonable and in compliance with applicable law;

- (vi) contain a copy of the text of the notice;
 - (vii) contain the proposed effective date of the designation; and
 - (viii) contain any other information which the applicant wants considered in connection with the commission's review of its application.
- (C) Contents of application for each common carrier seeking ETC designation and receipt of federal universal service support. A common carrier that seeks to be designated as an ETC and receive federal universal service support shall file with the commission an application complying with the requirements of this section. In addition to copies required by other commission rules, one copy of the application shall be delivered to the commission staff and one copy shall be delivered to the Office of Public Utility Counsel. The application shall:
- (i) comply with the requirements of subparagraph (B) of this paragraph;
 - (ii) show that the applicant offers Lifeline Service to qualifying low-income consumers in compliance with 47 C.F.R. Part 54, Subpart E; and
 - (iii) show that the applicant offers toll limitation services in accordance with 47 C.F.R. §54.400 and §54.401.
- (2) **Commission processing of application.**
- (A) Administrative review. An application considered under this section may be reviewed administratively unless the presiding officer, for good cause,

determines at any point during the review that the application should be docketed.

- (i) The effective date shall be no earlier than 30 days after the filing date of the application or 30 days after notice is completed, whichever is later.
- (ii) The application shall be examined for sufficiency. If the presiding officer concludes that material deficiencies exist in the application, the applicant shall be notified within ten working days of the filing date of the specific deficiency in its application. The earliest possible effective date of the application shall be no less than 30 days after the filing of a sufficient application with substantially complete information as required by the presiding officer. Thereafter, any deadlines shall be determined from the 30th day after the filing of the sufficient application and information or from the effective date if the presiding officer extends that date.
- (iii) While the application is being administratively reviewed, the commission staff and the staff of the Office of Public Utility Counsel may submit requests for information to the telecommunications carrier. Three copies of all answers to such requests for information shall be provided to the commission staff and the Office of Public Utility Counsel within ten days after receipt of the request by the telecommunications carrier.

- (iv) No later than 20 days after the filing date of the application or the completion of notice, whichever is later, interested persons may provide the commission staff with written comments or recommendations concerning the application. The commission staff shall and the Office of Public Utility Counsel may file with the presiding officer written comments or recommendations regarding the application.
 - (v) No later than 35 days after the proposed effective date of the application, the presiding officer shall issue an order approving, denying, or docketing the application.
- (B) Approval or denial of application.
- (i) An application filed pursuant to paragraph (1)(B) of this subsection shall be approved by the presiding officer if the application meets the following requirements:
 - (I) the provision of service constitutes the services that are supported by the FUSF support mechanisms under 47 U.S.C. §254(c);
 - (II) the applicant will provide service using either its own facilities or a combination of its own facilities and resale of another carrier's services;
 - (III) the applicant advertises the availability of, and charges for, such services using media of general distribution;
 - (IV) notice was provided as required by this section;

- (V) the applicant satisfies the requirements contained in subsection (c) of this section; and
 - (VI) if, in areas served by a rural telephone company, the ETC designation is consistent with the public interest.
- (ii) An application filed pursuant to paragraph (1)(C) of this subsection shall be approved by the presiding officer if the application meets the following requirements:
- (I) the applicant has satisfied the requirements set forth in clause (i) of this subparagraph;
 - (II) the applicant offers Lifeline Service to qualifying low-income consumers in compliance with 47 C.F.R. Part 54, Subpart E; and
 - (III) the applicant offers toll limitation services in accordance with 47 C.F.R. §54.400 and §54.401.
- (C) Docketing. If, based on the administrative review, the presiding officer determines that one or more of the requirements have not been met, the presiding officer shall docket the application.
- (D) Review of the application after docketing. If the application is docketed, the effective date of the application shall be automatically suspended to a date 120 days after the applicant has filed all of its direct testimony and exhibits, or 155 days after the proposed effective date, whichever is later. Three copies of all answers to requests for information shall be filed with the commission within ten days after receipt of the request. Affected

persons may move to intervene in the docket, and a hearing on the merits shall be scheduled. A hearing on the merits shall be limited to issues of eligibility. The application shall be processed in accordance with the commission's rules applicable to docketed cases.

- (E) **Waiver.** In the event that an otherwise ETC requests additional time to complete the network upgrades needed to provide single-party service, access to enhanced 911 service, or toll limitation, the commission may grant a waiver of these service requirements upon a finding that exceptional circumstances prevent the carrier from providing single-party service, access to enhanced 911 service, or toll limitation. The period for the waiver shall not extend beyond the time that the commission deems necessary for that carrier to complete network upgrades to provide single-party service, access to enhanced 911 service, or toll limitation services.

- (i) **Designation of ETC for unserved areas.** If no common carrier will provide the services that are supported by federal universal service support mechanisms under 47 U.S.C. §254(c) to an unserved community or any portion thereof that requests such service, the commission, with respect to intrastate services, shall determine which common carrier or carriers are best able to provide such service to the requesting unserved community or portion thereof and shall order such carrier or carriers to provide such service for that unserved community or portion thereof.

- (j) **Relinquishment of ETC designation.** A common carrier may seek to relinquish its ETC designation.
- (1) **Area served by more than one ETC.** The commission shall permit a common carrier to relinquish its designation as an ETC in any area served by more than one ETC upon:
- (A) written notification not less than 90 days prior to the proposed effective date that the common carrier seeks to relinquish its designation as an ETC;
 - (B) determination by the commission that the remaining eligible telecommunications carrier or carriers can offer federally supported services to the relinquishing carrier's customers; and
 - (C) determination by the commission that sufficient notice of relinquishment has been provided to permit the purchase or construction of adequate facilities by any remaining eligible telecommunications carrier or carriers.
- (2) **Area where the common carrier is the sole ETC.** In areas where the common carrier is the only ETC, the commission may permit it to relinquish its ETC designation upon:
- (A) written notification not less than 90 days prior to the proposed effective date that the common carrier seeks to relinquish its designation as an ETC;
and
 - (B) commission designation of a new ETC for the service area or areas.

- (k) **Rural and non-rural carriers' requirements for annual certification to receive FUSF support.** A common carrier serving a rural or non-rural study area shall comply with the following requirements for annual certification for the receipt of FUSF support.
- (1) **Annual certification.** Common carriers must provide the commission with an affidavit annually, on or before September 1st of each year, which certifies that the carrier is complying with the federal requirements for the receipt of FUSF support. Upon receipt and acceptance of the affidavits filed on or before September 1st each year, the commission will certify these carriers' eligibility for FUSF to the FCC and the Federal Universal Service Fund Administrator by October 1st each year.
 - (2) **Failure to file.** Common carriers failing to file an affidavit by September 1st may still be certified by the commission for annual FUSF. However, the carrier is ineligible for support until the quarter following the federal universal service administrator's receipt of the commission's supplemental submission of the carrier's compliance with the federal requirements.
 - (3) **Supplemental certification.** For carriers not subject to the annual certification process, the schedule set forth in 47 C.F.R. §54.313 and 47 C.F.R. §54.314(d) for the filing of supplemental certifications shall apply.
 - (4) **Recommendation for Revocation of FUSF support certification.** The commission may recommend the revocation of the FUSF support certification of any carrier that it determines has not complied with the federal requirements pursuant to 47 U.S.C. §254(e) and will review any challenge to a carrier's FUSF

support certification and make an appropriate recommendation as a result of any such review.

- (l) **Disaggregation of rural carriers' FUSF support.** Common carriers serving rural study areas must comply with the following requirements regarding disaggregation of FUSF support.
 - (1) **Election by May 15, 2002.** On or before May 15, 2002, all rural incumbent local exchange carriers (ILECs) may notify the commission of one of the following elections regarding FUSF support. This election will remain in place for four years from the effective date of certification, pursuant to 47 C.F.R. §54.315, unless the commission, on its own motion, or upon the motion of the rural ILEC or an interested party, requires a change to the elected disaggregation plan:
 - (A) a rural ILEC may choose to certify to the commission that it will not disaggregate at this time;
 - (B) a rural ILEC may seek disaggregation of its FUSF support by filing a targeted plan with the commission that meets the criteria in paragraph (3) of this subsection, subject to the commission's approval of the plan;
 - (C) a rural ILEC may self-certify a disaggregation targeted plan that meets the criteria in paragraphs (3) and (4) of this subsection, disaggregate support to the wire center level or up to no more than two cost zones, or mirror a plan for disaggregation that has received prior commission approval; or
 - (D) if the rural ILEC serves a study area that is served by another carrier designated as an ETC prior to the effective date of 47 C.F.R. §54.315,

(June 19, 2001), the ILEC may only self-certify the disaggregation of its FUSF support by adopting a plan for disaggregation that has received prior commission approval.

- (2) **Abstain from filing.** If a rural ILEC abstains from filing an election on or before May 15, 2002, the carrier will not be permitted to disaggregate its FUSF support unless it is ordered to do so by the commission pursuant to the terms of paragraph (5) of this subsection.
- (3) **Requirements for rural ILECs' disaggregation plans.** Pursuant to the federal requirements in 47 C.F.R. §54.315(e) a rural ILEC's disaggregation plan, whether submitted pursuant to paragraph (1)(B), (C) or (D) of this subsection, must meet the following requirements:
 - (A) the sum of the disaggregated annual support must be equal to the study area's total annual FUSF support amount without disaggregation;
 - (B) the ratio of the per line FUSF support between disaggregation zones for each disaggregated category of FUSF support shall remain fixed over time, except as changes are required pursuant to paragraph (5) of this subsection;
 - (C) the ratio of per line FUSF support shall be publicly available;
 - (D) the per line FUSF support amount for each disaggregated zone or wire center shall be recalculated whenever the rural ILEC's total annual FUSF support amount changes and revised total per line FUSF support and updated access line counts shall then be applied using the changed FUSF support amount and updated access line counts applicable at that point;

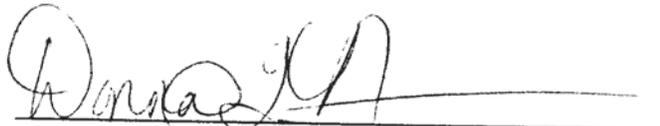
- (E) each support category complies with subparagraphs (A) and (B) of this paragraph;
 - (F) monthly payments of FUSF support shall be based upon the annual amount of FUSF support divided by 12 months if the rural ILEC's study area does not contain a competitive carrier designated as an ETC; and
 - (G) a rural ILEC's disaggregation plan methodology and the underlying access line count upon which it is based will apply to any competitive carrier designated as an ETC in the study area.
- (4) **Additional requirements for self-certification of a disaggregation plan.** Pursuant to 47 C.F.R. §54.315(d)(2), a rural ILEC's self-certified disaggregation plan must also include the following items in addition to those items required by paragraph (3) of this subsection:
- (A) support for, and a description of, the rationale used, including methods and data relied upon, as well as a discussion of how the plan meets the requirements in paragraph (3) of this subsection and this paragraph;
 - (B) a reasonable relationship between the cost of providing service for each disaggregation zone within each disaggregation category of support proposed;
 - (C) a clearly specified per-line level of FUSF support for each category pursuant to 47 C.F.R. §54.315(d)(2)(iii);
 - (D) if the plan uses a benchmark, a detailed explanation of the benchmark and how it was determined that is generally consistent with how the level of

- support for each category of costs was derived so that competitive ETCs may compare the disaggregated costs for each cost zone proposed; and
- (E) maps identifying the boundaries of the disaggregated zones within the study area.
- (5) **Disaggregation upon commission order.** The commission on its own motion or upon the motion of an interested party may order a rural ILEC to disaggregate FUSF support under the following criteria:
- (A) the commission determines that the public interest of the rural study area is best served by disaggregation of the rural ILEC's FUSF support;
- (B) the commission establishes the appropriate disaggregated level of FUSF support for the rural ILEC; or
- (C) changes in ownership or changes in state or federal regulation warrant the commission's action.
- (6) **Effective dates of disaggregation plans.** The effective date of a rural ILEC's disaggregation plan shall be as specified in 47 C.F.R. §54.315.

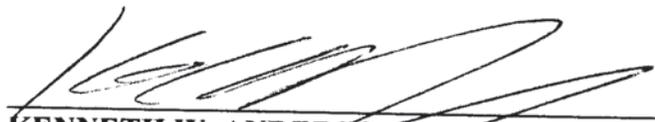
This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority. It is therefore ordered by the Public Utility Commission of Texas that §26.418 relating to Designation of Common Carriers as Eligible Telecommunications Carriers to Receive Federal Universal Service Funds, is hereby adopted with no changes to the text as proposed.

SIGNED AT AUSTIN, TEXAS on the 16th day of November 2012.

PUBLIC UTILITY COMMISSION OF TEXAS



DONNA L. NELSON, CHAIRMAN



KENNETH W. ANDERSON, JR., COMMISSIONER



ROLANDO PABLOS, COMMISSIONER

Attachment M

Affirmative Statement of the Virginia Corporation Commission

STATE CORPORATION COMMISSION DOCUMENT CONTROL

AT RICHMOND, APRIL 9, 2004

IN RE:

2004 APR -9 A 11:46

APPLICATION OF VIRGINIA CELLULAR LLC

CASE NO. PUC-2001-00263

For designation as an eligible
telecommunications provider under
47 U.S.C. § 214(e) (2)

ORDER INVITING COMMENTS AND/OR REQUESTS FOR HEARING

On December 21, 2001, Virginia Cellular LLC ("Virginia Cellular") filed an application with the State Corporation Commission ("Commission") for designation as an eligible telecommunications carrier ("ETC"). This was the first application by a Commercial Mobile Radio Service ("CMRS") carrier for ETC designation.¹ Pursuant to the Order Requesting Comments, Objections, or Requests for Hearing, issued by the Commission on January 24, 2002, the Virginia Telecommunications Industry Association and NTELOS Telephone Inc. ("NTELOS") filed their respective comments and requests for hearing on February 20, 2002. Virginia Cellular filed Reply Comments on March 6, 2002. Our Order of April 9, 2002, found that § 214(e)(6) of the Act is applicable to Virginia Cellular's application because this Commission has not asserted jurisdiction over CMRS carriers and that Virginia Cellular should apply to the Federal Communications Commission ("FCC") for ETC designation.

Virginia Cellular filed its Petition for Designation as an Eligible Telecommunications Carrier in the State of Virginia with the FCC on April 26, 2002. On January 22, 2004, the FCC released its order designating Virginia Cellular as an ETC in specific portions of its licensed

¹ Virginia Cellular is a CMRS carrier as defined in 47 U.S.C. § 153(27) and is authorized as the "A-band" cellular carrier for the Virginia 6 Rural Service Area, serving the counties of Rockingham, Augusta, Nelson, and Highland and the cities of Harrisonburg, Staunton, and Waynesboro.

service area in the Commonwealth of Virginia subject to certain conditions ("FCC's January 22, 2004, Order").²

The FCC's January 22, 2004, Order further stated that Virginia Cellular's request to redefine the service areas of Shenandoah Telephone Company ("Shentel") and MGW Telephone Company ("MGW") in Virginia pursuant to § 214(3)(5) of the Telecommunications Act of 1996 ("Act") was granted subject to the agreement of this Commission. On March 2, 2004, the FCC filed its January 22, 2004, Order as a petition in this case.³

Section 214(e)(5) of the Act states:

SERVICE AREA DEFINED. - The term "service area" means a geographic area established by a State commission (or the Commission under paragraph (6)) for the purpose of determining universal service obligations and support mechanisms. In the case of an area served by a rural telephone company, "service area" means such company's "study area" unless and until the Commission and the States, after taking into account recommendations of a Federal-State Joint Board instituted under section 410(c), establish a different definition of service area for such company.

In this instance, the FCC has determined that the service areas of Shentel and MGW, which are both rural telephone companies under the Act, should be redefined as requested by Virginia Cellular.⁴ The FCC further recognizes that the "Virginia Commission's first-hand knowledge of the rural areas in question uniquely qualifies it to determine the redefinition proposal and examine whether it should be approved."⁵

² CC Docket No. 96-45, *In the Matter of Federal-State Joint Board on Universal Service, Virginia Cellular LLC Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*.

³ See paragraph 45 of the FCC's January 22, 2004, Order. The FCC, in accordance with § 54.207(d) of its rules, requests that the Virginia Commission treat this Order as a petition to redefine a service area under § 54.207(d)(1) of the FCC's rules. A copy of the petition can be obtained from the Commission's website at: <http://www.state.va.us/scc/caseinfo.htm>.

⁴ The FCC denied Virginia Cellular's request to redefine the study area of NTELOS. See paragraph 50 of the FCC's January 22, 2004, Order.

⁵ The FCC's January 24, 2004, Order at paragraph 2. (citations omitted)

The Commission finds that interested parties should be afforded the opportunity to comment and/or request a hearing regarding the FCC's petition to redefine the service areas of Shentel and MGW. We note that the FCC believes that its proposed redefinition of these service areas should not harm either Shentel or MGW.⁶ However, we request any interested party to specifically address in its comments whether our agreeing to the FCC's proposal to redefine the service areas of Shentel and MGW would harm these companies.

NOW UPON CONSIDERATION of all the pleadings of record and the applicable law, the Commission is of the opinion that interested parties should be allowed to comment or request a hearing regarding the FCC's proposed redefinition of Shentel's and MGW's service areas.

Accordingly, IT IS ORDERED THAT:

(1) Any interested party desiring to comment regarding the redefinition of Shentel's and MGW's service areas may do so by directing such comments in writing on or before May 7, 2004, to Joel H. Peck, Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Interested parties desiring to submit comments electronically may do so by following the instructions found on the Commission's website: <http://www.state.va.us/scc/caseinfo.htm>.

(2) On or before May 7, 2004, any interested party wishing to request a hearing regarding the redefinition of Shentel's and MGW's service areas shall file an original and fifteen (15) copies of its request for hearing in writing with the Clerk of the Commission at the address set forth above. Written requests for hearing shall refer to Case No. PUC-2001-00263 and shall include: (i) a precise statement of the interest of the filing party; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in the matter.

⁶ See paragraphs 43 and 44 of the FCC's January 22, 2004, Order.

(3) On or before June 1, 2004, interested parties may file with the Clerk of the Commission an original and fifteen (15) copies of any responses to the comments and requests for hearing filed with the Commission. A copy of the response shall be delivered to any person who filed comments or requests for hearing.

(4) This matter is continued generally.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: each local exchange telephone company licensed to do business in Virginia, as shown on Attachment A hereto; David A. LaFuria, Esquire, Lukas, Nace, Gutierrez & Sachs, Chartered, 1111 19th Street, N.W., Suite 1200, Washington, D.C. 20036; Thomas Buckley, Attorney-Advisor, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554; Virginia Telecommunications Industry Association, c/o Richard D. Gary, Esquire, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074; L. Ronald Smith, President and General Manager, Shenandoah Telephone Company, P.O. Box 105, Williamsville, Virginia 24487; Lori Warren, Director of Regulatory Affairs, MGW Telephone Company, P.O. Box 459, Edinburg, Virginia 22824-0459; C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of Attorney General, 900 East Main Street, 2nd Floor, Richmond, Virginia 23219; and the Commission's Office of General Counsel and Divisions of Communications, Public Utility Accounting, and Economics and Finance.

Attachment N
Coverage Area

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
AL	255181	SO CENTRAL BELL-AL	N
AL	259788	CENTURYTEL-AL-SOUTH	N
AL	259789	CENTURYTEL-AL-NORTH	N
AL	250282	BLOUNTSVILLE TEL CO	R
AL	250283	BRINDLEE MOUNTAIN	R
AL	250284	BUTLER TEL CO	R
AL	250285	CASTLEBERRY TEL CO	R
AL	250286	NATIONAL OF ALABAMA	R
AL	250290	FARMERS TELECOM COOP	R
AL	250295	GRACEBA TOTAL COMM	R
AL	250298	GULF TEL CO - AL	R
AL	250299	HAYNEVILLE TEL CO	R
AL	250300	HOPPER TELECOMM. CO.	R
AL	250301	FRONTIER-LAMAR CNTY	R
AL	250302	WINDSTREAM AL	R
AL	250304	MILLRY TEL CO	R
AL	250305	MON-CRE TEL COOP	R
AL	250306	FRONTIER COMM.-AL	R
AL	250307	MOUNDEVILLE TEL CO	R
AL	250308	NEW HOPE TEL COOP	R
AL	250311	OAKMAN TEL CO (TDS)	R
AL	250312	OTELCO TELEPHONE LLC	R
AL	250314	PEOPLES TEL CO	R
AL	250315	PINE BELT TEL CO	R
AL	250316	RAGLAND TEL CO	R
AL	250317	ROANOKE TEL CO	R
AL	250318	FRONTIER COMM-SOUTH	R
AL	250322	UNION SPRINGS TEL CO	R
CT	135200	SOUTHERN NEW ENGLAND	N
CT	132454	THE WOODBURY TEL CO	R
DC	575020	VERIZON WA, DC INC.	N
DE	565010	VERIZON DELAWARE INC	N
FL	210328	VERIZON FLORIDA	N
FL	215191	SOUTHERN BELL-FL	N
FL	210291	GTC, INC.	R
FL	210318	FRONTIER COMM-SOUTH	R
FL	210329	GTC, INC.	R
FL	210330	SMART CITY TEL LLC	R
FL	210331	ITS TELECOMM. SYS.	R
FL	210335	NORTHEAST FLORIDA	R
FL	210336	WINDSTREAM FL	R
FL	210338	QUINCY TEL CO-FL DIV	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
FL	210339	GTC, INC.	R
FL	210341	EMBARQ FLORIDA INC. FKA SPRINT	R
ME	100025	Maine Telephone Company (Fairpoint New England)	N
ME	105111	No. New England d/b/a Fairpoint Comm.	N
ME	100002	Oxford County Telephone	R
ME	100003	Lincolnton Networks, Inc.	R
ME	100003	Tidewater Telecom, inc.	R
ME	100004	China Telephone Company	R
ME	100005	Cobbosseecontee Tel.Co. & Tel. Co.	R
ME	100007	The Island Telephone Company	R
ME	100010	Hampden Telephone Co.	R
ME	100011	Hartland & St. Albans Tel. Co.	R
ME	100015	Community Service Tel.Co.	R
ME	100019	Oxford West Telephone Co.	R
ME	100020	Pine Tree Telephone LLC	R
ME	100022	Saco River Telephone LLC	R
ME	100024	Somerset Telephone Company	R
ME	100025	Standish Tel. Co.	R
ME	100027	Union River Telephone Company	R
ME	100029	Unitel, Inc.	R
ME	100031	Warren Telephone Company	R
ME	100034	West Penobscot Tel. & Tele. Company	R
ME	103313	Northland Telephone of ME, Inc.	R
ME	103313	Sidney Telephone Company	R
ME	103315	Mid-Maine Telecom LLC	R
NC	230479	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	N
NC	230509	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	N
NC	230864	VERIZON SOUTH INC. DBA NORTH CAROLINA	N
NC	235193	SOUTHERN BELL-NC	N
NC	230468	ATLANTIC MEMBERSHIP	R
NC	230469	BARNARDSVILLE TEL CO	R
NC	230470	CAROLINA TEL & TEL	R
NC	230471	CENDEL OF NC	R
NC	230473	CITIZENS TEL CO	R
NC	230474	CONCORD TEL CO	R
NC	230476	WINDSTREAM NC	R
NC	230478	ELLERBE TEL CO	R
NC	230483	LEXCOM TELEPHONE CO.	R
NC	230485	MEBTEL, INC.	R
NC	230491	N.ST. DBA N. ST.COMM	R
NC	230494	PINEVILLE TEL CO	R
NC	230495	RANDOLPH TEL CO	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
NC	230496	RANDOLPH MEMBERSHIP	R
NC	230497	PIEDMONT MEMBERSHIP	R
NC	230498	SALUDA MOUNTAIN TEL	R
NC	230500	SERVICE TEL CO	R
NC	230501	SKYLINE MEMBERSHIP	R
NC	230502	STAR MEMBERSHIP CORP	R
NC	230503	SURRY MEMBERSHIP	R
NC	230505	TRI COUNTY TEL MEMBR	R
NC	230510	WILKES MEMBERSHIP	R
NC	230511	YADKIN VALLEY TEL	R
NH	125113	NORTHERN NEW ENGLAND TELEPHONE OPERATIONS LLC	N
NH	120038	BRETTON WOODS TEL CO	R
NH	120039	GRANITE STATE TEL	R
NH	120042	DIXVILLE TEL CO	R
NH	120043	DUNBARTON TEL CO	R
NH	120045	KEARSARGE TEL CO	R
NH	120047	MERRIMACK COUNTY TEL	R
NH	120049	UNION TEL CO	R
NH	120050	WILTON TEL CO - NH	R
NH	123321	MERRIMACK CO. TELEPHONE DBA CONTOOCOOK	R
NH	123321	HOLLIS TELEPHONE COMPANY, INC.	R
NY	150121	FRONTIER-ROCHESTER	N
NY	155130	VERIZON NEW YORK	N
NY	150071	ARMSTRONG TEL CO-NY	R
NY	150072	FRONTIER-AUSABLE VAL	R
NY	150073	BERKSHIRE TEL CORP	R
NY	150076	CASSADAGA TEL CORP	R
NY	150077	CHAMPLAIN TEL CO	R
NY	150078	CHAUTAUQUA & ERIE	R
NY	150079	CHAZY & WESTPORT	R
NY	150081	CITIZENS HAMMOND NY	R
NY	150084	TACONIC TEL CORP	R
NY	150085	CROWN POINT TEL CORP	R
NY	150088	DELHI TEL CO	R
NY	150089	DEPOSIT TEL CO	R
NY	150091	DUNKIRK & FREDONIA	R
NY	150092	EDWARDS TEL CO	R
NY	150093	EMPIRE TEL CORP	R
NY	150095	FISHERS ISLAND TEL	R
NY	150097	GERMANTOWN TEL CO	R
NY	150099	HANCOCK TEL CO	R
NY	150100	FRONTIER COMM OF NY	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
NY	150104	MARGARETVILLE TEL CO	R
NY	150105	MIDDLEBURGH TEL CO	R
NY	150106	WINDSTREAM NY-FULTON	R
NY	150107	NEWPORT TEL CO	R
NY	150108	NICHOLVILLE TEL CO	R
NY	150109	WINDSTREAM-JAMESTOWN	R
NY	150110	OGDEN TEL DBA FRNTER	R
NY	150111	ONEIDA COUNTY RURAL	R
NY	150112	ONTARIO TEL CO, INC.	R
NY	150113	WINDSTREAM RED JACKT	R
NY	150114	ORISKANY FALLS TEL	R
NY	150116	PATTERSONVILLE TEL	R
NY	150118	PORT BYRON TEL CO	R
NY	150121	FRONTIER-ROCHESTER	R
NY	150122	FRONTIER-SENECA GORH	R
NY	150125	STATE TEL CO	R
NY	150128	FRONTIER-SYLVAN LAKE	R
NY	150129	TOWNSHIP TEL CO	R
NY	150131	TRUMANSBURG TEL CO.	R
NY	150133	VERNON TEL CO	R
NY	150135	WARWICK VALLEY-NY	R
NY	154532	CITIZENS-FRONTIER-NY	R
NY	154533	CITIZENS-FRONTIER-NY	R
NY	154534	CITIZENS-FRONTIER-NY	R
TN	295185	SO. CENTRAL BELL -TN	N
TN	290280	ARDMORE TEL CO	R
TN	290552	CENTURYTEL-ADAMSVILL	R
TN	290553	BEN LOMAND RURAL	R
TN	290554	BLEDSON TEL COOP	R
TN	290557	CENTURY-CLAIBORNE	R
TN	290559	CONCORD TEL EXCHANGE	R
TN	290561	CROCKETT TEL CO	R
TN	290562	DEKALB TEL COOP	R
TN	290565	HIGHLAND TEL COOP-TN	R
TN	290566	HUMPHREY'S COUNTY	R
TN	290567	UNITED INTER-MT-TN	R
TN	290570	LORETTO TEL CO	R
TN	290571	MILLINGTON TEL CO	R
TN	290573	NORTH CENTRAL COOP	R
TN	290574	CENTURYTEL-OOLTEWAH	R
TN	290575	TENNESSEE TEL CO	R
TN	290576	PEOPLES TEL CO	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
TN	290578	TELLICO TEL CO	R
TN	290579	TWIN LAKES TEL COOP	R
TN	290580	CTZENS-FRNTR-VOL ST	R
TN	290581	UTC OF TN	R
TN	290583	WEST TENNESSEE TEL	R
TN	290584	YORKVILLE TEL COOP	R
TN	290598	WEST KENTUCKY RURAL TELEPHONE	R
TN	294336	CITIZENS-FRONTIER-TN	R
TX	442080	VERIZON-WEST	N
TX	442154	VERIZON-WEST	N
TX	445216	SOUTHWESTERN BELL	N
TX	432016	PANHANDLE TEL. COOP. INC.	R
TX	440425	CAMERON TELEPHONE CO.	R
TX	441163	VALOR TELECOMM TX DBA WINDSTREAM COMM SW	R
TX	442038	BIG BEND TELEPHONE CO., INC.	R
TX	442038	BLOSSOM TELEPHONE CO.	R
TX	442040	BRAZORIA TELEPHONE CO.	R
TX	442041	BRAZOS TELECOMMUNICATIONS, INC.	R
TX	442041	BRAZOS TELEPHONE COOPERATIVE, INC.	R
TX	442043	NORTH TEXAS TELEPHONE CO.	R
TX	442046	CAP ROCK TELEPHONE COOPERATIVE	R
TX	442052	CENTRAL TEXAS TELEPHONE COOPERATIVE, INC.	R
TX	442057	COLEMAN COUNTY TELEPHONE COOPERATIVE, INC.	R
TX	442059	COLORADO VALLEY TELEPHONE COOPERATIVE, INC.	R
TX	442060	TOTELCOM COMMUNICATIONS, LLC	R
TX	442061	COMMUNITY TELEPHONE CO.	R
TX	442065	CUMBY TELEPHONE COOPERATIVE, INC.	R
TX	442066	DELL TELEPHONE CO-OP., INC.	R
TX	442068	EASTEX TELEPHONE COOPERATIVE, INC.	R
TX	442069	ELECTRA TELEPHONE CO. , INC.	R
TX	442070	ETEX TELEPHONE COOPERATIVE, INC.	R
TX	442071	FIVE AREA TELEPHONE COOPERATIVE, INC.	R
TX	442071	WEST PLAINS TELECOMMUNICATIONS, INC.	R
TX	442072	CONSOLIDATED COMMUNICATIONS OF FORT BEND COMPANY	R
TX	442073	BORDER TO BORDER COMMUNICATIONS	R
TX	442076	GANADO TELEPHONE CO., INC.	R
TX	442083	GUADALUPE VALLEY TELEPHONE COOPERATIVE, INC.	R
TX	442084	UNITED TELEPHONE OF TEXAS INC DBA CENTURYLINK	R
TX	442086	HILL COUNTRY TELEPHONE COOPERATIVE, INC.	R
TX	442090	ALENCO COMMUNICATIONS, INC.	R
TX	442091	ETS TELEPHONE COMPANY, INC.	R
TX	442093	INDUSTRY TELEPHONE CO.	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
TX	442097	WINDSTREAM COMMUNICATIONS KERRVILLE, L.P.	R
TX	442101	CENTRAL TEL. CO. OF TEXAS DBA CENTURYLINK	R
TX	442101	CENTURYTEL OF LAKE DALLAS, INC. DBA CENTURYLINK	R
TX	442103	LA WARD TELEPHONE EXCHANGE, INC.	R
TX	442104	LAKE LIVINGSTON TELEPHONE COMPANY	R
TX	442105	LIPAN TELEPHONE CO.	R
TX	442109	CONSOLIDATED COMMUNICATIONS OF TEXAS COMPANY	R
TX	442112	MID-PLAINS RURAL TELEPHONE COOPERATIVE, INC.	R
TX	442116	MUENSTER TELEPHONE CORP. OF TEXAS DBA NORTEX COMM	R
TX	442117	CENTURYTEL OF PORT ARANSAS, INC. DBA CENTURYLINK	R
TX	442130	PEOPLES TELEPHONE COOPERATIVE	R
TX	442131	POKA - LAMBRO TELEPHONE COOPERATIVE, INC.	R
TX	442134	RIVIERA TELEPHONE CO., INC.	R
TX	442135	SOUTHWEST TEXAS TELEPHONE CO.	R
TX	442140	CENTURYTEL OF SAN MARCOS, INC. DBA CENTURYLINK	R
TX	442141	SANTA ROSA TELEPHONE COOPERATIVE, INC.	R
TX	442143	SOUTH PLAINS TELEPHONE COOPERATIVE, INC.	R
TX	442147	WINDSTREAM SUGAR LAND, INC.	R
TX	442150	TATUM TELEPHONE CO.	R
TX	442151	TAYLOR TELEPHONE COOPERATIVE, INC.	R
TX	442153	TEXAS WINDSTREAM, INC.	R
TX	442159	VALLEY TELEPHONE COOPERATIVE, INC.	R
TX	442166	WEST TEXAS RURAL TELEPHONE COOPERATIVE, INC.	R
TX	442168	WES - TEX TELEPHONE COOPERATIVE, INC.	R
TX	442170	XIT RURAL TELEPHONE COOPERATIVE, INC	R
TX	442262	E.N.M.R. TELEPHONE COOPERATIVE	R
VA	190233	VERIZON S-VA(CONTEL)	N
VA	195040	VERIZON VIRGINIA INC	N
VA	190217	AMELIA TEL CORP	R
VA	190219	BUGGS ISLAND COOP	R
VA	190220	BURKE'S GARDEN TEL	R
VA	190225	CITIZENS TEL COOP	R
VA	190226	NTELOS, INC.	R
VA	190237	HIGHLAND TEL COOP	R
VA	190238	MGW TEL. CO. INC.	R
VA	190239	NEW HOPE TEL COOP	R
VA	190243	PEMBROKE TEL COOP	R
VA	190244	PEOPLES MUTUAL TEL	R
VA	190248	SCOTT COUNTY COOP	R
VA	190249	ROANOKE & BOTETOURT	R
VA	190250	SHENANDOAH TEL CO	R
VA	190253	VIRGINIA TEL CO	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
VA	190254	CENDEL OF VIRGINIA	R
VA	190479	VERIZON SOUTH-VA	R
VA	190567	UNITED INTER-MT-VA	R
VA	193029	NEW CASTLE TEL. CO.	R
VA	197251	SHENANDOAH TELEPHONE COMPANY - NR	R

Attachment O

IGNITION WIRELESS, LLC d/b/a Expo Mobile's Compliance Plan

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September 1, 2016

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street
Washington, D.C. 20554

Re: IGNITION WIRELESS, LLC d/b/a Expo Mobile
Compliance Plan
WC Docket No. 09-197 & WC Docket No. 11-42

Dear Ms. Dortch:

Pursuant to the Federal Communications Commission Order *In the Matter of Lifeline and Link Up Reform and Modernization* released February 6, 2012, attached please find IGNITION WIRELESS, LLC d/b/a Expo Mobile's Compliance Plan.

If you have any questions or if I may provide you with additional information, please do not hesitate to contact me. Thank you for your assistance.

Respectfully submitted,

/s/ Lance J.M. Steinhart

Lance J.M. Steinhart
Managing Attorney
Lance J.M. Steinhart, P.C.
Attorneys for
IGNITION WIRELESS, LLC d/b/a Expo Mobile

Enclosure
cc: Jeremy Sands

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of the)	
)	
Telecommunications Carriers Eligible for)	WC Docket No. 09-197
Universal Service Support)	
)	WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization)	
)	
IGNITION WIRELESS, LLC d/b/a Expo Mobile)	
Compliance Plan)	

IGNITION WIRELESS, LLC D/B/A EXPO MOBILE'S COMPLIANCE PLAN

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September 1, 2016

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**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of the)	
)	
Telecommunications Carriers Eligible for)	WC Docket No. 09-197
Universal Service Support)	
)	WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization)	
)	
IGNITION WIRELESS, LLC d/b/a Expo Mobile)	
Compliance Plan)	

IGNITION WIRELESS, LLC D/B/A EXPO MOBILE’S COMPLIANCE PLAN

I. INTRODUCTION

IGNITION WIRELESS, LLC d/b/a Expo Mobile (“Ignition” or the “Company”) is a prepaid wireless telecommunications carrier seeking designation as an Eligible Telecommunications Carrier (“ETC”) solely for the purpose of participating in the Lifeline program. Although Section 214(e)(1)(A) of the Act requires an ETC to offer USF-supported services to some extent over its own facilities, the Federal Communications Commission (“FCC” or “Commission”) has forborne from that requirement for carriers that are, or seek to become, Lifeline-only ETCs.¹ Ignition will avail itself of the FCC’s conditional grant of forbearance and, by its attorney, hereby files its Compliance Plan outlining the measures it will take to implement the conditions of forbearance outlined in the

¹ *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“*Order*”).

Order.² Given the severe economic environment that is forcing many low-income customers to forego wireless service, Ignition respectfully requests expeditious approval of this plan so that the Company, upon designation as an ETC, may quickly deploy much-needed Lifeline services to qualified low-income customers.

II. BACKGROUND

In the *Order*, the Commission granted forbearance from the “own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:³

(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

(2) the carrier must file, and the Bureau must approve, a compliance plan that: (a) outlines the measures the carrier will take to implement the obligations contained in this Order, including but not limited to the procedures the ETC follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the Fund, materials related to initial and ongoing certifications and sample marketing materials, as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary; and (b) provides a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier’s various Lifeline service plan offerings, including subscriber rates, number of minutes included and types of plans available.

² Although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the facilities requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state, particularly for purposes of state universal service funding under state program rules and requirements. The Company will follow the requirements of the Commission’s Lifeline rules and this Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income fund.

³ See *Order* at ¶¶ 368, 373, and 379.

III. IGNITION WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER

Ignition will comply with all conditions set forth in the *Order*, the provision of this Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported prepaid wireless service to customers throughout the United States.⁴

A. Access to 911 and E911 Services

Through the requirements set forth in the *Order*, the Commission requires Ignition to provide its Lifeline customers with access to 911 and E911 services, regardless of activation status and availability of minutes.⁵ The Commission and consumers are hereby assured that all Ignition customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from Ignition handsets even if the account associated with the handset has no minutes remaining.

B. E911-Compliant Handsets

The Commission also conditioned its grant of forbearance determination on Ignition providing only E911-compliant handsets to its Lifeline customers.⁶ Ignition will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing Ignition customer does not have an E911-compliant handset, the Company will replace it with a 911/E911-compliant handset at no charge to the customer. Any new customer that qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911-compliant handset as well.

⁴ To the extent that future changes in federal regulations render the commitments herein invalid, the Company reserves the right to modify its operations in accordance with federal regulations in effect at that time.

⁵ See *Order* at ¶ 373.

⁶ See *id.*

C. Consumer Eligibility and Enrollment

Ignition will certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Order*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, Ignition will rely on the state identification or database.⁷ In instances where Ignition is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

1. One-Per-Household

Ignition understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as “any individual or group of individuals who are living together at the same address as one economic unit.”⁸ Upon receiving an application for Lifeline support, Ignition will check the National Lifeline Accountability Database (“NLAD”) to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. Ignition will also search its own internal database of active customers, real-time, pre-sale, to ensure that the Company does not already provide Lifeline-supported service to someone at that residential address. If Ignition determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, Ignition will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, Ignition will require applicants to complete and submit to the Company USAC’s one-per-household template, which will contain the following: (1) an explanation of the Commission’s one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for

⁷ See *Order* at ¶ 98.

⁸ See *id.* at ¶ 74.

the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income; and (4) the penalty for a consumer's failure to make the required one-per-household certification (i.e., de-enrollment).⁹ Ignition will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a draft sample of which is attached,¹⁰ Ignition will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and a billing address for the service, if different (which may include a P.O. Box or General Delivery address).¹¹ Ignition will inquire on its certification forms whether or not the applicant's address is a temporary one.¹² If and when the 90-day verification rules become effective, Ignition will notify the consumer that if they have a temporary address, the Company will contact the consumer every ninety (90) days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within thirty (30) days of Ignition's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.¹³ Also on its certification forms, Ignition will explain that if the subscriber moves, he or she must provide his or her new address to the Company within thirty (30) days of moving.¹⁴ If the subscriber has moved, Ignition will update the NLAD with the

⁹ *See Order* at ¶ 78.

¹⁰ *See Exhibit A.* The draft form remains subject to change, but substantially reflects the content of the Company's application.

¹¹ *See id.* at ¶ 85.

¹² *See id.* at ¶ 89.

¹³ *See id.* As of the date of filing of this Compliance Plan, this requirement has not been approved pursuant to the Paperwork Reduction Act.

¹⁴ *See id.* at ¶ 85.

information within ten (10) business days of receipt of the information.¹⁵

As detailed below, Ignition’s certification form will clearly explain the one-per-household requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

2. Initial and Annual Certification

Consumers will be signed up in person or directed, via company literature, collateral or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company’s Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. Ignition’s application form will identify that it is a “Lifeline” application. Ignition will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services.

Ignition’s initial and annual certification forms will conform to the list of requirements provided in the *Order*, Appendix C and with C.F.R. § 54.410(d), as amended. Ignition’s Lifeline certification forms, a draft sample of which is attached as Exhibit A, will require each prospective subscriber to provide the following information:

- (i) The subscriber’s full name;
- (ii) The subscriber’s full residential address;
- (iii) Whether the subscriber’s residential address is permanent or temporary;
- (iv) The subscriber’s billing address, if different from the subscriber’s residential address;
- (v) The subscriber’s date of birth;
- (vi) The last four digits of the subscriber’s social security number, or the subscriber’s Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and

¹⁵ See *Order* at ¶ 85.

(viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

- (i) Lifeline is a federal benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) Households are not permitted to receive benefits from multiple providers;
- (v) That violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and
- (vi) A Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

Ignition will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within thirty (30) days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within thirty (30) days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every ninety (90) days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge;
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure

to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email, or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001–7006.¹⁶

Enrollment in person. The Company will enroll Lifeline applicants in person at Company events. When a prospective customer applies at such an event, Company employees, agents, or representatives (“personnel”) will ask to see a government issued I.D. and will validate the address via a USPS/Melissa Database. The Company will check the NLAD to confirm that the applicant is not already receiving a Lifeline subsidy from Ignition or any other ETC. If a customer indicates on the application form that his or her address is a multi-household residence, personnel will require the applicant to complete USAC's one-per-household template as well. In cases where an eligibility database exists, personnel will query the database to determine eligibility. In states where eligibility databases are not available, the applicant is required to provide proof of participation in one of the current Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. Ignition's Lifeline application contains an “Office Use Only” section, which must be completely filled out and signed by Company personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document

¹⁶ See *Order* at ¶ 168.

I.D.).¹⁷

Ignition personnel will subsequently review verbally all certifications and disclosures with the applicant before he or she signs the application form, making sure each applicant verbally acknowledges each required certification before moving on to the next. Upon successful completion of the certification process, the customer is allowed to receive his or her free phone in-person. In instances where eligibility databases cannot be accessed in real-time, Ignition will mail the phone to eligible customers once verification of eligibility is complete. Each customer's account is then activated upon the customer's personal initiation or actual use of the phone.

Ignition may also enroll customers at retail stores, in which case the protocol for signing up customers closely resembles the process at an event. Company employees, agents, or representatives are able to access necessary databases (USPS/Melissa, NLAD, eligibility databases) to verify eligibility, and, when required, can personally review eligibility based on proof of income or program participation. Company personnel are able to verbally review the required disclosures with applicants and obtain the completed application form in person. Phones are delivered upon successful completion of the certification process, as detailed above, and the customer's account is activated upon the customer's personal initiation or actual use of the phone.

Enrollment by phone. With respect to those enrolling via the phone, Company personnel are able to verbally explain the Lifeline program and its eligibility requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant's signature via IVR. Company personnel will obtain applicant's verbal confirmation of each required certification. If the applicant indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete

¹⁷ The Company hereby assures the Commission that it will comply with all applicable regulations and laws with respect to the retention and treatment of subscriber eligibility documentation.

USAC's one-per-household template as well. If no eligibility database is available, personnel will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, NLAD, eligibility databases). If no eligibility database is available, the application will be placed in a "hold" status until the Company receives copies of the applicant's proof documentation and government-issued I.D., at which point in time Company personnel will review said documentation and complete the "Office Use Only" section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document I.D.).

Enrollment online. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. Ignition will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.¹⁸ If the customer indicates that their address is a multi-household residence, online interface will require the applicant to complete USAC's one-per-household template as well. If no eligibility database is available, the online interface will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, NLAD,

¹⁸ See *Order* at ¶ 123.

eligibility databases). If no eligibility database is available, the application will be placed in a “hold” status until the Company receives copies of the applicant’s proof documentation and government-issued I.D., at which point in time Company personnel will review the documentation and complete the “Office Use Only” section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document I.D.). Ignition will deliver phones to eligible customers by mail. The customer’s account is activated upon the customer’s personal initiation or actual use of the phone.

General Enrollment Procedures. Ignition will determine eligibility utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a),(b)), as well as any additional state-specific criteria. Prior to enrolling a new subscriber, Ignition will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available.¹⁹ If a database is used to establish eligibility, Ignition will not require documentation of the consumer’s participation in a qualifying federal program; instead, Ignition or its representative will note in its records what specific data was relied upon to confirm the consumer’s initial eligibility for Lifeline.²⁰ However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Ignition to check electronic databases for eligibility, Ignition will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.²¹ Ignition will require acceptable documentation both

¹⁹ See *Order* at ¶ 97. Furthermore, to the extent the FCC has or will launch a National Verifier, the Company hereby commits to fully comply with all current or prospective rules, laws, and regulations with respect to the use and implementation of said National Verifier.

²⁰ See *id.* at ¶ 98.

²¹ See *id.* at ¶ 99.

for income eligibility and for program eligibility. The Company will retain copies of the documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility.²² Ignition may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Ignition remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.²³

Ignition will provide Lifeline-specific training to all personnel—employees, agents, and representatives—designed to give them an understanding of Lifeline program requirements and permit them to review customer documentation and determine whether it is sufficient to establish a customer's eligibility to participate in the Lifeline program under the Commission's rules. No Company employee, agent, or representative may accept a Lifeline application unless he or she has first completed this training program and demonstrated an understanding of the underlying material. Among other things, the Lifeline program training discusses the Company's Lifeline application form (*see* Exhibit A) on a section-by-section basis. The training explains what sections of the form must be completed by the customer and reviews the form disclosures in detail, to facilitate the ability of employees, agents, or representatives to explain each item contained therein and answer any customer questions. Because the Company is responsible for the actions of all its personnel and a Company employee is responsible for overseeing and finalizing every Lifeline enrollment prior to including that customer on an FCC Form 497 for reimbursement, the Company always “deals directly” with its customers to certify and verify customers' Lifeline eligibility.

3. Annual Re-Certification

Ignition understands that it must annually re-certify the eligibility of its entire Lifeline subscriber base and report the results to USAC by January 31 each year and that the Company may

²² *See Order* at ¶ 101.

²³ *See id.* at ¶ 110.

elect to perform this re-certification on a rolling basis throughout the year.²⁴ Ignition will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by text message, by email, or otherwise through the Internet—to confirm their continued eligibility.²⁵ The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. Ignition will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in Section C.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within thirty (30) days. Ignition understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.²⁶

Alternatively, where a database containing consumer eligibility data is available, Ignition (or state agency or third-party, where applicable) will instead query the database and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, Ignition will contact the subscriber every year during the annual certification process to obtain a valid address.²⁷ Ignition understands that it has the option to elect USAC to administer the self-certification process on the Company's behalf.²⁸

Ignition will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for

²⁴ See *Order* at ¶ 130.

²⁵ See *id.*

²⁶ See *id.* at ¶ 132.

²⁷ See *id.* at ¶ 131.

²⁸ See *id.* at ¶ 133.

reimbursement. As part of Ignition’s submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC: (1) that the Company has procedures in place to review consumers’ documentation of income-and program-based eligibility; in instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state; and (2) that the Company is in compliance with all federal Lifeline certification procedures.²⁹

D. Other Reforms to Eliminate Waste, Fraud and Abuse

Ignition shares the Commission’s concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally. Further, Ignition has implemented enrollment procedures designed to prevent subsidies for duplicate, ineligible, or inactive subscribers. The Company intends to contract with a third party Lifeline service bureau, currently CGM, LLC (“CGM”) of Roswell, Georgia, to edit all subsidy request data. CGM will process and validate the Company’s subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) inactive lines receiving subsidy: CGM’s systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, Ignition ensures that it does not over-request from support funds.

During the Lifeline application process, the Company details all required disclosures with the

²⁹ See *Order* at ¶ 126–27.

applicant, including the one-per-household rule. As detailed in section III.C.2, Ignition validates each applicant's identity via a government issued I.D. card, passport, etc. Additionally, as mentioned above, Ignition requires the applicant to provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Ignition validates the applicant's address via a USPS/Melissa Database to ensure the address is correct. Once an applicant's identity is confirmed, Ignition verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Ignition checks the NLAD and any available eligibility database. If an eligibility database is not available, the applicant is required to provide proof of eligibility. This prevents ineligible applicants or duplicate subscribers from receiving the subsidy.

1. National Lifeline Accountability Database

Ignition will participate in the NLAD. Ignition will query the NLAD to check to see if a prospective subscriber is already receiving service from another ETC at a residential address prior to seeking reimbursement from the Fund.³⁰ As required by the *Order*, Ignition will provide to the NLAD subscriber name, address, phone number, the last four digits of Social Security number (SSN), date of birth (DOB), Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.³¹

Furthermore, on its certification form, Ignition will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more

³⁰ See *Order* at ¶ 203.

³¹ See *id.* at ¶ 189.

than one Lifeline benefit.³²

2. Subscriber Usage

In accordance with 47 C.F.R. § 54.407(c)(1), Ignition will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the subscriber. Furthermore, Ignition will not seek reimbursement from the USF for inactive subscribers who have not used the service as set forth in 47 C.F.R. §54.407(c)(2). Ignition will notify its subscribers at service initiation, via the certification form and via the script that is reviewed with every customer, about the non-transferability of the phone service, its usage requirements, and the de-enrollment as well as deactivation that will result following non-usage.³³ An account will be considered active if the authorized subscriber establishes usage, as “usage” is defined by 47 C.F.R. §54.407(c)(2), during the specified timeframe or during the notice period set forth in 47 C.F.R. §54.405(e)(3). Ignition utilizes tracking software to notify the customer if the customer has not used their service for a set period of time (i.e. fifteen (15) or thirty (30) consecutive days). Furthermore, the Company validates subsidy data to prevent a subsidy request for customers that are inactive under the Company’s non-usage policy. After notification, if the customer fails to use the phone, he or she is automatically de-enrolled pursuant to the procedures outlined in Section E below. Ignition will continue to comply with applicable public safety standards and regulations, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.³⁴

³² See *Order* at ¶ 189, Appendix C.

³³ See *id.* at ¶ 257

³⁴ See *id.* at ¶ 262. 911 transmission will actually be performed by the Company’s underlying facilities-based CMRS provider.

3. Marketing & Outreach

Ignition will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. Ignition will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:³⁵ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program and documentation of income or eligible program participation is required for enrollment; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service, and is non-transferable; (4) Lifeline is a government benefit program; (5) households are not permitted to receive Lifeline service from multiple providers; (6) any free cell phone offering is that of Ignition and not the Lifeline program; and (7) violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in de-enrollment from the program. Ignition's website and printed collateral will explain the documentation necessary for enrollment, and the details of Ignition's plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.³⁶ For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, Ignition will include the URL link for its website where disclosures will be listed. Additionally,

³⁵ See Exhibit B for a sample advertisement. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. See *Order* at ¶ 275.

³⁶ See *Order* at ¶ 275.

Ignition will disclose the company name under which it does business.³⁷

4. Audits

The *Order* requires ETCs that draw \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, to hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to assess the ETC's overall compliance with the program's requirements.³⁸ Ignition will comply with this requirement, including applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within thirty (30) days upon issuance.³⁹

E. De-Enrollment

If at any time an Ignition Lifeline customer wishes to de-enroll from the Company's Lifeline program, Company customer service representatives will handle such elective de-enrollment requests and the Company will de-enroll the subscriber within two business days after the request. Ignition Lifeline customers simply call the Company, via 611 or the toll-free customer service number (800-818-1597), and such customer can speak to a live operator to de-enroll from Ignition's Lifeline program. Ignition will de-enroll consumers from the Company's Lifeline program in the following instances, according to 47 C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one (1) Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).⁴⁰

³⁷ See *Order* at ¶ 275.

³⁸ See *id.* at ¶ 291.

³⁹ See *id.* at ¶ 294.

⁴⁰ See *id.* at ¶ 122.

If a customer does not respond to the Company's annual verification survey within thirty (30) days, or if Ignition has reasonable basis to believe that such a subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), Ignition will provide a written notice of impending service termination to the subscriber and then give the subscriber thirty (30) days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.⁴¹ Similarly, Ignition will de-enroll a subscriber if he or she fails to respond to the Company's attempt to verify a temporary address within thirty (30) days.⁴²

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁴³ Ignition will de-enroll a subscriber within five (5) business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

Non-Usage. Ignition will de-enroll any subscriber that has not used the Company's Lifeline service for sixty (60) consecutive days, as discussed in section IV.B above. Ignition will provide the subscriber thirty (30) days' notice, using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the 30-day notice period will result in service termination for non-usage; such notice may be initiated after 30-days of non-usage. Ignition will update the NLAD within one (1) business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.⁴⁴

⁴¹ *See Order* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

⁴² *See id.* at ¶ 89.

⁴³ *See id.* at ¶ 214–16.

⁴⁴ *See id.* at ¶ 257.

F. Additional Rule Amendments

1. Terms and Conditions of Service

Ignition The Company's Lifeline terms and conditions are summarized in section IV.C below. These terms and conditions are subject to change as needed, and the most current version may be found at www.expomobile.com/lifeline-terms-conditions.

2. Reporting Requirements

Ignition will report all information required by section 54.422, including as it may heretofore be amended. This includes the names of the Company's holding company, operating companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low-income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.⁴⁵

3. Reimbursement from USAC

In seeking reimbursement for Lifeline, Ignition will comply with the requirements of 47 C.F.R. § 54.407, including as it may hereto be amended. Ignition will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,⁴⁶ and the Company will seek reimbursement for actual lines served, not projected lines.⁴⁷

⁴⁵ See *Order* at ¶¶ 296, 390. Section 153 of the Communications Act defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

⁴⁶ See *id.* at ¶ 128.

⁴⁷ See *id.* at ¶ 302.

4. Section 54.202 Certifications

Ignition certifies the following in accordance with 47 C.F.R. § 54.202: (1) Ignition will comply with the service requirements applicable to the support that it receives; (2) Ignition is able to remain functional in emergency situations; (3) Ignition will satisfy applicable consumer protection and service quality standards.

IV. COMPANY INFORMATION

Ignition is a Washington limited liability company. Ignition will provide prepaid wireless telecommunications services to consumers by using the network of its underlying carrier(s), currently Sprint Spectrum L.P. (“Sprint”). Sprint is a nationwide carrier that provides wholesale capacity on its wireless network to resellers like Ignition. Ignition has a direct contract relationship with Sprint. The Company will obtain from Sprint the network infrastructure and transmission facilities to allow Ignition to operate as a Mobile Virtual Network Operator (“MVNO”).

A. Operations

The Company’s legal name is IGNITION WIRELESS, LLC. The Company does not have a holding company, any operating companies, or affiliates. The Company identifies itself as “IGNITION WIRELESS, LLC” or by its d/b/a “Expo Mobile” on all Company marketing and advertising materials. The Company intends to utilize the services of CGM to edit all subsidy request data and to assist the Company process and validate the Company’s subsidy data.

B. Financial and Technical Capability

Ignition is financially and technically capable of providing Lifeline-supported services.⁴⁸ Ignition has been in business for ten (10) years and will provide service to both Lifeline and non-Lifeline customers. Ignition currently provides retail wireless service throughout the nation with

⁴⁸ See Order at ¶ 387.

a majority of its customers in California, Illinois, and New York. Ignition has not been subject to enforcement action or ETC revocation proceedings in any state. Ignition is financially able to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate. In the event that USAC ceases disbursements for a period of time, the Company will still be able to provide service to its customers. The Company will continue to rely on its successful business model and service offerings to sustain and grow its business, independent of USF disbursements that provide discounts for qualifying Lifeline subscribers. Furthermore, the senior management of Ignition has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.⁴⁹ Ignition will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier, Sprint.

C. Customer Service

Ignition is dedicated to quality customer service and care. Lifeline customers can reach the Company's Customer Service department via phone, mail, e-mail (support@expomobile.com), and fax. Ignition's Customer Service department is available twenty four (24) hours a day, seven (7) days a week. The Company has a dedicated Customer Service staff that will handle all service requests, including elective de-enrollments as outlined in Section III.E above.

D. Lifeline Offering

Ignition will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carrier, currently Sprint. As summarized in Exhibit E attached hereto, the Company's Lifeline offering will provide customers with 250 minutes at no

⁴⁹ See Exhibit D for key management bios.

charge which may be used for text messaging at the rate of one text per once voice minute.⁵⁰ The Company's Lifeline offering will include a free handset; nationwide coverage; and access to voice mail, call waiting, and caller ID features. There is no additional charge for toll calls. Calls to 911 and calls to the Company's customer service by dialing 611 are free and will not be deducted from available minutes. Additional minutes will be available for purchase in competitive denominations, currently \$5.00 (50 units), \$10.00 (200 units), \$20.00 (500 units), \$30.00 (800 units), and \$50.00 (1,500 units). The Company will also offer its monthly and pay-as-you go retail wireless plans (located at www.expomobile.com), discounted with the Lifeline subsidy, to its Lifeline customers.

V. THE COMPANY WILL COMPLY WITH THE COMMISSION'S THIRD REPORT AND ORDER, FURTHER REPORT AND ORDER, AND ORDER ON RECONSIDERATION

The Company is aware that the FCC adopted its *Third Report and Order, Further Report and Order, and Order on Reconsideration* on March 31, 2016.⁵¹ In part, the new *Third Report and Order* marks a considerable step forward with respect to creating a competitive Lifeline broadband program by allowing support for standalone fixed and mobile broadband service, establishing minimum service standards for such broadband and mobile voice services, and implementing a five and one-half (5 ½) year transition, during which time the FCC will gradually increase mobile voice and data requirements and simultaneously decrease voice support levels. Moreover, the *Third Report and Order* takes steps to curb abuse in the Lifeline program by establishing the National Verifier, which transfers the responsibility of eligibility determination away from Lifeline providers such as Ignition,

⁵⁰ The Company reserves the right to alter the proposed Lifeline rate plans on a state-by-state basis, particularly as required by state public utility commissions (PUC). The Company commits to pass through the entire Lifeline subsidy amount directly to the consumer.

⁵¹ *In the Matter of Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket No. 11-42, WC Docket No. 00-197, WC Docket No. 10-90, Third Report and Order, and Order on Reconsideration, FCC 16-38 (rel. Apr. 27, 2016) (hereinafter, "*Third Report and Order*").

lowering costs of conducting verification, and reducing the risks of facing a verification-related enforcement action. The Company is aware of the compliance requirements set forth in the *Third Report and Order* and commits to adhere to all obligations provided therein to the extent applicable to the Company.

VI. CONCLUSION

Ignition submits that its Compliance Plan fully satisfies the conditions of forbearance set forth in the Commission's *Order*. Implementation of the procedures described herein will promote public safety and should ensure that Lifeline customers have access to 911 and E911 services while safeguarding against misuse of the Company's Lifeline services. Accordingly, Ignition respectfully requests that the Commission expeditiously approve its Compliance Plan so that the Company may begin providing the benefits of much-needed Lifeline service to qualifying low-income consumers as quickly as possible.

Respectfully submitted,

IGNITION WIRELESS, LLC

d/b/a Expo Mobile

/s/ Lance J.M. Steinhart

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d/b/a Expo Mobile*

Dated September 1, 2016

Exhibit A

Sample Lifeline Certification Form



LIFELINE APPLICATION

A Complete and signed Lifeline Service Application and Certification ("Certification") is required to enroll you the Lifeline program in your state. The Certification is only for the purpose of verifying your eligibility in the Lifeline service and will not be used for any other purpose. This service is provided by Ignition Wireless LLC, doing business as Expo Mobile. Requests will not be processed until this form has been received, verified and processed by the company.

Things to know about the Lifeline Program:

- (1) Lifeline is a government benefit program.
(2) Lifeline Service is available for only one line, wireless OR wireline, per household. A household cannot receive benefits from multiple providers; and
(3) A household is defined, for purposes of the Lifeline Program, as any individual or group of individuals who live together at the same address and share income and expenses.

Applicant Information:

First Name: MI: Last Name: Date of Birth: Month Day Year

Social Security Number or Tribal ID Number (last 4 digits): (XXX-XX-XXXX) Contact Telephone Number:

Residence Address (No P.O. Boxes, Must be your principal address): This address is Permanent Temporary Multi-Household

APT/ Floor/ Other City: State: ZIP Code:

Billing Address (May Contain and P.O. Box)

APT/ Floor/ Other City: State: ZIP Code:

I hereby certify that I participate in at least one of the following programs: (Check all that apply)

Initial Here

Non-Tribal Programs

- Supplemental Nutrition Assistance Program (SNAP)
Supplemental Security Income (SSI)
Federal Public Housing Assistance
Low- Income Home Energy Assistance Program (LIHEAP)
National School Lunch Program
Temporary Assistance for Needy Families (TANF)
Medicaid

Tribal Programs

- Bureau of Indian Affairs General Assistance (BIA)
Tribally Administered TANF (TATNF)
Head Start (Tribal households meeting income qualifying standards)
Food Distribution Program (program on Indian reservations)

I certify that my household income is at or below 135% of the Federal Poverty Guidelines (FPG). There are individuals in my household.

Initial Here

I certify, under penalty of perjury: (Please certify by checking each Checkbox for each Certification)

- (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.
(2) I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines.
(3) I have provided documentation of eligibility if required to do so.
(4) I understand that I and my household can only have one Lifeline-supported telephone service. Expo Mobile has explained the one-per household requirement. I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the lifeline program, and could result in criminal prosecution by the United States Government.
(5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline supported service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.
(6) I understand my Expo Mobile Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.
(7) I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact Expo Mobile to confirm that I want to continue receiving their service.
(8) I will notify Expo Mobile within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify my phone company. Specifically, I will notify my company if:
(1) I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
(2) I am receiving more than one Lifeline supported service;
(3) I no longer satisfy the criteria for receiving Lifeline support.
(9) I will notify Expo Mobile within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with Expo Mobile every ninety (90) days. If I fail to respond to Expo Mobile's address verification attempts within thirty (30) days, my Lifeline service may be terminated.
(10) Expo Mobile has explained to me that I am required each year to re-certify my continued eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my Expo Mobile Lifeline service.
(11) I authorize and understand that the Expo Mobile may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.
(12) I understand that my name, telephone number, address, date of birth, last four digits of my Social Security Number or my Tribal ID Number, the date my Lifeline service was initiated, the date my Lifeline service was terminated, if applicable, amount of Lifeline support requested on my behalf and the means through which I qualified for Lifeline will be divulged to the Universal Service Administrative Company (USAC)(the administrator of the program) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.
(13) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other. I further understand that some states may impose more stringent rules including but not limited to barring me from re-enrolling in the program.

- (14) I authorize the company to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program.
- (15) I certify that I reside on Federally Recognized Tribal lands (if applicable)

 APPLICANT'S SIGNATURE

 DATE

Agent Use Only:

1. Eligibility determination (check only 1 eligibility category and only 1 box under that category; do not copy or retain documentation):

Documents Acceptable Proof Income-Eligibility (if proof does not cover a full year, it must cover 3 consecutive months, same document type, within previous 12-months):

- The prior year's state, federal, or Tribal tax return,
- Current income statement from an employer or paycheck stub,
- A Social Security statement of benefits,
- A Veterans Administration statement of benefits,
- A retirement/pension statement of benefits,
- An Unemployment/Workmen's Compensation statement of benefits,
- Federal or Tribal notice letter of participation in General Assistance, or
- A divorce decree, child support award, or other official document.

Documents Acceptable Proof for Program-Eligibility

(choose 1 from each list A and B below)

List A - Choose 1

- Supplemental Nutrition Assistance Program (SNAP)
- Medicaid
- Section 8 Federal Public Housing Assistance (FPHA)
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)

Documents Acceptable Proof for Program-Eligibility: List A (Continued)

- Low Income Home Energy Assistance Program (LIHEAP)
- National School Lunch Program's free lunch program
- Oklahoma Sales Tax Relief
- Bureau of Indian Affairs General Assistance (BIA)
- Tribally Administered TANF (TATNF)
- Head Start (meeting income qualifying standards)
- Vocational Rehabilitation (including aid to hearing impaired)

List B - Choose 1

- Program Participation card / document
- Prior year's statement of benefits
- Notice letter of participation
- Other official qualifying document: _____

Representative Number	Representative Signature
------------------------------	---------------------------------

Exhibit B

Sample Advertisements



Owned and Powered by

ignition
WIRELESS



FREE phone &

100 FREE voice minutes each month

(Additional plans also available)

✓ ***No Contracts! No Credit Checks!***

You may qualify for Expo Mobile's government-supported Lifeline Service if you participate in **programs such as food stamps or Medicaid**

Lifeline is a federal benefit. Only eligible consumers may enroll. Proof of eligibility required.

Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers. Lifeline service is non-transferable.

(800) 818-1597

www.EXPOMOBILE.com

Exhibit C

Lifeline Terms and Conditions

Please read these Ignition Wireless Terms and Conditions of Service carefully. These Ignition Wireless Terms and Conditions of Service are a legally binding agreement between you and Ignition Wireless. You should check the Ignition Wireless website regularly for updates to these terms.

By enrolling in the Lifeline program, offered through Ignition Wireless, hereafter referred to as the Lifeline Wireless Program (the Ignition Wireless “Program” or “Ignition Wireless”) and by using the Ignition Wireless service (the “Ignition Wireless Service” or “Ignition Wireless”), you (“You”), the participant, acknowledge and agree to the following terms and conditions:

1. DESCRIPTION

Ignition Wireless offers Lifeline service, which is a government benefit program that provides discounts on monthly telephone service for eligible low-income consumers. Lifeline is supported by the federal Universal Service Fund (USF). In order to qualify for enrollment in the Lifeline program, a person must meet certain eligibility requirements established by the Federal Communications Commission and each state where the Ignition Wireless Program is offered. These requirements are based on a person's participation in a state or federal support program(s) or by meeting certain income requirements based upon the Income Poverty Guidelines as defined by the US Government. Federal law limits the availability of the Ignition Wireless Program. The Lifeline program allows only one (1) enrollment per “household”, and a household is defined as any individual or group of individuals who are living together as an economic unit. The Lifeline benefit is limited to one-per-household; therefore, no person currently living in the household may receive Lifeline benefits from any other Lifeline service provider, in order for you to currently be eligible. Applicants for the Lifeline program must complete an application form, provide supporting documentation that they meet the eligibility requirements and certify, under penalty of perjury, that they:

Are eligible for and currently receive benefits from the public assistance program(s) identified in the application form.

Do not currently receive lifeline support for a telephone line serving their residential address and no other resident in their household participates in the Lifeline program. If the applicant is already participating in another Lifeline program, then the applicant agrees to cancel their current household Lifeline support provider in order to enroll in the Ignition Wireless Program.

Are not claimed as a dependent on another person's federal or state income tax return.

Will notify Ignition Wireless by calling (800) 818-1597 if and when they no longer qualify for any of the public assistance programs identified in their application form.

Will notify Ignition Wireless of any change of address by calling (800) 818-1597

Reviewed the information contained in their application and it is true and correct to the best of their knowledge and belief.

Applicants who qualify and are enrolled in the Ignition Wireless Lifeline Program will receive a free cellular phone handset provided by Ignition Wireless, a voice-grade connection, together with a free allotment of airtime minutes each month for up to one year. Free handsets provided by Ignition Wireless may be

refurbished and will be capable of texting as well as making voice calls. Where available, Ignition Wireless will rely on state Lifeline Administrators to determine whether or not an applicant meets the eligibility requirements to participate in the Ignition Wireless Lifeline Program. For states where an eligibility database is not available, Ignition Wireless will determine if the applicant meets eligibility requirements.

Applicants who do not meet the eligibility requirements will be told the reason for their non-eligibility if applying in person or, via US Mail. Upon enrollment in the Ignition Wireless Program, you will be qualified to participate for up to one (1) year. To continue your enrollment in the Ignition Wireless Program after the initial year, you must verify annually that you are qualified for continued enrollment in the Ignition Wireless Lifeline Program as required by your state Public Service Commission, Public Utility Commission or other agency administering the Lifeline Program in your state. Ignition Wireless will also conduct verification drives for each state according to its rules. If Ignition Wireless determines during its verification drive, or at any other time, that a customer fails to continue to qualify for the Ignition Wireless Lifeline Program, such customer will immediately be deemed ineligible to participate in the Ignition Wireless Lifeline Program, will be de-enrolled from the Ignition Wireless Lifeline Program and will no longer receive the free monthly minutes. Ignition Wireless Customers who are no longer eligible (for any reason) for enrollment in the Ignition Wireless Lifeline Program must immediately notify Ignition Wireless that they no longer meet the eligibility requirements for enrollment. An Ignition Wireless customer's enrollment may also be cancelled upon the request of a state and/or federal authority.

Ignition Wireless reserves the right to cancel the enrollment of any customer and/or permanently deactivate any customer's Ignition Wireless phone for fraud, misrepresentation or other misconduct as determined solely by Ignition Wireless. While participating in the Ignition Wireless Lifeline Program, a customer shall not be permitted to sell, rent, give away or in any way allow another person to use the cellular phone or Ignition Wireless Service provided to him/her. IT IS A VIOLATION OF FEDERAL AND STATE LAW TO SELL OR GIVE AWAY THE Ignition Wireless CELLULAR PHONE OR Ignition Wireless SERVICE PROVIDED TO YOU. Any violation of this prohibition will be reported to the appropriate legal authorities for prosecution. If you have any questions, concerns, comments or complaints regarding the Ignition Wireless Program or Service, offerings or products, please call Ignition Wireless Customer Care at (800) 818-1597. You may also contact your state's Public Service Commission/Public Utility Commission.

2. ACTIVATION AND USE OF SERVICE

Upon enrollment in the Ignition Wireless Lifeline Program, you will receive an Ignition Wireless phone, either in person at the time of enrollment or delivered to your home address noted in the application. To activate your account, you must use the handset to contact Ignition's customer service department. You must accept the Ignition Wireless telephone number assigned to your Ignition Wireless phone at the time of activation and you will acquire no proprietary interest in any number assigned to you. The wireless telecommunications networks used to transmit calls for the Ignition Wireless Service are owned and operated by various licensed commercial mobile radio service providers ("Carriers"), not Ignition Wireless. The number assigned to your Ignition Wireless phone at the time of activation will not be changed for any reason unless required by a Carrier or if the number is lost following the deactivation of your phone. You may NOT select a number to be assigned to your Ignition Wireless phone. However, Ignition Wireless will take all steps necessary to initiate or allow a port-in or port-out, subject to a valid port request, without unreasonable delay or unreasonable procedures that have the effect of delaying or denying porting of the

number. Your Ignition Wireless phone can only be used through Ignition Wireless, and cannot be activated with any other wireless or cellular service. Ignition Wireless Services are provided at Ignition Wireless' discretion. Some functions and features referenced in the Manufacturer's manual provided with your Ignition Wireless phone may not be available on your Ignition Wireless handset. Ignition Wireless may modify or cancel any Ignition Wireless Service or take corrective action at any time without prior notice and for any reason, including but not limited to your violation of these terms and conditions of service.

3. AIRTIME RATES, PLANS AND INCLUDED MONTHLY MINUTES.

Ignition Wireless airtime is issued in minute (or unit) increments. Units are deducted from the Ignition Wireless phone plan at a rate of one (1) unit per minute or partial minute of use. There is no additional charge for nationwide long distance.

Ignition Wireless customers will receive a monthly allotment of airtime minutes as per their package selected. You may use your monthly allotment of airtime minutes to place or receive calls or to send or read text messages. Airtime minutes will be deducted for all time during which your Ignition Wireless phone is connected to or is using the wireless system of any Carrier. Use of a wireless system typically begins when you press the "send," "call" or other key to initiate or answer a call and does not end until you press the "end" key or the call is otherwise terminated. Airtime minutes are deducted for all incoming and outgoing calls, including incoming call waiting calls, simultaneous calls, calls to toll free numbers (800, 888, 877, 866, 855, etc.), 411, and to access your voice mail. Airtime minutes are not deducted for calls to Ignition Wireless customer service by dialing 1-877-312-1961 or 611 from your Ignition Wireless handset. For simultaneous calls, such as incoming call waiting and 3-way calling (where available) airtime minutes will be deducted for each call. Airtime minutes are not deducted for calls to 911, and all handsets will be able to call 911 even if they have no airtime remaining. For outbound calls, you may be charged airtime for incomplete and/or busy-no answer calls. No credit or refund is given for dropped calls.

Excessive Use Policy: Ignition Wireless applies an excessive use policy in conjunction with its "Unlimited" Service (where available). Ignition Wireless' Lifeline service is intended for residential use. If a subscriber exceeds 1,500 minutes/texts, the service will go into "hotline" status, which means the subscriber's calls will be directed to Ignition Wireless' Customer Service. The subscriber will be informed that the service is intended for residential use and that their usage is considered high for residential usage. The subscriber will be issued another 250 minutes/texts. If the subscriber runs out of minutes/texts again, the "hotline" status procedure will repeat. The subscriber will be given a maximum of 3 "adds" for a total maximum of 2,250 minutes/texts.

4. ADDING MINUTES, TOP-UPS

You may add minutes to your account at any time by purchasing one of the top-up plans we have available. You can purchase additional minutes using your credit or debit card at our website www.expomobile.com or, over the phone by calling our customer service department at (800) 818-1597. Recharge minutes may be used to place or receive voice calls or text messages. Message rates are shown per plan below. Each top-up plan provides a set number of minutes available for a set number of days as shown below.

5. TEXT MESSAGING

You may use your monthly allotment of minutes to send and/or open text messages. Text messages sent to you by Ignition Wireless are free of charge. The charge to send or open an incoming text message using your Ignition Wireless service will be as defined in the plan you have chosen. If you have exhausted your monthly allotment of minutes, you will need to purchase and redeem additional airtime minutes in order to continue to send text messages and open incoming text messages and to place and receive voice calls. If you do not want minutes deducted from your Ignition Wireless phone for text messaging, then do not send text messages or open incoming text messages. Ignition Wireless does not allow international text messages. Attempting to send international messages could result in service deactivation and de-enrollment from the Ignition Wireless Program. Please note that Ignition Wireless does not generally participate in Premium SMS services or campaigns. Premium SMS refers to text messages that are sent to a designated "short code" or buying or attempting to buy SMS services from anyone other than Ignition Wireless. Premium SMS campaigns include activities such as casting a vote, playing a game, subscribing to a service, or interactive television programs. You should not attempt to participate in Premium SMS campaigns unless it's an Ignition Wireless authorized campaign. Any text message you send to a "short code" will in all likelihood not go through. Any charges you may incur as a result of any attempts to participate in Premium SMS services or campaigns not authorized by Ignition Wireless are not refundable whether you incur charges as deductions from your Ignition Wireless phone or from your credit card.

6. SERVICE END DATE, DEACTIVATION AND REACTIVATION

If your service is deactivated, you may reactivate your service by re-enrolling in the Ignition Wireless Program (if eligible). Upon reactivation of your phone, you may be assigned a new telephone number. Any airtime remaining on your handset at the time of deactivation will be reinstated if your phone is reactivated within 60 days from the deactivation date. If your phone remains inactive for more than 60 days, you will lose any remaining airtime.

If you have been de-enrolled from the Ignition Wireless Lifeline Program but you wish to keep your service active, you must purchase and redeem additional airtime and service days before the "Service End Date". To prevent any interruption in your Lifeline phone service, please keep your handset service active by using it to place or receive a call every 30 days and by completing your annual re-certification as required by the Ignition Wireless Lifeline Program before your Service End Date.

7. TERMINATION OF SERVICE

You are entitled to a voice-grade connection. You may terminate your service without penalty at any time by notifying Ignition Wireless and returning your handset to us. Any applicable service connection charges and deposits will be refunded if you terminate service within three days of service activation, not including national holidays. You agree not to give away, resell or offer to resell the Ignition Wireless Phone or Service provided by the Ignition Wireless Program. You also agree your Ignition Wireless Phone will not be used for any other purpose that is not allowed by this agreement or that is illegal. WE CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR END YOUR SERVICE AND DE-ENROLL YOU FROM THE Ignition Wireless Program FOR VIOLATING THIS PROVISION OR FOR ANY OTHER GOOD CAUSE, including, but not limited to, if You: (a)

violate any of the terms and conditions of service; (b) lie to us or attempt to defraud us; (c) allow anyone to tamper with your Ignition Wireless Phone; (d) threaten or commit violence against any of our employees or customer service representatives; (e) use vulgar and/or inappropriate language when interacting with our representatives; (f) steal from us; (g) harass our representatives; (h) interfere with our operations; (i) engage in abusive messaging, emailing or calling; (j) modify your device from its manufacturer's specification; or (k) use the service in a way that adversely affects our network or the service available to our other customers. We reserve the right to, without notice, limit, suspend or end your service for any other operational or governmental reason. In addition to permanently terminating your Service, criminal offenses (i.e., selling or giving away your Service; threatening violence, etc.) will be reported to the appropriate legal authorities for prosecution.

8. UNAUTHORIZED USAGE

The Ignition Wireless handset is provided exclusively for use by you, the end consumer with the Ignition Wireless Service available solely in the United States, Puerto Rico and the U.S. Virgin Islands. Any other use of your Ignition Wireless handset, including without limitation, any resale, unlocking and/or re-flashing of the handset is unauthorized and constitutes a violation of your agreement with Ignition Wireless. You agree not to unlock, re-flash, tamper with or alter your Ignition Wireless phone or its software, enter unauthorized PIN's, engage in any other unauthorized or illegal use of your Ignition Wireless phone or the Service, or assist others in such acts, or to sell and/or export Ignition Wireless handsets outside of the United States. These acts violate Ignition Wireless' rights and state and federal laws. Improper, illegal or unauthorized use of your Ignition Wireless phone is a violation of this agreement and may result in immediate discontinuance of Services and legal action against you. Ignition Wireless will prosecute violators to the full extent of the law.

9. ROAMING

"Roaming" occurs when a subscriber of one wireless service provider uses the facilities of another wireless service provider. Roaming most often occurs when you make and receive calls outside of the network coverage area of your service provider. When your Ignition Wireless phone is roaming, an indicator light on your handset may display the word "Roam" or "RM" on the screen while the phone is not in use. Your Ignition Wireless phone does not allow roaming. You will not be able to make or receive calls while roaming.

10. FEES AND OTHER CHARGES

The types of fees or charges that you may incur depend on the service plan you are on and the service or feature used. Lifeline plans are free for the allotted number of plan minutes and don't incur fees or charges for use as intended. Although most operator services are blocked on our prepaid plans, you will be responsible for any charges that are incurred from such services. Since all services are prepaid, you will be required to pay in advance of receiving additional services or products such as additional minutes or a replacement handset.

11. LIMITATIONS OF SERVICE AND EQUIPMENT

Ignition Wireless handsets are designed to be activated on our networks and in other coverage areas that we may make available to you. As programmed, it will not accept wireless service from another carrier. Service is subject to transmission limitations caused by certain equipment and compatibility issues, atmospheric, topographical and other conditions, as well as proximity. Service can only be available when in range of a transmission source, which you should be aware of when leaving your home area. Service is dependent on radio towers which require electricity to operate and could become non-functional in the event of a power outage if backup power is not available or runs out. Further, service may be temporarily refused, limited, interrupted or curtailed due to system capacity limitations, technology migration or limitations imposed by the Carrier, or because of equipment modifications, upgrades, repairs or relocations or other similar activities necessary or proper for the operation or improvement of the Carrier's radio telephone system. At any time, Ignition Wireless reserves the right to substitute and/or replace any Ignition COMMUNICATION SE equipment (including handsets) with other Ignition Wireless equipment including handsets of comparable quality. Some functions and features referenced in the Manufacturer's manual for a particular Ignition Wireless handset may not be available on your phone. Ignition Wireless does not warrant or guarantee availability of network or of any Services at any specific time or geographic location or that the Services will be provided without interruption. Neither Ignition Wireless, nor any Carrier, shall have any liability for service failures, outages or limitations of Service. Because of the risk of being struck by lightning, you should not use your Ignition Wireless phone outside during a lightning storm. You should also unplug the Ignition Wireless phone power cord and charger to avoid electrical shock and/or fire during a lightning storm.

12. WARRANTY EXCHANGE AND LOST OR STOLEN PHONE POLICY

Warranty Exchange Policy: Ignition Wireless customers shall have up to 30 days from the activation date of their phone to return any defective phone to Ignition Wireless. Ignition Wireless will exchange a defective phone for a new or refurbished phone, at Ignition Wireless' discretion, during this period of time only. For a defective phone replacement, call Ignition Wireless Customer Care at (800) 818-1597.

Exclusions and Conditions: This limited warranty does not cover damage or failure caused by abuse or misuse of the phone or accessories. Your limited warranty excludes all direct, indirect, incidental and/or consequential damages, unless otherwise provided by law. This limited warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

13. DISCLAIMER OF WARRANTIES

EXCEPT FOR ANY WRITTEN WARRANTY THAT MAY BE PROVIDED WITH A DEVICE YOU RECEIVE FROM US AND THE LIMITED WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS, AND TO THE EXTENT PERMITTED BY LAW, THE SERVICES AND DEVICES ARE PROVIDED ON AN "AS IS" AND "WITH ALL FAULTS" BASIS AND WITHOUT WARRANTIES OF ANY KIND. WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A

PARTICULAR PURPOSE CONCERNING YOUR SERVICE OR YOUR DEVICE. WE CANNOT PROMISE UNINTERRUPTED OR ERROR-FREE SERVICE AND DO NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OUR BEHALF. WE DO NOT GUARANTEE THAT YOUR COMMUNICATIONS WILL BE PRIVATE OR SECURE; IT IS ILLEGAL FOR UNAUTHORIZED PEOPLE TO INTERCEPT YOUR COMMUNICATIONS, BUT SUCH INTERCEPTIONS CAN OCCUR.

14. HEARING, VISUAL OR SPEECH IMPAIRED ACCOMODATIONS

Any hearing, visual or speech impaired persons interested in applying for a specially equipped Ignition Wireless must call Ignition Wireless at (800) 818-1597 and specify the need(s) to an agent and Ignition Wireless will make every effort to assist such customer in obtaining a handset that is in compliance with all applicable laws, rules, and regulations.

15. EMERGENCY CALLS, 911 SERVICE

Ignition Wireless customers have access to 911. Your handset will be able to place calls to 911 even if you have no minutes available. It is advised, by Public Safety Officials, that you should be prepared to provide information about your location when making a 911 or other emergency call. Wireless service, unlike landline phones, uses less reliable methods to place calls and to determine your phone number and location. Network coverage can be adversely affected by weather, structures, buildings, geography, etc. Because of these factors, emergency operators may not be able to determine your location or your phone number, or, you may not be able to complete a call at all. Occasionally, callers may attempt to call 911 in areas where there is no wireless coverage. If there is no wireless coverage, your call to 911 may not go through and you should dial 911 from the nearest landline phone. Enhanced 911 service, also known as E911, relies on GPS technology to obtain location information. This service is dependent on a number of factors such as the abilities of the local emergency authorities, GPS ability of your phone, whether your GPS enabled handset has GPS turned on, and your phones ability to obtain a GPS Satellite signal which can be impaired by being indoors, weather, etc. Even when available, E911 does not always provide accurate location information.

16. LIMITATION OF LIABILITY

Ignition Wireless is not liable to you for any direct or indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether it has been notified such loss may occur) by reason of any act or omission in its provision of equipment and/or Services. Ignition Wireless will not be liable for any act or omission of any other company furnishing a part of our Services or any equipment or for any damages that result from any service or equipment provided by or manufactured by third parties. When your Ignition Wireless phone is returned to Ignition Wireless for any reason, Ignition Wireless is not responsible and shall not be liable to you or anyone else for any personal information such as user names, passwords, contacts, pictures, SMS, MMS and/or additional downloads you may have stored on your phone or which may remain on your phone.

17. WASHINGTON STATE

Washington State law will govern regarding the services provided to Lifeline consumers residing in the Commonwealth.

The binding arbitration provisions will not apply to informal or formal complaints that are submitted to the Bureau of Consumer Services (“BCS”), other than complaints related to rates and entry.

Contact information for BCS for complaints or questions will be included in the Terms and Conditions

18. IDEMNIFICATION

You agree to indemnify and hold harmless Ignition Wireless from any and all liabilities, penalties, claims, causes of action, and demands brought by third parties (including the costs, expenses, and attorneys' fees on account thereof) resulting from your use of an Ignition Wireless phone and/or use of the Ignition Wireless Services, whether based in contract or tort (including strict liability) and regardless of the form of action.

19. BINDING ARBITRATION

This Agreement shall be construed under the laws of Washington State, without regard to its choice of law rules, except for the arbitration provision contained in these Terms and Conditions, which will be governed by the Federal Arbitration Act. This governing law provision applies no matter where You reside, or where You use or pay for the Services.

You maintain your right to file a complaint with the state Public Service Commission regarding the service provided and/or charges imposed by Ignition Wireless. Nothing in this paragraph or this Agreement in any way eliminates or abridges that right.

Unresolved questions of complaints regarding Lifeline services may be directed to the following state agencies: Washington, California and Idaho.

20. PRIVACY POLICY

Ignition Wireless will not share your information with any other Company. Ignition Wireless will take appropriate steps to protect the information you share with us from unauthorized access or disclosure.

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Exhibit D

Key Management Bios



Jeremy J. Sands, Chief Executive Officer

Jeremy Sands is a results-focused marketing and business leader with 17+ years of senior leadership experience including budget management, product development, product marketing and go-to-market strategic planning. Jeremy is a strategic and creative thinker with a passion for efficiency, communications and design.

In 1999, Mr. Sands founded Flat Spin Media, LLC, a media company focusing on creative digital marketing including online advertising, web design, SEM, SEO and shaped CD's. Mr. Sands launched the first shaped CD dispensed from phone card vending machines that provided business travelers with dial-up software and a prepaid allotment of Internet usage. Mr. Sands possesses strong talent and experience in team leadership, production management as well as sales and design. During the early days of digital media and marketing, his expertise allowed him to grasp and expound upon the great potential of online marketing and digital advertising. His diverse background, coupled with his deep domain experience provided a powerful combination in the ultimate success of Flat Spin Media which was acquired in 2002.

In 2003, Mr. Sands co-founded telSPACE, LLC, a MVNE software company. Mr. Sands realized that the wireless resale marketplace was lacking a billing system that was customizable to the needs of individual MVNOs and began putting together an R&D team of industry-leading technologists and executives and began developing technology, which has culminated into the current telSPACE back-office systems; the industry's first turnkey convergent communications wholesale enabling platform, enabling any enterprise in any industry to become a nationwide provider of communications services including Cellular, Internet, Long Distance, Paging, Local, VOIP, M2M and even utilities such as energy. The telSPACE strategy is based on automation and creating efficiencies in areas where technology has not yet caught up to its fullest potential. In 2011 Mr. Sands created a unique code licensing opportunity that allows larger clients to take control of the source code where they host, manage and modify the source as needed to adapt and grow their business. Experience and ambition have allowed Mr. Sands to position telSPACE as a leading billing and rating intermediary for the communications industry.



Jay L. Powers, Chief Financial Officer

Mr. Powers is a 17-year veteran of the emerging technology world. In addition to co—founding and managing the venture capital division of Coldstream Capital Management of Bellevue Washington, he has developed business plans, held board positions, operated as a corporate officer, assisted in merger/acquisitions, and organized capital, human and strategic resources for dozens of companies including: Pantheon; AccountingNet; Netstock Direct; Keystroke Financial Corp; WeSync; Precision Digital Images; Printbid.com; Paradigm Software; Dealernet; MediaZones; Throw; Payroll Online Corp.

Professional Experience;

- After receiving a Business BA degree from Washington State University with a Medical Sciences Minor, and an MBA from the University of Washington, Mr. Powers started his career in 1983 with the consulting division of Arthur Andersen & Company in Seattle, Washington, specializing in health care information systems solutions.
- As an executive/consultant between 1985 and 1994, Mr. Powers facilitated the funding and merger/acquisitions of manufacturing, processing and warehousing companies in the Northwest, and included three years as CEO of a \$7 million international aerospace products manufacturer.
- As Chief Financial Officer for Dealernet, Inc in 1995 he facilitated first-ever strategic acquisition of a commercial web site, by a large public company, Reynolds & Reynolds. Subsequent similar roles with AccountingNet and Keystroke Financial in 1996 and 1997 lead to deals with ADP, Microsoft and Goldman Sachs.
- In 1998 Mr. Powers co-founded the venture capital division of Coldstream Capital Management of Bellevue, Washington and managed it until 2002 when he acquired it as an independent entity: Bear Creek Venture Partners, LLC. In this role until 2008 he structured, executed and managed investments of over \$40 million in 35 Northwest early-stage technology companies and experienced several successful liquidity events including: Activate.net, Printbid.com, WeSync, Northwest Biotherapeutics and ArenaNet.

Exhibit E

Proposed Lifeline Rate Plans

<u>Plan Name</u>	<u>Price</u>	<u>Minutes</u>	<u>Roll-Over</u>	<u>Text/Min.</u>	<u>Features</u>
Lifeline 250	\$0.00	250	No	1 Text= 1 Min	Voicemail Caller ID Call Waiting

Refill:

Cost	Minutes	Expiration	Text/Min.
\$5	50	30 Days	1 Text= 1 Min
\$10	200	30 Days	1 Text= 1 Min
\$20	500	30 Days	1 Text= 1 Min
\$30	800	30 Days	1 Text= 1 Min
\$50	1500	30 Days	1 Text= 1 Min