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

In the Matter of)
)
Federal-State Joint Board on Universal Service) WC Docket No. 09-197
)
SelecTel, Inc. d/b/a SelecTel Wireless)
)
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**

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SUMMARY

SelecTel, Inc. d/b/a SelecTel Wireless (“SelecTel”) 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. SelecTel is a Mobile Virtual Network Operator (“MVNO”) that purchases wireless service on a wholesale basis from Verizon. 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 SelecTel as an ETC in the Non-Jurisdictional States.

SelecTel 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 carrier, SelecTel 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. SelecTel therefore respectfully requests that 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*”).

Commission promptly approve the instant request for limited ETC designation to enable the Company to rapidly provide Lifeline services to qualifying customers in the Non-Jurisdictional States.

Designating SelecTel 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. SelecTel's prepaid service offerings are ideally suited to provide these customers with reliable and cost-effective wireless services. As an ETC, SelecTel will be able to provide discounted and affordable services to these consumers who are among the intended beneficiaries of USF support. SelecTel's designation will specifically serve the public interest because of the aggressive pricing plans that SelecTel will provide (see Attachment A) and because of the Company's unique distribution channels via relationships with small retail stores in low-income neighborhoods that will permit customers to obtain service, phones, and refill minutes without traveling outside their neighborhoods or using a computer.

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

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CAROLINA, NEW YORK, TENNESSEE, TEXAS, THE COMMONWEALTH OF
VIRGINIA, AND THE DISTRICT OF COLUMBIA**

I. INTRODUCTION

SelecTel, Inc. d/b/a SelecTel Wireless (“SelecTel” 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”). SelecTel 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 SelecTel 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, SelecTel satisfies the requirements for designation as an ETC in the Non-Jurisdictional States, including the new 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 SelecTel’s request, therefore, will promote the public interest by providing customers in the Non-Jurisdictional States with low prices and high quality wireless services through innovative distribution channels.

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

SelecTel is a Nevada corporation.⁵ SelecTel will provide prepaid wireless telecommunications services to consumers by using the Verizon Long Distance, LLC (“Verizon”) network on a wholesale basis through a direct contract with Verizon. Verizon is a nationwide carrier that provides wholesale capacity on its wireless network to wireless resellers like SelecTel. Pursuant to a direct contract relationship with Verizon, SelecTel will obtain from Verizon the network infrastructure, including wireless transmission facilities, to allow SelecTel 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 SelecTel will purchase services from Verizon on a wholesale basis for mobile calling and text messaging, package those services into SelecTel’s own service plans and pricing, and bundle those service with SelecTel’s handset selection, mobile applications, marketing materials, web interface, and customer service to produce finished wireless service offerings to sell to end-user customers.

⁵ SelecTel is owned by Compass Atlantic Inc. (66.67%) and Matthew O’Flaherty (33.33%). Compass Atlantic Inc. (“Compass Atlantic”) is a holding company organized under the laws of the state of Delaware. It is a wholly owned subsidiary of Compass Capital Incorporated, which is organized under the laws of the province of Ontario, Canada. SelecTel is the operating company and the Company does not have any other 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.

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 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, SelecTel 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.

SelecTel 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, SelecTel 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. SelecTel does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service. SelecTel allows customers to choose a prepaid plan in which they are charged only for the minutes they use.

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 To increase awareness of the program, the Commission has expanded the qualifying criteria and adopted broader outreach guidelines, requiring carriers to better advertise the availability of Lifeline services. Through these actions, the Commission has sought to increase Lifeline participation because, "[w]hen 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

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.

C. Proposed Lifeline Offering

SelecTel 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 Attachment A is a table of the Company's rate plans, showing that SelecTel will provide customers with access to a variety of rate plans with the same features and functionalities enjoyed by all other SelecTel prepaid customers, but at discounted Lifeline rates. SelecTel's current retail rate plans, to which eligible Lifeline customers will be able to apply their discount (currently \$9.25), are as follows:

300 Minute "Value" Plan: includes 300 voice minutes, 300 text messages, and 15 MB of data. Retails for \$15.00 per month (Lifeline cost \$5.75).

1,300 Minutes "Talk & Text" Plan: includes 1,300 voice minutes, 3,000 text messages, and 500 MB of data. Retails for \$30.00 per month (Lifeline cost \$20.75).

"Unlimited" Talk, Text & 200MB Data Plan: includes unlimited voice minutes, unlimited text messages, and 200 MB of data. Retails for \$40.00 per month (Lifeline cost \$30.75).

Unlimited Talk, Text & 2GB "Data User" Plan: includes unlimited voice minutes, unlimited text messages, and 2 GB of data. Retails for \$55.00 per month (Lifeline cost \$45.75).

Service includes nationwide coverage and access to Voicemail, Caller I.D., Call Waiting, Call Forwarding, and 3-Way Calling features. There is no additional charge for toll calls. Calls to 911 and calls to SelecTel Wireless customer service are free and will not be deducted from available minutes. If a subscriber runs out of minutes, he or she has the option to purchase additional airtime. Replenishment plans are available in \$10 increments and are consumed on a per use basis. The fees for each service are as follows: Voice Minutes are consumed at 5 cents per minute, Text Messages are consumed at 5 cents per message received or sent, and Data is consumed at 5 cents per MB.

Eligible Lifeline customers will receive a free basic handset; however, customers can choose to purchase a new handset from SelecTel Wireless. SelecTel Wireless's pay-in-advance service

model is ideal for customers on a budget because it ensures that they never get a surprise charge at the end of a month. SelecTel Wireless never charges any termination fees and does not require customers to enter any long-term commitment which enables customers to change service providers if they are unsatisfied with service or move outside of SelecTel Wireless's calling area. An additional benefit of SelecTel Wireless's pay-in-advance service model is that there are no credit checks or any additional deposits necessary.

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."¹¹ 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.¹² The Commission also has stated that any carrier seeking 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."¹³

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

¹¹ See 47 U.S.C. § 214(e)(6).

¹² 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).

¹³ 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).

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.

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.

l) 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, SelecTel is "a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of

a State commission.”¹⁴ As such, the Commission is authorized to designate SelecTel as an Eligible Telecommunications Carrier.

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

A. SelecTel Requests ETC Designation in its Existing Service Area

Consistent with prior orders granting other MVNOs ETC status,¹⁵ SelecTel 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.¹⁶ SelecTel 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.

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

Consistent with the scope of forbearance granted by the Commission, SelecTel requests ETC designation in the Non-Jurisdictional States for the sole purpose of participating in the Lifeline program. SelecTel does not seek eligibility to receive support from the 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

¹⁴ 47 U.S.C. § 214(e)(6).

¹⁵ See *TracFone ETC Order* and *Virgin Mobile Order*, *supra* note 6.

¹⁶ See Attachment N for a chart reflecting the service areas of the non-rural and rural telephone companies that SelecTel’s authorized service area covers in the Non-Jurisdictional States.

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, SelecTel'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

SelecTel's request for designation to participate in the Lifeline program is consistent with the Commission's decisions conditionally designating TracFone Wireless and Virgin Mobile as ETCs in several states.¹⁷ In these 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.¹⁸ 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 increased consumer choice, high-quality service offerings and mobile access to emergency services on wireless devices.¹⁹

SelecTel requests that the Commission expeditiously process its pending ETC applications so that it can quickly join TracFone and Virgin Mobile in providing qualifying low-income customers with affordable USF-supported Lifeline wireless services. Designation of prepaid wireless providers such as TracFone, Virgin Mobile, and SelecTel as ETCs is a significant step towards ensuring that all customers, particularly low-income customers, share in

¹⁷ See *supra* note 6.

¹⁸ See *TracFone ETC Order*, 23 FCC Rcd at 6212-13 ¶ 15; *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38.

¹⁹ See *Id.*

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 they can no longer afford them. Designation of ETC status to prepaid wireless carriers like TracFone, Virgin Mobile, and SelecTel 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.”²⁰ 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.²¹

V. SELECTEL 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 forborne from the “own facilities” requirement. Applicants also must commit to advertise the availability

²⁰ See *Lifeline and Link Up Reform Order* at ¶ 12.

²¹ 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 Surveys*, (April 2008), available at http://newmillenniumresearch.org/archive/Sullivan_Report_032608.pdf.

and rates of such services.²² As detailed below, SelecTel satisfies each of the above-listed requirements.

A. SelecTel is a Common Carrier

CMRS resellers like SelecTel are common carriers.²³

B. SelecTel 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 SelecTel. In the *Lifeline and Link Up Reform 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:²⁴

(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

²² See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

²³ *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).

²⁴ See *Lifeline and Link Up Reform Order* at ¶¶ 368, 373 and 379.

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.

SelecTel will avail itself of the FCC's grant of blanket forbearance.²⁵ In accordance with the *Lifeline and Link Up Reform Order*, SelecTel filed its Compliance Plan with the FCC on August 13, 2015. A copy of its Compliance Plan is attached to this Petition as Attachment O. SelecTel commits to providing Lifeline service in the Non-Jurisdictional States in accordance with the Compliance Plan.²⁶

C. SelecTel Offers All of the Required Services and Functionalities

Through its wholesale arrangements with Verizon, SelecTel is able to provide all of the services and functionalities supported by the universal service program under Section 54.101 of the Commission's rules in the Non-Jurisdictional States. SelecTel will make these services and functionalities available to qualifying consumers with service addresses in the states of 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

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

²⁵ 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.

²⁶ 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.

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.²⁷ SelecTel offers a variety of rate plans that include minutes of use for, among other things, local service.

3. Access to Emergency Services

SelecTel 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, SelecTel 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.

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.²⁸ “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.”²⁹ Nonetheless, SelecTel’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. SelecTel’s service, moreover, is not offered on a distance-sensitive basis and local and domestic long distance minutes are treated the same. SelecTel will not seek reimbursement for toll limitation service.

²⁷ See e.g., *In the Matter of Federal-State Joint Board on Universal Service*, Recommended Decision 15 FCC Rcd 7331 (2002).

²⁸ See *Lifeline and Link Up Reform Order* at ¶ 367.

²⁹ See *Lifeline and Link Up Reform Order* at ¶ 49.

D. Advertising of Supported Services

SelecTel 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,³⁰ and in accordance with the requirements set forth in the *Lifeline and Link Up Reform Order*.³¹ 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 print, 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, SelecTel may supplement these methods of communication to specifically advertise and promote the availability of its Lifeline offerings to qualifying customers throughout the Non-Jurisdictional States. SelecTel may engage in outreach efforts 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, SelecTel will provide retail vendors with signage to be displayed where SelecTel products are sold, and with printed materials describing SelecTel's Lifeline program. Given the relationship that exists between SelecTel, low-income consumers, and retail outlets that are often visited by low-income consumers, SelecTel expects to be able to inform consumers of the availability of Lifeline service in a manner that will result in significantly higher participation in the Lifeline program by qualified consumers than has been the case in the past.

³⁰ See 47 C.F.R. § 54.201.

³¹ See *Lifeline and Link Up Reform Order* at Section VII.F.

E. Service Commitment Throughout the Proposed Designated Service Area

SelecTel will provide service in the Non-Jurisdictional States by reselling service, which it obtains from its underlying facilities-based provider, Verizon. The underlying provider's network is operational and largely built out. Thus, SelecTel 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. SelecTel commits to comply with the service requirements applicable to the support that it receives.³²

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.³³

G. Ability to Remain Functional in Emergency Situations

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

³² See *Lifeline and Link Up Reform Order* at page 208, revised § 54.202(a)(1)(i).

³³ See *Lifeline and Link Up Reform Order* at ¶ 386.

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.³⁴ The Company commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. Specifically, SelecTel commits to comply with the Cellular Telecommunications and Internet Association’s (CTIA) Consumer Code for Wireless Service.

I. SelecTel is Financially and Technically Capable

SelecTel is financially and technically capable of providing Lifeline-supported services.³⁵ SelecTel has been in business for 5 years and provides wireline and wireless service to non-Lifeline customers nationwide. SelecTel has not been subject to enforcement action or ETC revocation proceedings in any state to date. SelecTel is financially able to provide Lifeline-supported services, and the Company does not—and does not intend to—rely exclusively on universal service support 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 SelecTel has great depth in the telecommunications industry and offers extensive telecommunications, business, technical, and managerial expertise

³⁴ See 47 C.F.R. § 54.202(a)(3).

³⁵ See *Lifeline and Link Up Reform Order* at ¶ 387.

to the Company.³⁶ SelecTel will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

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

A. Consumer Eligibility and Enrollment

SelecTel 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*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, SelecTel will rely on the state identification or database.³⁷ In instances where SelecTel 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

SelecTel 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.”³⁸ Upon receiving an application for Lifeline support, SelecTel 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. SelecTel 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 SelecTel determines that an individual at the

³⁶ See Attachment O, Exhibit D for key management resumes.

³⁷ See *Lifeline and Link Up Reform Order* at ¶ 98.

³⁸ See *Lifeline and Link Up Reform Order* at ¶ 74.

applicant's address is currently receiving Lifeline-supported service, SelecTel 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, SelecTel 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).³⁹ SelecTel 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,⁴⁰ SelecTel 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).⁴¹ SelecTel will inquire on its certification forms whether or not the applicant's address is a temporary one.⁴² If and when the 90-day verification rules become effective, SelecTel will notify the consumer that if they have a temporary address, the Company will contact the consumer every 90 days, by phone or

³⁹ See *Lifeline and Link Up Reform Order* at ¶ 78.

⁴⁰ See Attachment O, Exhibit A. The draft form remains subject to change, but substantially reflects the content of the Company's application.

⁴¹ See *Lifeline and Link Up Reform Order* at ¶ 85.

⁴² See *Lifeline and Link Up Reform Order* at ¶ 89.

text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of SelecTel's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.⁴³ Also on its certification forms, SelecTel will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.⁴⁴ If the subscriber has moved, SelecTel will update the NLAD, once in place, with the information within 10 business days of receipt of the information.⁴⁵

As detailed below, SelecTel'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 (877-218-5744) and to the Company website (www.selectelwireless.com), which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. SelecTel's application form will identify that it is a "Lifeline" application. SelecTel will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, who interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services.

SelecTel's initial and annual certification forms will conform to the list of requirements provided in the *Lifeline and Link Up Reform Order*, Appendix C and C.F.R. § 54.410(d), as

⁴³ *See id.* As of the date of filing of this Petition, this requirement has not been approved pursuant to the Paperwork Reduction Act.

⁴⁴ *See Lifeline and Link Up Reform Order* at ¶ 85.

⁴⁵ *See id.*

amended.⁴⁶ 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.

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

⁴⁶ See *Lifeline and Link Up Reform Order* at pp. 227-29.

- (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 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 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 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, which meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.⁴⁷

Enrollment in person. The Company will primarily enroll Lifeline applicants in person at

⁴⁷ See *Lifeline and Link Up Reform Order* at ¶ 168.

community events. When a prospective customer 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 SelecTel or any other ETC. If a prospective 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. SelecTel’s Lifeline application also 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). Eligibility documents are returned to the customer after review.

Finally, SelecTel personnel will verbally review all certifications and disclosures with the applicant before they sign the application form, making sure the 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 their phone in person. In instances where eligibility databases cannot be accessed in real-time, SelecTel will mail the phone to eligible customers once verification of eligibility is complete. The customer’s account is then activated upon the customer’s personal initiation or actual use of the phone. Customers will be instructed to call the Company in order to activate their account; this activation call will capture via IVR the customer’s name and last four digits of SSN in order to verify that the person activating the phone is

the intended recipient.

SelecTel 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 a customer indicates on his or her 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. If no eligibility database is available, Company personnel will advise the applicant that he or she is 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 an 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 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 ID). SelecTel will destroy copies of proof documentation and 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. Customers will be instructed to call the Company in order to activate their account; this activation call will capture via IVR the customer's name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

Enrollment online. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. SelecTel will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.⁴⁸ 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

⁴⁸ See *Order* at ¶ 123.

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). SelecTel will destroy copies of proof documentation and 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. Customers will be instructed to call the Company in order to activate their account; this activation call will capture via IVR the customer’s name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

General Enrollment Procedures. SelecTel 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, SelecTel will check the eligibility of low-income consumers, first, by accessing state or federal social services electronic eligibility databases, where available.⁴⁹ If a database is used to establish eligibility, SelecTel will not require documentation of the consumer’s participation in a qualifying federal program; instead, SelecTel 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.⁵⁰

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 SelecTel to check electronic databases for eligibility, SelecTel will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is

⁴⁹ See *Lifeline and Link Up Reform Order* at ¶ 97.

⁵⁰ See *Lifeline and Link Up Reform Order* at ¶ 98.

available.⁵¹ SelecTel will require acceptable documentation both for income eligibility and for program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility.⁵² SelecTel understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases SelecTel remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.⁵³

SelecTel 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 will discuss the Company's Lifeline application form (see Attachment O, Exhibit A) on a section-by-section basis. The training explains 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 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

⁵¹ See *Lifeline and Link Up Reform Order* at ¶ 99.

⁵² See *Lifeline and Link Up Reform Order* at ¶ 101. Company will retain copies of proof documentation in the event that FCC rules are revised to allow for or require retention.

⁵³ See *Lifeline and Link Up Reform Order* at ¶ 110.

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

SelecTel 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 SelecTel 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. SelecTel 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 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 30 days. SelecTel 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, SelecTel (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, SelecTel will contact the

⁵⁴ See *Lifeline and Link Up Reform Order* at ¶ 130.

⁵⁵ See *id.*

⁵⁶ See *Lifeline and Link Up Reform Order* at ¶ 132.

subscriber every year during the annual certification process to obtain a valid address.⁵⁷ SelecTel understands that it has the option to elect USAC to administer the self-certification process on the Company's behalf.⁵⁸

SelecTel 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 SelecTel'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.⁵⁹

B. Other Reforms to Eliminate Waste, Fraud and Abuse

SelecTel 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.

SelecTel has implemented enrollment procedures designed to prevent subsidies for duplicate, ineligible, or inactive subscribers. The Company contracts with a third party Lifeline service bureau, currently CGM, LLC of Roswell, Georgia, to edit all subsidy request data. CGM

⁵⁷ See *Lifeline and Link Up Reform Order* at ¶ 131.

⁵⁸ See *Lifeline and Link Up Reform Order* at ¶ 133.

⁵⁹ See *Lifeline and Link Up Reform Order* at ¶ 126-27.

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, SelecTel 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, SelecTel validates each applicant's identity via a government issued I.D. card, passport, etc. Additionally, as mentioned above, SelecTel 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. SelecTel validates the applicant's address via a USPS/Melissa Database to ensure the address is correct. SelecTel also verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, SelecTel 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 process prevents ineligible applicants or duplicate subscribers from receiving the subsidy.

1. National Lifeline Accountability Database

SelecTel will participate in the NLAD. As required by the *Lifeline and Link Up Reform Order*, SelecTel will provide to the NLAD a subscriber's name, address, phone number, the last four digits of a subscriber's Social Security number, his or her date of birth, Lifeline service

initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.⁶⁰ SelecTel 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, SelecTel 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 than one Lifeline benefit.⁶²

2. Subscriber Usage

SelecTel 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, SelecTel will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.⁶³ SelecTel will notify its subscribers at service initiation, via the certification form and via script that is reviewed with every customer, about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.⁶⁴ An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from

⁶⁰ See *Lifeline and Link Up Reform Order* at ¶ 189.

⁶¹ See *Lifeline and Link Up Reform Order* at ¶ 203.

⁶² See *Lifeline and Link Up Reform Order* Appendix C.

⁶³ See *Lifeline and Link Up Reform Order* at ¶ 257.

⁶⁴ See *id.*

the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.⁶⁵ SelecTel utilizes tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.⁶⁶ After notification, if such a customer fails to use the phone, the device is automatically de-enrolled pursuant to the procedures outlined in section VI.C below. SelecTel 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.⁶⁷

3. Marketing & Outreach

SelecTel 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. SelecTel will explain in clear, easily understood language substantially the following disclosures in all marketing materials related to the supported service:⁶⁸ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll

⁶⁵ See *Lifeline and Link Up Reform Order* at ¶ 261.

⁶⁶ CGM, LLC, is currently the Company's third party contractor.

⁶⁷ See *Lifeline and Link Up Reform Order* at ¶ 262. 911 transmission will actually be performed by the Company's underlying facilities-based CMRS provider.

⁶⁸ 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
(continued on next page)

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. Selectel's website (www.selectelwireless.com) and printed collateral will also explain the documentation necessary for enrollment, and the details of Selectel'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.⁶⁹ 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, Selectel will include the URL link for its website where disclosures will be listed. Additionally, Selectel will disclose the company name under which it does business.⁷⁰

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 accounting standards to assess the ETC's overall compliance with the program's requirements.⁷¹ Selectel will comply with this requirement, including applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal

describe the Lifeline-supported service offering, including application and certification forms. See *Lifeline and Link Up Reform Order* at ¶ 275.

⁶⁹ See *Lifeline and Link Up Reform Order* at ¶ 275.

⁷⁰ See *id.*

⁷¹ See *Lifeline and Link Up Reform Order* at ¶ 291.

governments within 30 days upon issuance.⁷²

C. De-Enrollment

If at any time a SelecTel Lifeline customer wishes to de-enroll from the Company's Lifeline program, Company customer service representatives will handle such elective de-enrollment requests. SelecTel Lifeline customers simply call the Company's customer service team by dialing 611 or the toll-free customer service number, and they can speak to a live operator to de-enroll from SelecTel's Lifeline program. SelecTel 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).⁷³ If a customer does not respond to the Company's annual verification survey within 30 days, or if SelecTel 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), SelecTel will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.⁷⁴ Similarly, SelecTel will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a

⁷² See *Lifeline and Link Up Reform Order* at ¶ 294.

⁷³ See *Lifeline and Link Up Reform Order* at ¶ 122.

⁷⁴ See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

temporary address within 30 days.⁷⁵

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁷⁶ SelectTel 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. SelectTel will de-enroll any subscriber that has not used the Company's Lifeline service for 60 consecutive days, as discussed in section VI.B.2 above. SelectTel will provide the subscriber 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. SelectTel 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.⁷⁷

D. Additional Rule Amendments

1. Terms and Conditions of Service

SelectTel's Lifeline terms and conditions of service for both retail plans generally available to the public and Lifeline rate plans are provided in Attachment N as Exhibit C. These terms and conditions are subject to change as needed, and the most current version may be found at www.selectelwireless.com.

⁷⁵ See *Lifeline and Link Up Reform Order* at ¶ 89.

⁷⁶ See *Lifeline and Link Up Reform Order* at ¶ 214-16.

⁷⁷ See *Lifeline and Link Up Reform Order* at ¶ 257.

2. Reporting Requirements

SelecTel 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.⁷⁸

3. Reimbursement from USAC

In seeking reimbursement for Lifeline, SelecTel will comply with the requirements of 47 C.F.R. § 54.407, as revised by the *Lifeline and Link Up Reform Order*.⁷⁹ SelecTel will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,⁸⁰ and the Company will seek reimbursement for actual lines served, not projected lines.⁸¹

VII. DESIGNATION OF SELECTEL 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

⁷⁸ See *Lifeline and Link Up Reform 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.

⁷⁹ See *id* page 221.

⁸⁰ See *id* at ¶ 128.

⁸¹ See *id* at ¶ 302.

consumers and encourage the rapid deployment of new telecommunications technologies” to all citizens, regardless of geographic location or income.⁸² Designation of SelecTel 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.⁸³ Designating SelecTel 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.⁸⁴

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 context and SelecTel’s affordable offerings, designating SelecTel 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 will also undoubtedly increase opportunities for the Company to serve these customers with appealing and affordable service offerings.

⁸² Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

⁸³ See *supra* note 21.

⁸⁴ 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).

A. Advantages of SelecTel'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. SelecTel's Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers. SelecTel's Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers at reduced 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 discounted Lifeline rates and without the burden of credit checks, contracts, or activation fees.

Most importantly, SelecTel'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 SelecTel 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 SelecTel 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 SelecTel to provide all of the public benefits cited by the Commission in its analysis in the *TracFone* and *Virgin Mobile Orders*. Namely, SelecTel would provide “increased consumer choice, high-quality service offerings, and mobility,”⁸⁵ as well as the safety and security of effective 911 and E911 services.⁸⁶

B. The Benefits of Competitive Choice

For more than three decades, the FCC has acknowledged the benefits provided to consumers of being able to choose from among a variety of telecommunications service providers.⁸⁷ Designation of SelecTel as an ETC will further 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 SelecTel as an ETC will help assure that quality services are available at “just, reasonable, and affordable rates” as envisioned in the Act.⁸⁸ Designation of SelecTel 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-income consumers share in the many benefits associated with access to wireless services.

C. Impact on the Universal Service Fund

SelecTel will only increase the amount of USF Lifeline funding in situations where it

⁸⁵ See *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38; *TracFone ETC Order*, 23 FCC Rcd at 6212 ¶ 15.

⁸⁶ See *Virgin Mobile Order*, 24 FCC Rcd at 3391 ¶ 23.

⁸⁷ See, e.g., *Specialized Common Carrier Services*, 29 FCC Rcd 870 (1971).

⁸⁸ See 47 U.S.C. § 254(b)(1).

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*, SelecTel 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. SelecTel'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."⁸⁹

VIII. ANTI-DRUG ABUSE CERTIFICATION

SelecTel 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.

⁸⁹ 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. CONCLUSION

As discussed above, designation of SelecTel 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, SelecTel respectfully requests that the Commission designate SelecTel as an ETC in the Non-Jurisdictional States.

Respectfully submitted,

/s Lance 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 SelecTel, Inc. d/b/a SelecTel
Wireless*

August 13, 2015

Attachment A

Proposed Lifeline Rates

Plan Name	Plan Includes	Regular Plan Charge	Federal Lifeline Discount	Lifeline Plan Charge
(“Value”) 300 Minute Plan	300 voice minutes 300 text messages 15MB Data	\$15.00	- \$9.25	\$5.75
(“Talk & Text”) 1300 Minute Plan	1300 voice minutes 3000 text messages 500MB Data	\$30.00	- \$9.25	\$20.75
(“Unlimited”) Unlimited Talk, Text & 200MB Data	Unlimited voice minutes Unlimited text messages 200MB Data	\$40.00	- \$9.25	\$30.75
(“Data User”) Unlimited Talk, Text & 2GB Data	Unlimited voice minutes Unlimited text messages 2GB Data	\$55.00	- \$9.25	\$45.75

Included in All Plans

- Free handset
- Free calls to 911 emergency services
- Free calls to Customer Service
- Free domestic long distance
- Nationwide coverage
- Access to Call Forwarding, Caller ID, Call Waiting, 3-way Calling and Voicemail features

Additional Minutes

Available in \$10 increments

- \$0.05 per minute or text
- \$0.05 per MB data

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:

Christy 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.dcpssc.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



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,

Handwritten signature of S. Curtis Kiser in black ink.

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(23j), 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

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

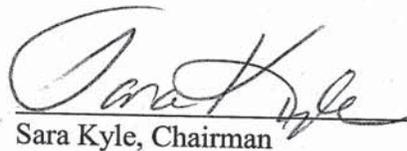
In the case of a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission, the Commission shall upon request designate such a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier 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

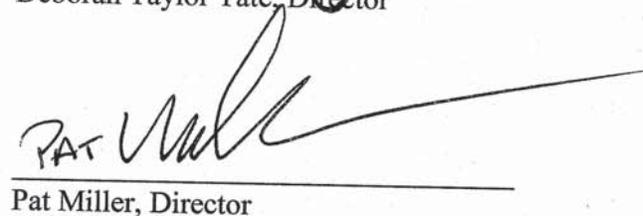
The panel noted that the FCC is the appropriate forum for Advantage to pursue ETC status pursuant to 47 U.S.C. § 214(e)(6). This Order shall serve as the above mentioned affirmative statement required by the FCC.

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;

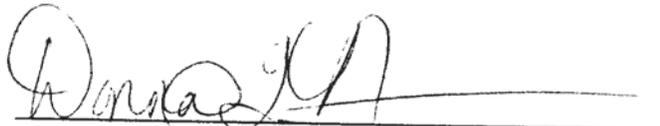
- (E) each support category complies with subparagraphs (A) and (B) of this paragraph;
 - (F) monthly payments of FUSF support shall be based upon the annual amount of FUSF support divided by 12 months if the rural ILEC's study area does not contain a competitive carrier designated as an ETC; and
 - (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.

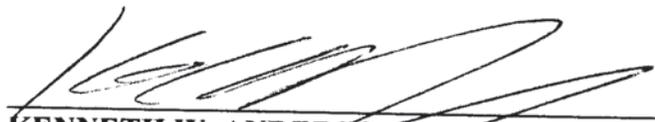
This agency hereby certifies that the adoption has been reviewed by legal counsel and found to be a valid exercise of the agency's legal authority. It is therefore ordered by the Public Utility Commission of Texas that §26.418 relating to Designation of Common Carriers as Eligible Telecommunications 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

SelecTel, Inc. d/b/a SelecTel Wireless' Compliance Plan

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August 13, 2015

VIA OVERNIGHT DELIVERY AND ECFS

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

Re: SelecTel, Inc. d/b/a SelecTel Wireless
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 SelecTel, Inc. d/b/a SelecTel Wireless' ("SelecTel") Compliance Plan (WC Docket Nos. 09-197 and 11-42).

Please be advised that Exhibit D Financial Statements are CONFIDENTIAL AND PROPRIETARY. The confidential material is clearly marked and is being filed in a separate envelope. The marked information is sensitive company information not available to the public.

Confidential treatment is requested for the financial data provided in Exhibit D, pursuant to Section 0.459 of the Commission's rules.¹ As required by Section 0.459(b) of the Commission's rules, SelecTel provides the following information regarding its request for confidential treatment:

1. Confidential treatment is requested for SelecTel's financial information.
2. Financial information is contained in Exhibit D of the enclosed Compliance Plan.
3. The information regarding SelecTel's financials is sensitive and is privileged. The information is not generally publicly available.
4. The wireless telecommunications industry is highly competitive.² There is competition in the provision of wireless Lifeline service from standard wireless ETCs and the special Lifeline ETCs that have already been designated.
5. The release of this information will cause substantial competitive harm to SelecTel. Disclosure

¹ 47 C.F.R. § 0.459.

² See generally *Thirteenth Annual CMRS Competition Report*, 24 FCC Rcd 6185 (2009).

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would give competitors access to privileged information that may affect the actions of those competitors. Competitors could utilize such information to extrapolate sensitive data regarding SelecTel's financial position.

6. SelecTel considers this information to be proprietary and confidential and does not distribute such information to any party outside of the company, with the exception of outside counsel.
7. This information is not available to the public and has not been disclosed to any other third party, with the exception of outside counsel.
8. The information should not be released for public inspection, as it contains proprietary company information that is competitively and financially sensitive. At some point, however, this information will become stale. At minimum, the information should be protected for not less than three years.

For the foregoing reasons, SelecTel respectfully requests that the Commission provide confidential treatment for the identified information.

I have enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self-addressed, postage prepaid envelope. 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 Steinhart

Lance J.M. Steinhart, Esq.

Managing Attorney

Lance J.M. Steinhart, P.C.

Attorneys for SelecTel, Inc. d/b/a SelecTel Wireless

Enclosures

cc: Matt O'Flaherty

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

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

SELECTEL, INC. D/B/A SELECTEL WIRELESS' COMPLIANCE PLAN

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August 13, 2015

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

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

SELECTEL, INC. D/B/A SELECTEL WIRELESS' COMPLIANCE PLAN

I. INTRODUCTION

SelecTel, Inc. d/b/a SelecTel Wireless (“SelecTel” 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 forbore from that requirement for carriers that are, or seek to become, Lifeline-only ETCs.¹ SelecTel 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 economic environment that is forcing many low-income customers to forego wireless service, SelecTel 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. SELECTEL WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER

SelecTel 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

In the *Order*, the Commission requires SelecTel 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 SelecTel 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 SelecTel 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 SelecTel providing only E911-compliant handsets to its Lifeline customers.⁶ SelecTel will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing SelecTel 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

SelecTel 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, SelecTel will rely on the state identification or database.⁷ In instances where SelecTel 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

SelecTel 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, SelecTel will check the National Lifeline Accountability Database (“NLAD”), once in place, to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. SelecTel 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 SelecTel determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, SelecTel 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, SelecTel 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

⁷ See *Order* at ¶ 98.

⁸ See *Order* at ¶ 74.

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).⁹ SelecTel 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 SelecTel 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 SelecTel 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, SelecTel will notify the consumer that if they have a temporary address, the Company will contact the consumer every 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 30 days of SelecTel's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.¹³ Also on its certification forms, SelecTel will explain that if the subscriber moves, they must provide their new address to the Company within 30 days

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 *Order* at ¶ 85.

¹² See *Order* 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.

of moving.¹⁴ If the subscriber has moved, SelecTel will update the NLAD, once in place, with the information within 10 business days of receipt of the information.¹⁵

As detailed below, SelecTel'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. SelecTel's application form will identify that it is a "Lifeline" application. SelecTel 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.

SelecTel'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. SelecTel'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,

¹⁴ See *Order* at ¶ 85.

¹⁵ See *id.*

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.

SelecTel 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 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 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 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 primarily enroll Lifeline applicants in person at Company events (i.e. mobile tent events) and retail locations (i.e. grocery stores, independent dealer stores). When a prospective customer applies in person, Company employees, agents or representatives ("personnel") will assist the customer in filling out an electronic application form on a Company computer or tablet, will ask to see a government issued ID, and will validate the address via a USPS/Melissa Database and simultaneously input the name/address combination into the NLAD to confirm that the applicant is not already receiving a Lifeline subsidy from SelecTel 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. SelecTel's Lifeline application contains an "Office Use Only" section, which must be completely filled out and signed by

¹⁶ See *Order* at ¶ 168.

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 ID). Eligibility documents are returned to the customer after review. Finally, SelecTel personnel will verbally review all certifications and disclosures with the applicant before they sign the application form, making sure the 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 their phone in person. In instances where eligibility databases cannot be accessed in real-time, SelecTel will mail the phone to eligible customers once verification of eligibility is complete. The customer's account is then activated upon the customer's personal initiation or actual use of the phone. Customers will be instructed to call the Company in order to activate their account; this activation call will capture via IVR the customer's name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

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 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). SelecTel will destroy copies of proof documentation and 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. Customers will be instructed to call the Company in order to activate their account; this activation call will capture via IVR the customer’s name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

Enrollment online. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. SelecTel will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.¹⁷ 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

¹⁷ See *Order* at ¶ 123.

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). SelecTel will destroy copies of proof documentation and 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. Customers will be instructed to call the Company in order to activate their account; this activation call will capture via IVR the customer’s name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

General Enrollment Procedures. SelecTel 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, SelecTel will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available.¹⁸ If a database is used to establish eligibility, SelecTel will not require documentation of the consumer’s participation in a qualifying federal program; instead, SelecTel or its representative will note in its records what specific data was relied upon to confirm the consumer’s initial eligibility for Lifeline.¹⁹ However, in states where there is no state administrator, the state commission or other state agency is not making

¹⁸ See Order at ¶ 97.

¹⁹ See Order at ¶ 98.

eligibility determinations, and there is no automated means for SelecTel to check electronic databases for eligibility, SelecTel will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.²⁰ SelecTel will require acceptable documentation both for income eligibility and for program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility.²¹ SelecTel understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases SelecTel remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.²²

SelecTel 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,

²⁰ See Order at ¶ 99.

²¹ See Order at ¶ 101.

²² See Order at ¶ 110.

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

SelecTel 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 the Company may elect to perform this re-certification on a rolling basis throughout the year.²³ SelecTel 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.²⁴ 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. SelecTel 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 30 days. SelecTel 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.²⁵

Alternatively, where a database containing consumer eligibility data is available, SelecTel (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

²³ See *Order* at ¶ 130.

²⁴ See *id.*

²⁵ See *Order* at ¶ 132.

subscriber's address cannot be verified through the state data, SelecTel will contact the subscriber every year during the annual certification process to obtain a valid address.²⁶ SelecTel understands that it has the option to elect USAC to administer the self-certification process on the Company's behalf.²⁷

SelecTel 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 SelecTel'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.²⁸

D. Other Reforms to Eliminate Waste, Fraud and Abuse

SelecTel 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.

SelecTel has implemented enrollment procedures designed to prevent subsidies for

²⁶ See Order at ¶ 131.

²⁷ See Order at ¶ 133.

²⁸ See Order at ¶ 126-27.

duplicate, ineligible, or inactive subscribers. The Company contracts with a third party Lifeline service bureau, currently CGM, LLC 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, SelecTel 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 III.C.2, SelecTel first validates each applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, SelecTel 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. SelecTel validates the applicant's address via a USPS/Melissa Database to ensure the address is correct. Once the applicant's identity is confirmed, SelecTel verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, SelecTel checks any available eligibility database. If one 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

SelecTel will participate in the NLAD. SelecTel 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.²⁹ As required by the *Order*, SelecTel 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.³⁰

Furthermore, on its certification form, SelecTel 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 than one Lifeline benefit.³¹

2. Subscriber Usage

SelecTel 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, SelecTel will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.³² SelecTel will notify its subscribers at service initiation, via the certification form and via script that is reviewed with every customer, about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.³³ An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call;

²⁹ See *Order* at ¶ 203.

³⁰ See *Order* at ¶ 189.

³¹ See *Order*, Appendix C.

³² See *Order* at ¶ 257.

³³ See *id.*

answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.³⁴ SelecTel utilizes tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.³⁵ After notification, if the customer fails to use the phone, it is automatically de-enrolled pursuant to the procedures outlined in section E below. SelecTel 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.³⁶

3. Marketing & Outreach

SelecTel 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. SelecTel will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:³⁷ (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

³⁴ See *Order* at ¶ 261.

³⁵ CGM, LLC is currently the Company's third party contractor.

³⁶ See *Order* at ¶ 262. 911 transmission will actually be performed by the Company's underlying facilities-based CMRS provider.

³⁷ 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.

service; and (4) Lifeline is a government benefit program. SelecTel's website and printed collateral will explain the documentation necessary for enrollment, and the details of SelecTel'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.³⁸ 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, SelecTel will include the URL link for its website where disclosures will be listed. Additionally, SelecTel will disclose the company name under which it does business.³⁹

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.⁴⁰ SelecTel 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 30 days upon issuance.⁴¹

E. De-Enrollment

If at any time a SelecTel Lifeline customer wishes to de-enroll from the Company's Lifeline program, Company customer service representatives will handle such elective de-

³⁸ See *Order* at ¶ 275.

³⁹ See *id.*

⁴⁰ See *Order* at ¶ 291.

⁴¹ See *Order* at ¶ 294.

enrollment requests. SelectTel Lifeline customers simply call the Company, via 611 or the toll-free customer service number, and they can speak to a live operator to de-enroll from SelectTel's Lifeline program. SelectTel 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).⁴²

If a customer does not respond to the Company's annual verification survey within 30 days, or if SelectTel 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), SelectTel will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.⁴³ Similarly, SelectTel will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.⁴⁴

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁴⁵ SelectTel will de-enroll a subscriber within 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.

⁴² See Order at ¶ 122.

⁴³ See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

⁴⁴ See Order at ¶ 89.

⁴⁵ See Order at ¶ 214-16.

Non-Usage. SelecTel will de-enroll any subscriber that has not used the Company's Lifeline service for 60 consecutive days, as discussed in section IV.B above. SelecTel will provide the subscriber 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. SelecTel 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.⁴⁶

F. Additional Rule Amendments

1. Terms and Conditions of Service

SelecTel has attached as Exhibit C its Lifeline terms and conditions of service. The Company's Lifeline offering is summarized in section IV.C below. These terms and conditions are subject to change as needed, and the most current version may be found on the Company's website, www.selectelwireless.com.

2. Reporting Requirements

SelecTel 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,

⁴⁶ See Order at ¶ 257.

including minutes of use and/or toll calls.⁴⁷

3. Reimbursement from USAC

In seeking reimbursement for Lifeline, SelecTel will comply with the requirements of C.F.R § 54.407, as revised by the *Order*.⁴⁸ SelecTel will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,⁴⁹ and the Company will seek reimbursement for actual lines served, not projected lines.⁵⁰

4. Section 54.202 Certifications

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

IV. COMPANY INFORMATION

SelecTel is a Nevada corporation. SelecTel will provide prepaid wireless telecommunications services to consumers by using the network of its underlying carrier(s), currently Verizon Long Distance, LLC (“Verizon”) through a direct contract with Verizon. Verizon is a nationwide carrier that provides wholesale capacity on its wireless network to resellers like SelecTel. SelecTel has a direct contract relationship with Verizon. The Company will obtain from Verizon the network infrastructure and transmission facilities to allow SelecTel to operate as a Mobile Virtual Network Operator (“MVNO”).

⁴⁷ 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.

⁴⁸ See *Order* page 221.

⁴⁹ See *Order* at ¶ 128.

⁵⁰ See *Order* at ¶ 302.

A. Operations

SelecTel is owned by Compass Atlantic Inc. (66.67%) and Matthew O'Flaherty (33.33%). Compass Atlantic Inc. ("Compass Atlantic") is a holding company organized under the laws of the state of Delaware. It is a wholly owned subsidiary of Compass Capital Incorporated, which is organized under the laws of the province of Ontario, Canada. SelecTel is the operating company and the Company does not have any other affiliates. The Company utilizes third party vendors/contractors for enrollment, distribution, customer service, billing, and regulatory compliance services.

B. Financial and Technical Capability

SelecTel is financially and technically capable of providing Lifeline-supported services.⁵¹ SelecTel has been in business for 5 years and provides wireline and wireless service to non-Lifeline customers nationwide. SelecTel has not been subject to enforcement action or ETC revocation proceedings in any state. SelecTel 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 SelecTel has great depth in the telecommunications industry and offers extensive telecommunications, business, technical, and managerial expertise to the Company.⁵² SelecTel provides resold wireless service, and therefore also relies upon the managerial and technical expertise of its underlying carrier.

⁵¹ See *Order* at ¶ 387. See CONFIDENTIAL Exhibit D for financial statements.

⁵² See Exhibit E for key management bios.

C. Customer Service

SelecTel is dedicated to quality customer service and care. Lifeline customers can reach the Company's Customer Service department via phone, mail, or online. SelecTel's Customer Service department is available via phone by dialing 402-727-1399 or toll free 877-218-5744, via mail at 1825 N Bell St, Fremont, NE 68025, or via SelecTel's website www.selectelwireless.com. 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

SelecTel 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 Verizon.⁵³ As summarized in Exhibit F attached hereto, the Company's Lifeline offering will provide customers with access to a variety of rate plans with the same features and functionalities enjoyed by all other SelecTel prepaid customers, but at discounted Lifeline rates. SelecTel's current retail rate plans, to which eligible Lifeline customers will be able to apply their discount (currently \$9.25), are as follows:

300 Minute "Value" Plan: includes 300 voice minutes, 300 text messages, and 15 MB of data. Retail for \$15.00 per month (Lifeline cost \$5.75)

1,300 Minutes "Talk & Text" Plan: includes 1,300 voice minutes, 3,000 text messages, and 500 MB of data. Retail for \$30.00 per month (Lifeline cost \$20.75)

"Unlimited" Talk, Text & 200MB Data Plan: includes unlimited voice minutes, unlimited text messages, and 200 MB of data. Retail for \$40.00 per month (Lifeline cost \$30.75)

Unlimited Talk, Text & 2GB "Data User" Plan: includes unlimited voice minutes, unlimited text messages, and 2 GB of data. Retail for \$55.00 per month (Lifeline cost \$45.75)

Service includes nationwide coverage and access to Voicemail, Caller ID, Call Waiting, Call

⁵³ 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.

Forwarding, and 3-Way Calling features. There is no additional charge for toll calls. Calls to 911 and calls to SelecTel Wireless customer service are free and will not be deducted from available minutes. If a subscriber runs out of minutes, he or she has the option to purchase additional airtime. Replenishment plans are available in \$10 increments and are consumed on a per use basis. The fees for each service are as follows: Voice Minutes are consumed at 5 cents per minute, Text Messages are consumed at 5 cents per message received or sent, and Data is consumed at 5 cents per MB.

Eligible Lifeline customers will receive a free basic handset; however, customers can choose to purchase a new handset from SelecTel Wireless. SelecTel Wireless's pay-in-advance service model is ideal for customers on a budget because it ensures that they never get a surprise charge at the end of a month. SelecTel Wireless never charges any termination fees and does not require customers to enter any long-term commitment which enables customers to change service providers if they are unsatisfied with service or move outside of SelecTel Wireless's calling area. An additional benefit of SelecTel Wireless's pay-in-advance service model is that there are no credit checks or any additional deposits necessary.

V. **CONCLUSION**

SelecTel 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, SelecTel 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,

SelecTel, Inc. d/b/a SelecTel Wireless

/s/ Lance J.M. Steinhart

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Its Counsel

Dated August 13, 2015

EXHIBIT A

Sample Lifeline Certification Form

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 other than administration of the Lifeline program. This service is provided by SelecTel, Inc. doing business as SelecTel Wireless. 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): _____ 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 P.O. Box)

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

Eligibility Information:

_____ 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

Certifications:

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. SelecTel Wireless 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 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 SelecTel Wireless to confirm that I want to continue receiving their service.
- (8) I will notify SelecTel Wireless 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 I or my household:
 - (1) cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
 - (2) am receiving more than one Lifeline supported service;
 - (3) no longer satisfy the criteria for receiving Lifeline support.
- (9) I will notify SelecTel Wireless 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 SelecTel Wireless every ninety (90) days. If I fail to respond to SelecTel Wireless' address verification attempts within thirty (30) days, my Lifeline service may be terminated.
- (10) SelecTel Wireless 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 SelecTel Wireless Lifeline service.
- (11) I authorize and understand that SelecTel Wireless 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 certify that I reside on Federally Recognized Tribal lands (if applicable)
- (15) I authorize Selectel Wireless or its duly appointed representative to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program; and I authorize any social service agency representatives to discuss with and/or provide information to Selectel Wireless verifying my participation in benefit programs that qualify me for Lifeline assistance. I understand that completion of this form does not constitute immediate approval for Lifeline.



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
- Bureau of Indian Affairs General Assistance (BIA)
- Tribally Administered TANF (TATNF)
- Head Start (meeting income qualifying standards)

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
-----------------------	--------------------------

2. Rate Plan Selection (select only one plan – customer is responsible for adding value to account for plans with a charge):

- "Value" - 300 Minute, 300 Text, 15MB data (\$5.75)
- "Talk & Text" - 1300 Minute, 3000 Text, 500MB data (\$20.75)
- "Unlimited" – unlimited voice and text with 200 MB data (\$30.75)
- "Data User" – unlimited voice and text with 2 GB data (\$45.75)

For questions please call 1-877-218-5744

EXHIBIT B

Sample Advertisement



Selectel Wireless

Wireless Fit For You

Now offering Lifeline cell service in your area!

You may qualify for Selectel's Lifeline* Service if you participate in programs such as Federal Public Housing Assistance or Medicaid

250 FREE MINUTES
every month

No contracts.
No Credit Checks.



*See www.selectelwireless.com/lifeline for details. Lifeline is a government benefit program. Only eligible consumers may enroll. Proof of eligibility is required. Lifeline Service is available for only one phone line per household, consisting of either wireline or wireless service. A household cannot receive benefits from multiple providers. Lifeline service is non-transferable.

For more information, call

1-877-218-5744

Or visit us online

www.selectelwireless.com/lifeline

EXHIBIT C

Lifeline Terms and Conditions

SelecTel Wireless Terms and Conditions

[\(http://www.selectelwireless.com/terms/\)](http://www.selectelwireless.com/terms/)

The Service Agreement

Your Service Agreement (the “Agreement”) with Selectel Wireless (“Selectel”) includes the terms of your Selectel Service Plan or other information on Services we provide or refer you to during the sales transaction as well as any confirmation materials we may provide you, Selectel’s Terms of Service (“ToS”), Selectel’s Acceptable Use Policy (“AUP”) and Selectel’s most recent General Terms and Conditions of Service (“T’s & C’s”). This Agreement governs all Services provided by Selectel, including Lifeline supported Service, unless stated otherwise in the Agreement. It is important that you carefully read all of the terms of the Agreement.

When You Accept The Agreement

By enrolling in or subscribing to service with Selectel, you agree to be bound by the Agreement. If you are an existing customer, your continued use, payment for, enrollment in or subscription to our service represents your acceptance of the terms and conditions of the Agreement. If you agree to maintain service for a minimum Term, the Term begins when you accept the Agreement. You must have the legal capacity to accept the Agreement. You accept the Agreement when you do any of the following: (a) accept the Agreement through any printed, oral or electronic statement; (b) attempt to or in any way use the Services; (c) pay for the Services; or (d) open any package or start any program that says you are accepting the Agreement when doing so.

Terms of Service

Following are the Terms of Service (“ToS”) with Selectel for the purchase and or use of wireless telephone service (the “Service(s)”) pursuant to the Service Plan you selected. The Service Plan, as described in the ToS below, is hereby made an integral part of the ToS, which, along with Selectel’s AUP and T’s & C’s comprise the entire Agreement between you and Selectel.

Service Plans

The Service Plan consists of a detailed description of the Service provided to you and the fees associated with that Service. Only the terms of the specific Service Plan you selected will apply to your Agreement. All Service Plans include the following features:

Local Calls

Nationwide Domestic Long Distance

Caller ID

Call Waiting

Call Forwarding

3-Way Calling

Voice Mail (airtime charges apply from your cell phone)

Nationwide Domestic Text Messaging – The rate to receive or send a text message to another phone is 1 minute per 3 text messages sent or received and applies when text messaging is not an included component of a Service Plan or when all text messages included in a Service Plan have been used.

Roaming at no additional charge, subject to the terms of the Agreement

411 Directory Assistance – Plan minutes are decremented for 411 calling.

911 and enhanced emergency 911 (“E-911”) service where available – Plan minutes are not decremented for 911 and E-911 services and this service remains available even when all plan minutes have been used.

611 access to Customer Service where available. 611 access and Customer Service calls are free and do not decrement Plan minutes.

211 Service related to the National 2-1-1 initiative which provides access to free and confidential information and referrals for help with food, housing, employment, health care, counseling and more, to customers dialing “211”. Plan minutes are not decremented for 211 calling.

Selectel offers the following Service Plans:

Base Monthly Plans: Term and Pricing – For the purposes referenced herein, a month is defined as a 30 day period, beginning on the first day of activation of service and ending at midnight on the monthly service renewal date. Base Monthly Plans include voice, text messaging, and data and may require the purchase of a Selectel Wireless mobile Device and a one-time activation fee unless a promotional offer or other qualifying plan terms apply. Selectel Base Monthly Plans are as follows:

\$15/mo includes 300 voice, 300 text, and 15mb of data

\$30/mo includes 1300 voice, 3000 text, and 500mb of data

\$40/mo includes unlimited talk, unlimited text, and 200mb of data

\$55/mo includes unlimited talk, unlimited text, and 2gb of data

Replenishment Plans: Replenishment plans are available in \$10 increments and are consumed on a per use basis. The fees for each service are as follows:

Voice Minutes are consumed at 5 cents per minute

Text Messages are consumed at 5 cents per message received or sent

Data is consumed at 5 cents per mb

Special Replenishment Plans may be available in certain states for certain qualifying consumers. Please check Selectel's website at www.Selectelwireless.com or contact Selectel Customer Service at 1-877-218-5744 for information on the availability of special Replenishment Plans in your area.

Lifeline Plans*: Term and Pricing – Selectel's Lifeline Plans include a free mobile Device and a preset amount of free and/or discounted minutes monthly. The amount of free and/or discounted minutes available varies by state, so please see our website (www.Selectelwireless.com) for state specific information on Lifeline Plans. For the purposes referenced herein, a month is defined as a 30 day period, beginning on the first day of activation of service and ending at midnight on the monthly service renewal date. Text messaging is not included with Lifeline service, however it is available, and plan minutes are typically decremented at 1 minute for every 1 text message, either sent or received. This rate may vary by state, so please see Selectel's website (www.Selectelwireless.com) for state specific information on text message rates in your area. Data services are not included and are not available with Lifeline service. Unless state specific rules apply, all unused Lifeline minutes will expire at the end of each month, defined as the monthly renewal date, upon reload of your free and/or discounted monthly Lifeline minutes. Replenishment Plans are available to be purchased in conjunction with Lifeline service. These Replenishment Plans may include text and/or data. Replenishment minutes expire independently from your monthly Lifeline minutes.

* Lifeline Plans are only available to consumers who qualify for Lifeline supported service. Eligibility for Lifeline service may vary by state. Please see our website (www.Selectelwireless.com) for state specific information on qualification for Lifeline service. In most states you may be eligible if you already participate in one or more of the following government aid programs:

Low-Income Home Energy Assistance Program (LIHEAP)

Federal Public Housing Assistance (Section 8)

Medicaid

Food Stamps

Supplemental Security Income (SSI)

Temporary Assistance for Needy Families (TANF)

National School Lunch free lunch program

Rules Related to Lifeline Supported Service: Lifeline is a government assistance program and only eligible consumers may enroll in the program. Lifeline service is a non-transferrable service and therefore may not be transferred to any other individual, including another eligible low-income consumer. Lifeline benefits are federal benefits and consumers that make false statements in order

to obtain the Lifeline benefit can be punished by fine or imprisonment, de-enrollment or can be barred from the program. Only one Lifeline service is available per household. 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. A household may not receive multiple Lifeline benefits from multiple providers. A violation of the one-per-household requirement constitutes a violation of the Federal Communication Commission's rules and will result in de-enrollment from the program, and could result in criminal prosecution by the United States government. The Lifeline benefit may be applied to either one landline or one wireless number, but cannot be applied to both. Note that not all Lifeline services are currently marketed under the name Lifeline. All Lifeline subscribers must complete their own Application for service. Lifeline service requests will not be processed until an Application has been received and validated by Selectel. Applicants must personally activate Selectel's Lifeline service by calling 1-866-959-4918 and selecting Option 2 for activations.

Initial Certification and Annual Re-Certification Requirements of Lifeline Supported

Service: Evidence of Lifeline program eligibility is required with your initial application for Lifeline supported Service. Where such eligibility cannot be validated through a state and/or federal database or other alternative means, it may be validated in person by a Selectel Agent by providing a copy of your state issued ID card and a copy of the program identification card or other social service agency documentation showing current participation.

The rules and regulations governing a consumer's participation in the Lifeline program also require re-certification of your continued eligibility for the program on at least an annual basis. Such re-certification may be conducted independently by Selectel without notice to you by validating your continued eligibility through a state and/or federal database, by verifying your participation in a qualifying subsidy program directly with a state and/or federal program administrator or other alternative means. Your authorization for Selectel to access information regarding your ongoing eligibility and/or to verify your ongoing eligibility with a program administrator is included in your initial application for Lifeline Service. Where ongoing eligibility cannot be determined through the means described above, Selectel is required to validate your continued eligibility by contacting you so that you may self-certify your continued eligibility directly. Such contact can be facilitated in person, in writing, by phone, via text message, via e-mail or otherwise through the internet. Failure to re-certify as required will result in the termination of your Lifeline benefits. Further, you are subject to the same penalties for providing false or fraudulent information at the time of recertification as are applicable to the initial application.

In addition to the annual re-certification requirement, in circumstances where your address cannot be verified through state and or federal databases, Selectel is required to contact you on an annual basis to either verify or obtain a valid address related to your Lifeline supported Service. Selectel will conduct this address validation contemporaneously with its annual re-certification process, but may,

and in circumstances wherein a temporary address is provided at the time of initial application will, validate your address more frequently.

Finally, you are required to certify in your initial application for Lifeline supported Service, and at least once annually thereafter as part of the re-certification process, that you understand and agree to the rules related to Lifeline supported Service participation and eligibility, including but not limited to the following:

1. That you have read and understand the Lifeline Application, and swear and affirm that the information contained in the Application is true and correct, to the best of your knowledge and belief. Further, that you understand that you must meet certain eligibility qualifications receive Lifeline supported service, and that you understand that providing false or fraudulent information to receive Lifeline benefits is punishable by law.
2. That you meet the income-based eligibility criteria for Lifeline supported service or that you are a current recipient of the program you designated as your qualification for eligibility and that you will notify Selectel within thirty (30) business days (1) if you are no longer participating in the designated program(s); (2) if your household is receiving more than one Lifeline supported service; or (3) if for any other reason your household no longer satisfies the criteria for receiving Lifeline support. You will need to provide documentation of eligibility if required.
3. That the residence address you provided is your primary and permanent residence, and not a second home or business. Further, that you understand that if you move from the address included on your Lifeline Application that you are required to notify Selectel of your new address within 30 days.
4. If you provided a temporary residential address to Selectel, that you will verify your temporary residential address every 90 days.
5. That you understand the notification requirements described above with respect to both program eligibility and current address information, and that you further understand that you or your household may be subject to penalties if these requirements are not followed.
6. That you understand that you may be required to re-certify the continued eligibility of your household for participation in the Lifeline program at any time, but will be required to provide such recertification on at least an annual basis. Further, that you understand that failure to re-certify as required will result in the termination of your Lifeline benefits and that you may be subject to the same penalties for providing false or fraudulent information at the time of recertification as are applicable to the initial application.
7. That you authorize Selectel to access any records required to verify your statements on the Lifeline Application form and to confirm your eligibility for Selectel Lifeline Service. That you give permission to the duly authorized official(s) administering the designated program to provide to

Selectel your participation status in such program. That you give this permission on the condition that the information in the Lifeline Application and any information about your participation in the designated program provided by officials be maintained by Selectel as confidential customer account information.

8. That you authorize Selectel to release any records required for the administration of the Selectel Lifeline program (including your name, telephone number and address), including to the Universal Service Administrative Company, to be used in a Lifeline database and to ensure the proper administration of the Lifeline Program. Failure to consent will result in denial of service.

9. That your household will receive only one Lifeline benefit and, to the best of your knowledge, your household is not currently receiving a Lifeline-supported service from any other provider.

10. That you are entitled to complete the Lifeline Application, and are not listed as a dependent on another person's tax return (unless over the age of 60).

Usage Requirements Related to Lifeline Supported Service: In order for your Selectel Lifeline account to remain active, we require that you use your Selectel Lifeline supported wireless Service at least once per month. You can use the service by completing an outbound call, purchasing minutes from Selectel to add to your plan, answering an incoming call from someone other than Selectel or responding to a direct contact from Selectel confirming that you want to continue receiving the service. Selectel monitors subscribers for non-usage and after 30 days of non-use, Selectel's usage team identifies accounts that have not been used for 30 days and sends a text message to such customers asking the customers to respond to the text message or call Selectel's customer service number within 30 days to keep the account active. After 45 days of non-usage (15 days from the initial text notification), Selectel's internal outreach team attempts to contact those customers to inquire about their intentions to retain the service. In addition to the above, and upon completion of the 30 day grace period and a cumulative 60 days of non-use, Selectel will provide written notice to you stating that non-use of your Lifeline service for 60 days and failure to respond to Selectel's outreach efforts and/or provide an affirmative acknowledgement directly to Selectel that you wish to retain your Lifeline service within 30-days from the date of the initial text notification has resulted in de-enrollment from the Lifeline program and deactivation of your Lifeline supported Service. During the entire 60 day period, your Selectel Lifeline service remains active and is not suspended. In the event your Lifeline supported Service is deactivated for non-usage as described above, access to 911 emergency services remains intact as required by the FCC's existing public safety rules and guidelines.

Termination of Service(s): You may terminate any line of Service, including Lifeline Service, by calling us. We reserve the right to cancel offers early or extend offers without notice. Certain offers may not be available everywhere or be combinable with other promotions/options. Coverage is not available everywhere and varies by service – see mapping brochures or visit www.Selectelwireless.com for coverage details. Fees paid for Services and/or Devices are

inclusive of most government taxes and fees, and Selectel Surcharges [incl. USF charge (varies quarterly), cost recovery and administrative fees, & state/local fees by area], with the exception of local sales tax which is applied to the purchase of replenishment plans or other Services or Devices that are purchased at retail locations or on our website. Selectel Surcharges are not taxes or government required charges and are subject to change. A phone activation fee may apply to new activations. A reconnect fee may apply to reestablish service on accounts that have been deactivated. All Selectel services will only work with Selectel approved phones – not all services are available with all phones or on all networks. Service charges are not refunded or prorated if service is terminated or modified. All phone usage, including incoming/outgoing calls, incurs airtime charges unless specified otherwise. On calls that cross time periods, minutes are generally deducted or charged based on the call start time. Unused plan minutes do not carry forward and expire at midnight of the monthly service renewal date as determined by your activation date, unless special plan terms apply. Partial minutes of use are rounded up to the next whole minute.

Nature of Services:

The Services are provided via Service Plans under which you do not pay metered “per minute” charges for service. In an effort to offer Service on a reliable basis at a reasonable cost, Selectel may discontinue providing Service to you, change the services provided to you, change your Service Plan, reduce the speed of any service provided, cap or restrict the amount of use of any service, or discontinue or limit connections to providers, features, or types of services entirely, in part or in certain areas. For example, Selectel Mobile may limit, alter, or discontinue your Service pursuant to roaming arrangements, at certain times, or at certain speeds that, in the sole judgment of Selectel, appear likely to generate abnormally high call volumes, abnormally long average call lengths, calls with abnormally high costs, abnormally high use, or other disproportionate use when compared to those of other customers of Selectel (as described below under “Your Use Of The Service”). The Service discontinuance, alterations and/or limitations described above also apply to your use of or access to numbers or types of services or which may be harmful, disruptive, or interfere with Selectel’s system or services to other customers. You acknowledge and agree that the web and data Rate Plans provided by Selectel are designed to be, and shall only be used, predominately for HTML/WAP (HyperText Markup Language / Wireless Application Protocol) web browsing and multimedia streaming services provided by Selectel, its affiliates, authorized suppliers and licensors, and not for off-portal multimedia streaming services. While Selectel may, at its sole discretion provide notice to you of our intent to take any such action, you acknowledge and agree that, with the exception of the discontinuance or termination of Service, Selectel may take any of the foregoing actions without providing notice to you. By initiating service and placing calls or using any other service on the Selectel network, you acknowledge and agree to Selectel’s ability to modify or terminate your Service under these circumstances.

Your Use Of The Service:

You agree to use the Service in accordance with this Agreement and to comply with all applicable laws. YOU AGREE TO INDEMNIFY, DEFEND, AND HOLD HARMLESS Selectel FROM, ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH, YOUR ACTS OR OMISSIONS, INCLUDING, BUT NOT LIMITED TO, ANY VIOLATION BY YOU OF THE TERMS AND CONDITIONS OF THIS AGREEMENT, OR OF ANY APPLICABLE STATUTES, ORDINANCES, LAWS OR REGULATIONS OF ANY LOCAL, STATE, OR FEDERAL AUTHORITY, YOUR USE OF THE SERVICE AND ANY INFORMATION YOU SUBMIT, POST, TRANSMIT OR MAKE AVAILABLE VIA THE SERVICE, FAILING TO PROVIDE APPROPRIATE NOTICES REGARDING LOCATION-SENSITIVE SERVICES, FAILURE TO SAFEGUARD YOUR PASSWORDS, BACKUP SECURITY QUESTION TO YOUR PASSWORD OR ANY OTHER ACCOUNT INFORMATION, OR THE RIGHTS OF ANY THIRD PARTY. Selectel may deny a request for Service from you for any lawful reason. Selectel also reserves the right to cease serving you if you are not acting in accordance with the terms of this Agreement, to disconnect calls that are not in accordance with the terms and conditions of this Agreement, and to cease providing service to telephone numbers or categories of services that are inconsistent with the terms and conditions of this Agreement and the Nature of the Service.

Selectel reserves the right to manage our network and the traffic on our network in the way we believe best benefits our customers and best enables us to maintain Service of the nature described in this Agreement. We have determined that our ability to provide Service to our customers is disrupted when you place an abnormally high number of calls, repeatedly place calls which result in abnormally long call lengths, repeatedly place calls with abnormally high costs, high or disproportionate use, or otherwise use our Services or network in excess of our expectations or the normal amount of use by our customers. Thus, we reserve the right to discontinue Service to customers, to discontinue or block Service to certain categories of services, to terminate calls or Services as described below, or to restrict, reduce or limit the amount of usage, which our experience indicates result in disruptive usage patterns of this nature. For example, Selectel Service is not intended for use (i) by persons engaged in the provision of telemarketing services, commercial research or commercial data collection, (ii) by persons seeking a dedicated private line or access line to the internet, or other continuous uses that create the functional equivalent of a dedicated telephone line, (iii) by persons seeking to maintain open lines of communication for extended periods of time (for example, baby monitoring or other monitoring services), (iv) by persons seeking to establish an access point for intra-company private branch exchange services, (v) by persons seeking to provide a commercial or private dispatch service, (vi) by persons seeking to access multi-party Chat Line Services or to call telephone numbers that generate Chat Line Traffic (as defined herein), (vii) for persons seeking to use the service for commercial purposes, or (viii) for persons who do not reside in and have the predominant amount of usage on our networks. For the purposes of this Agreement, "Chat Line Traffic" means traffic which originates or terminates to or from, relates to, arises out of, is in connection with, or pertains to, a multiple voice bridging service, company, or

provider (or telephone numbers associated therewith) in which two or more incoming callers may be connected with each other simultaneously. Chat Line Traffic does not include traffic originating or terminating to or from traditional business dial-in conference calling in which a designated group of callers dial in to a known dial-up conference number at a pre-arranged time for a specific business purpose. For the purpose of this Agreement, "Chat Line Service" means a service which generates Chat Line Traffic.

Some elements of multimedia messages may not be accessible, viewable, or heard due to limitations on certain wireless phones, PCs, or e-mail. We reserve the right to change the multimedia message size limit at any time without notification.

Text message notifications may be sent to non-multimedia messaging subscribers if they subscribe to text messaging. You may receive unsolicited messages from third parties as a result of visiting Internet sites, and a per-message charge may apply whether the message is read or unread, solicited or unsolicited.

Selectel also reserves the right to block, or otherwise prevent access to third party services or other premium services, features or content that would generate additional fees or charges billed to Selectel, either directly or via your account, as a result of your use of or access to the service, feature or content. Further, Selectel reserves the right to block, or otherwise prevent access to features, services, countries, carriers, destinations, and/or content that Selectel determines, in its sole discretion, are inconsistent with the nature of Service provided by Selectel, are indicative of uses not permitted hereunder, or result in abnormally long calls, abnormally high costs, or abnormally high usage. We also may block calls to telephone numbers at the request of the called party. In addition, if any call duration exceeds a length of time that is determined by Selectel to be excessive from time to time, Selectel may, in its sole discretion, terminate or restrict any such call.

In addition, the Service may be used only for your own voice communications and may not be used to transmit data, or for any other one-way transmission application other than data Services expressly offered to you by Selectel. You may not resell the Service or use the Service to provide commercial service to others. You also may not use the Service in a manner that is intended to cause or results in interference to, or causes problems with, the operation of Selectel's wireless system or other communications systems.

You can't use our Services: (a) in a way that could cause damage or adversely affect any of our other customers or our reputation, network, property or Services; or (b) in any way prohibited by the terms of our Services or the Agreement. We can take any action to: (1) protect our network, our rights and interests, or the rights of others; (2) optimize or improve the overall use of our network and Services; or (3) prevent usage that is indicative of uses not permitted hereunder. Some of these actions may interrupt or prevent legitimate communications and usage, such as message filtering/blocking software to prevent spam, viruses, or autodialed calls or SMS messages, limiting throughput, limiting access to certain websites, applications or other data content, capping or

restricting use, or prohibitions on unintended uses (for example, use as a dedicated line, or use as a monitoring service), etc. We may use filters to block spam messages, but we do not guarantee that you will not receive spam or other unsolicited messages, and you agree that we are not liable for such messages. You agree that a violation of this section harms Selectel, which cannot be fully redressed by money damages, and that we shall be entitled to immediate injunctive relief in addition to all other remedies available without the requirement to post a bond.

You agree you will not use our messaging services to send messages that contain advertising or a commercial solicitation to any person or entity without their consent. You will have the burden of proving consent with clear and convincing evidence if a person or entity complains you did not obtain their consent. Consent cannot be evidenced by third party lists you purchased or obtained. You further agree you will not use our messaging service to send messages that: (a) are bulk messages (b) are automatically generated; (c) can disrupt our network; (d) harass or threaten another person (e) interfere with another customer's use or enjoyment of our Services; (f) generate significant or serious customer complaints, (g) that falsify or mask the sender/originator of the message; or (h) violate any law or regulation. We reserve the right, but are not obligated, to deny, disconnect, suspend, modify and/or terminate your messaging service or messaging services with any associated account(s), or to deny, disconnect, suspend, modify and/or terminate the account(s), without notice, as to anyone using messaging services in any manner that is prohibited. Our failure to take any action in the event of a violation shall not be construed as a waiver of the right to enforce such terms, conditions, or policies. Advertising and commercial solicitations do not include messaging that: (i) facilitates, completes, or confirms a commercial transaction where the recipient of such message has previously agreed to enter into with the sender of such message; or (j) provides account information, service or product information, warranty information, product recall information, or safety or security information with respect to a commercial product or service used or purchased by the recipient of such message.

Although it is illegal for unauthorized people to intercept wireless device calls intended for others, Selectel cannot guarantee the complete privacy of your calls. Wireless calls by nature may be intercepted by third parties. Selectel SHALL NOT BE LIABLE TO YOU OR TO ANY THIRD PARTY FOR ANY INTERCEPTION BY THIRD PARTIES OF COMMUNICATIONS FROM ITS SYSTEM. Additionally, Selectel does not encrypt your calls.

Always use your wireless device in a safe manner that does not create a risk to your safety or the safety of others around you. It can be dangerous, and in some jurisdictions illegal, for you to use a wireless device or our Service while driving. It is your responsibility to comply with laws that apply to you when you are driving.

Prohibited Network Uses. To ensure the activities of some users do not impair the ability of our customers to have access to reliable services provided at reasonable costs, you may not use our services in a manner that is unlawful, infringes on intellectual property rights, or harms or unduly

interferes with the use of Selectel's network or systems. Selectel reserves the right, without notice or limitation, to limit data throughput speeds or quantities or to deny, terminate, end, modify, disconnect, or suspend service if an individual engages in any of the prohibited voice uses detailed above or if Selectel, in its sole discretion, determines action is necessary to protect its wireless networks from harm or degradation.

Unlimited Use Plans. If you subscribe to a Service Plan, Services or features that are described as unlimited, you should be aware that such "unlimited" plans are subject to these Prohibited Network Uses, and to the limitations described in Nature of Services and Your Use of the Service.

Please refer to Selectel's AUP for additional information on prohibited use

Messaging (text, picture and video): Messaging rates are subject to change. Standard message rates are charged when a message is sent or received, whether read or unread, viewed or unviewed, solicited or unsolicited. Unused plan messages do not carry forward. Certain messages, including those to 3rd parties to participate in a promotion or other program, may require an alternate method of payment and are unable to be billed through the Service. There is no guarantee that messages will be received, and Selectel is not responsible for lost or misdirected messages. Most text messages are limited to 160 characters.

Off-network Roaming: The primary use of your Device must be for domestic purposes within the Selectel network. Domestic means use in the 50 United States and U.S. Territories (except Guam). Roaming may not be available to customers who reside or whose primary use is outside an area covered by the Selectel Network. Data services and certain calling features (Voicemail, Caller ID, Call Waiting, etc.) may not be available in all roaming areas. Selectel reserves the right to deny, terminate, modify, disconnect or suspend service if the majority of minutes or kilobytes are used for roaming.

International Roaming: International calling and roaming, including in Canada, Mexico, and Guam are not included in Selectel Service Plans. International calling and roaming usage will require an alternate payment method. Data services and certain calling features (Voicemail, Caller ID, Call Waiting, etc.) may not be available in all roaming areas. Selectel reserves the right to deny, terminate, modify, disconnect or suspend service if the majority of minutes or kilobytes are used for international roaming.

International Long Distance and Messaging: Access to international service is authorized on the Selectel network only through an international operator service. In order to make international long-distance calls, including to Mexico and Guam, and in certain cases to send international text, an alternate payment method is required. Selectel reserves the right to deny, terminate, modify, disconnect or suspend service if international calling and/or text messaging is used without utilizing a third party international operator service and alternate payment method.

Domestic (U.S.): Includes the 50 United States, Washington D.C., Puerto Rico, and the Virgin Islands.

Acceptable Use Policy

The following terms apply to your use of and access to any Selectel together with its subsidiaries, affiliates, agents, and licensors (collectively “Selectel”) owned or operated website (“Website”), as well as any electronic transmission sent, received, posted, accessed, or stored via any network (“Network”).

COVERAGE OF THIS POLICY

In addition to other agreements between you and Selectel, these terms explain the policies that govern your access to and use of our Website and Network. By accessing or using our Website or Network, you agree to these terms (collectively the “AUP”), as Selectel may modify it from time to time. Modifications to this AUP are effective upon its posting on our Website. If you do not agree to accept and comply with the AUP, then do not access or use our Website or Network.

ILLEGAL OR HARMFUL USE

You may access and use our Website and Network only for lawful purposes. You are responsible for any transmission you send, receive, post, access, or store via our Network, including the content of any communication. Transmitting, distributing, or storing any material that violates any applicable law is prohibited. Additionally, the following non-exhaustive list details the kinds of illegal or harmful conduct that is prohibited:

Infringement: Infringement of intellectual property rights or other proprietary rights including, without limitation, material protected by copyright, trademark, patent, trade secret, or other intellectual property right. Infringement may result from the unauthorized copying, distribution, and/or posting of pictures, logos, software, articles, musical works, and videos.

Offensive Materials: Disseminating or posting material that is unlawful, libelous, defamatory, obscene, indecent, lewd, harassing, threatening, harmful, invasive of privacy or publicity rights, abusive, inflammatory, or otherwise objectionable. Without limiting the foregoing, you may not access or use our Website or Network in any manner for the transmission or dissemination of images containing child pornography.

Excessive Utilization of Network Resources: Consuming a disproportionate amount of available Network resources resulting in the potential to disrupt or degrade the Network or Network usage by others. The determination of what constitutes excessive use depends on the specific state of the Network at any given time. Excessive use is determined by resource consumption relative to that of a typical individual user of the Network and not by the use of any particular application.

Traffic Pumping/Access Stimulation: Using the Network to dial telephone numbers associated with free conference calls, free chat lines, or similar services that are used for traffic pumping/access stimulation. Traffic pumping/access stimulation, for this purpose, is defined as any and all activities that are designed to generate traffic to increase the intercarrier compensation billed to Selectel.

Export Violations: Violations of export laws, regulations, and rules, including, without limitation, violations of the Export Administration Act and the Export Administration Regulations administered by the Department of Commerce.

Fraudulent Conduct: (1) Conducting fraudulent business operations and practices; (2) offering or disseminating fraudulent goods, services, schemes, or promotions (e.g., make-money-fast schemes, chain letters, and pyramid schemes); and (3) individual or business representation as an authorized 3rd party affiliation or agent for a business entity (e.g., Sprint) without the business' prior consent.

Falsification/Impersonation: Using the Network to impersonate any person or entity; falsely state or otherwise misrepresent your affiliation with any person or entity; or create a false identity for the purpose of misleading others. Without limiting the foregoing, you may not use invalid or forged headers, invalid or non-existent domain names, or other means of deceptive addressing.

Failure to Abide by Third-Party Network or Website Policies: Violating the rules, regulations, or policies that apply to any third-party network, server, computer database, or website that you access.

Harmful Content: Disseminating or posting content that is harmful to the Network or other users of the Network including, without limitation, viruses, Trojan horses, worms, time bombs, zombies, cancelbots, or any other computer programming routines that may damage, interfere with, secretly intercept or seize any system, program, data, or personal information.

ELECTRONIC COMMUNICATIONS

You may not distribute, publish, or send through our Network: (1) any spam, including any unsolicited advertisements, solicitations, commercial e-mail messages, informational announcements, or promotional messages of any kind; (2) chain mail; (3) numerous copies of the same or substantially similar messages; (4) empty messages; (5) messages that contain no substantive content; (6) very large messages or files that disrupt a server, account, newsgroup, or chat service; or (7) any message that is categorized as "phishing."

Likewise, you may not: (1) participate in spidering, harvesting, or any other unauthorized collection of e-mail addresses, screen names, or other identifiers of others or participate in using software (including "spyware") designed to facilitate such activity; (2) collect responses from unsolicited messages; or (3) use any of our mail servers or another site's mail server to relay mail without the express permission of the account holder or the site.

NETWORK SECURITY AND INTEGRITY

You may not violate the security of our Network in any way. Such violations may result in criminal or civil liability. Selectel may, but is not obligated to, investigate any violation of our Network. Selectel may cooperate with law enforcement where criminal or unauthorized activity is suspected. By using Selectel products and Services or sending, receiving, posting, accessing, or storing any electronic transmission via our Network, you agree to cooperate in any such investigation. Examples of Network security violations include, without limitation:

Hacking: Unauthorized access to or use of data, systems, or networks, including any attempt to probe, scan or test the vulnerability of a system or network or to breach security or authentication measures without the express prior authorization of the owner of the system or network.

Interception: Unauthorized monitoring of data or traffic on any network or system without the express prior authorization of the owner of the system or network.

Intentional Interference: Interference with service to any user, host, or network including, without limitation, denial-of-service attacks, mail bombing, news bombing, other flooding techniques, deliberate attempts to overload a system, and broadcast attacks.

Falsification of Origin or Routing Information: Using, selling, or distributing in conjunction with the Network, any computer program designed to conceal the source or routing information of electronic mail messages in a manner that falsifies an Internet domain, header information, date or time stamp, originating e-mail address, or other identifier.

Avoiding System Restrictions: Using manual or electronic means to avoid any limitations established by Selectel or attempting to gain unauthorized access to, alter, or destroy any information that relates to any Selectel customer or other end-user. Selectel may, but is not obligated to, take any action it deems necessary to (1) protect its Network, its rights, or the rights of its customers or third parties, or (2) optimize or improve its Network, services, systems, and equipment. You acknowledge that such action may include, without limitation, employing methods, technologies, or procedures to filter or block messages sent through the Network. Selectel may, in its sole discretion and at any time, filter “spam” or prevent “hacking,” “viruses,” or other potential harms without regard to any preference you may have communicated to us.

INVESTIGATION AND ENFORCEMENT OF THE POLICY

We have the right, but are not obligated, to strictly enforce this AUP through self-help, active investigation, litigation, and prosecution.

Selectel reserves the right to act immediately and without notice to restrict, suspend, or terminate your use of the Network if it reasonably determines that your conduct may: (1) expose Selectel to sanctions, prosecution, civil action, or other liability; (2) cause harm to or interfere with the integrity or normal operations of Selectel’s Network or networks with which Selectel is interconnected; (3)

interfere with another Selectel customer's use of the Network; (4) violate any applicable law, rule, or regulation; or (5) otherwise present an imminent risk of harm to Selectel or its customers.

Selectel has the right, but not the obligation, to monitor or restrict any uses of the Network that Selectel reasonably believes in its sole discretion violate this AUP. You are solely responsible for all content that you transmit or receive utilizing the Network, and you are responsible for abuse of your account by others.

We may also access and disclose any information (including transactional information) related to your access and use of our Network for any lawful reason, including but not limited to: (1) responding to emergencies; (2) complying with the law (e.g., a lawful subpoena); (3) protecting our rights or property and those of our customers; or (4) protecting users of those services and other carriers from fraudulent, abusive, or unlawful use of or subscription to such services. **INDIRECT OR ATTEMPTED BREACHES OF THIS POLICY AND ACTUAL OR ATTEMPTED BREACHES BY A THIRD PARTY ON BEHALF OF A COMPANY, CUSTOMER, OR USER MAY BE CONSIDERED BREACHES OF THIS POLICY BY SUCH COMPANY, CUSTOMER, OR USER.**

MISCELLANEOUS

Any failure to insist upon or enforce performance of any provision in this AUP will not be construed as a waiver of any provision or right. Neither the course of conduct between the parties nor trade practice will act to modify any provision in this AUP. Selectel may assign its rights and duties under these terms to any party at any time without notice to you. If any provision of this AUP is deemed unlawful, void, or for any reason unenforceable, then that provision will be deemed severable from these terms and conditions so that it does not affect the validity and enforceability of any remaining provisions.

QUESTIONS, COMMENTS & ABUSE

General Terms and Conditions of Service (T's & C's)

Basic Definitions

In this document:

- (1) "we", "us", "our", and "Selectel" mean Selectel Wireless and its affiliates;
- (2) "you", "your", "customer", and "user" mean an account holder or user with us;
- (3) "Device" means any phone, aircard, mobile broadband device, any other device, accessory or other product we sell to you or that is active on your account with us; and
- (4) "Service" means our offers, rate plans, options, wireless Service Plans or Devices on your account with us.

Services Covered by These T's & C's & Additional Terms

These T's & C's apply to all wireless Services and Plans, including Lifeline supported Service except where indicated, and any other Service we offer you that references these T's & C's. Additional terms will apply to certain Devices and applications (the terms may come from Selectel or a third party) and will be provided with the Device or prior to the use of the application, as applicable. Also, a different dispute resolution provision may apply to services provided by another company (the dispute resolution provisions in this Agreement still apply to our Services).

Pre-Paid Services

All Selectel Services are provided on a pre-paid basis. Selectel does not condition the provision of Service on a consumer's credit rating, credit history or other method of determining credit worthiness. Selectel does not provide your payment history and other account billing/charge information to any credit reporting agency or industry clearinghouse. You aren't responsible for paying an early termination fee when terminating Services and no deposits are held or required as a condition of Service nor does Selectel have any preset account spending limits.

Our Right To Change The Agreement & Your Related Rights

We may change any part of the Agreement at any time, including, but not limited to, rates, charges, how we calculate charges, or the ToS. We will provide you notice of material changes, and may provide you notice of non-material changes, in a manner consistent with the Agreement (see "Providing Notice To Each Other Under The Agreement" section), and/or pursuant to any applicable Orders, rules or regulations of a regulatory authority having jurisdiction over the Services or this Agreement.

Our Right To Suspend Or Terminate Services

Selectel will not terminate service upon less than 15 days written notice to you, except for those specific circumstances described herein. Specifically, Selectel can, without notice, suspend or terminate any Service at any time for the following reasons:

- 1) If a condition immediately dangerous or hazardous to life, physical safety, or property exists; or
- 2) Upon order by any court, the Commission, or any other duly authorized public authority; or
- 3) For a violation or breach of this Agreement
- 4) If service was obtained fraudulently or without the authorization of the provider or is being used for, or suspected of being used for, fraudulent purposes; or
- 5) Obtaining service by subterfuge that includes, but is not restricted to, an application for service at a location in the name of another party.

Your Right To Change Services & When Changes Are Effective

The account holder can typically change Services upon request. In some instances, changes may be conditioned on payment of certain charges. Changes to Services are usually effective at the start of the next monthly service renewal date. We may, but are not obligated to, provide you the opportunity to authorize someone else to make changes to your Services. You are responsible for any changes to your Services made by a person you authorize and those changes will be treated as modifications to the Agreement.

Your Right To Terminate Services

You can terminate Services at any time by calling us and requesting that we deactivate all Services. In addition, if you return or provide your Device to Selectel and fail to either deactivate service on the Device or activate another Device in connection with your Service, we reserve the right to terminate your Service. You are responsible for all charges incurred prior to termination. If Services are terminated before your next monthly service renewal date, we won't prorate charges to the date of termination and you won't receive a credit or refund for any unused Services.

Restrictions On Using Services

You can't use our Services:

- (1) in a way that could cause damage or adversely affect any of our other customers or our reputation, network, property or Services; or
- (2) in any way prohibited by the terms of our Service Plans or the Agreement. You cannot in any manner resell the Services to another party.

See our AUP for additional restrictions on the use of our Services.

Your Device, Number & E-mail Address; Caller ID

We don't manufacture any Device we might sell to you or that is associated with our Services, and we aren't responsible for any defects, acts or omissions of the manufacturer. The only warranties on your Device are the limited warranties given to you by the manufacturer directly or that we pass through. Your Device is designed to be activated on the Selectel network and in other coverage areas we make available to you. As programmed, it will not accept wireless service from another carrier. Except for any legal right you may have to port/transfer your phone number to or from another carrier, you have no and cannot gain any (for example, through publication, use, etc.) proprietary, ownership or other rights to any phone number, identification number, e-mail address or other identifier we assign to you, your Device or your account. We'll notify you if we decide to change or reassign them. Your Selectel phone has a software programming lock that protects certain of the handset's operating parameters against unauthorized reprogramming.

Porting/Transferring Phone Numbers

We don't guarantee that number transfers to or from us will be successful. If you authorize another carrier to transfer a number away from us, then that is considered a request by you to us to terminate all of the Services associated with that number. Further, in transferring a number to Selectel from another carrier, you are solely responsible for all charges billed or incurred prior to deactivation of service with your prior carrier and for any applicable early termination fees assessed by your prior carrier.

Coverage; Where Your Device Will Work; Service Speeds

Our coverage maps are available on our website. The specific network coverage you get will depend on the radio transmissions your Device can pick up and Services you've chosen. Our coverage maps provide high level estimates of our coverage areas when using Services outdoors under optimal conditions. Coverage isn't available everywhere and Service speeds are not guaranteed. Service speeds may depend on the Service purchased. Actual speeds will vary. Estimating wireless coverage, signal strength and Service speed is not an exact science. There are gaps in coverage within our estimated coverage areas that, along with other factors both within and beyond our control (network problems, network or internet congestion, software, signal strength, your Device, structures, buildings, weather, geography, topography, server speeds of the websites you access, etc.), may result in dropped and blocked connections, slower Service speeds, or otherwise impact the quality of Service. Services that rely on location information, such as E911 and GPS navigation, depend on your Device's ability to acquire satellite signals (typically not available indoors) and network coverage. While your Device is receiving a software update, you may be unable to use your Device in any manner until the software update is complete.

Roaming

The term "roaming" typically refers to coverage on another carrier's network that we may make available to you based on our agreements with other carriers. These agreements may change from time to time and roaming coverage is subject to change. Your ability to receive roaming coverage depends on the radio transmissions your Device can pick up and the availability of roaming coverage. Selectel makes no guaranty that roaming coverage will be available in all areas, and further, roaming may not be available to customers who reside or whose primary use is outside an area covered by the Selectel Network. Roaming coverage may exist both within and outside our network coverage areas. Your Device will generally indicate when you're roaming. Depending on your Services, limits on the amount of minutes used while roaming may apply. Certain Services may not be available or work the same when roaming (including voicemail, call waiting, etc.). Selectel reserves the right to deny, terminate, modify, disconnect or suspend service if the majority of minutes are used for roaming.

Activation & Miscellaneous Charges

Based on current business practices, we may charge activation, prepayment, reactivation, program or other fees to establish or maintain Service(s). Certain transactions may also be subject to a charge (for example, convenience payment, changing phone numbers, handset upgrades, etc.). You will be provided notice of these types of fees before we complete the requested transaction.

Account & Service Charges

You are responsible for all charges associated with your account and the Service(s) on your account, no matter who adds or uses the Service(s). Charges include, but are not limited to, usage charges, charges for additional services, taxes, surcharges and fees associated with your Services. These charges are described or referred to during the sales transaction, in our marketing materials, and in confirmation materials we may send to you. Depending on your Service(s), charges for additional services may include operator and directory assistance, voicemail, call forwarding, and texts. If you (the account holder) allow end users to access or use your Devices, you authorize end users to access, download and use Services. For Services offered on a per-day basis, you will generally be charged for use before or at the time of use. In certain instances, we may charge at some point after you use the Services. Services offered on a per-day basis end 24 hours after Service is initiated.

How We Calculate Your Usage For Decrementing Purposes

Regular Voice Calls: We round up partial minutes of use to the next full minute after the first 30 seconds. Time starts when you press "Talk" or your Device connects to the network and stops when you press "End" or the network connection otherwise breaks. You're decremented minutes for all calls that connect, even to answering machines. Minutes won't be decremented for unanswered calls or if you get a busy signal. For incoming calls answered, minutes are decremented from the time shortly before the Device starts ringing until you press END or the network connection otherwise breaks.

Text Messaging: Unless specific Service Plan terms apply, the rate to receive or send a text message to another phone is 1 minute per 1 text message either sent or received and applies when text messaging is not an included component of a Service Plan or when all text messages included in a Service Plan have been used. Plan minutes are not decremented until the third text message is either sent or received, and rounding does not apply.

Taxes & Government Fees

You agree to pay all federal, state and local taxes, fees and other assessments that are required by law to be collected and remitted to the government on the Services and/or Devices provided to you. These charges may change from time to time without advance notice. In most circumstances, all federal, state and local taxes, fees and other assessments are included in the price of Service for both pre-paid and Lifeline Supported Service(s).

Surcharges

You agree to pay all surcharges (“Surcharges”), which may include, but are not limited to: Federal Universal Service, various regulatory charges, Selectel administrative charges, gross receipts charges, and charges for the costs we incur in complying with governmental programs. Surcharges are not taxes and are not required by law. They are rates we choose to collect from you and are kept by us in whole or in part. The number and type of Surcharges may vary depending upon the location of the billing address of the Device and can change over time. We determine the rate for these charges and these amounts are subject to change as are the components used to calculate these amounts. We will provide you notice of any changes to Surcharges in a manner consistent with this Agreement (see “Providing Notice To Each Other Under The Agreement” section). However, since some Surcharges are based on amounts set by the government or based on government formulas, it will not always be possible to provide advance notice of new Surcharges or changes in the amount of existing Surcharges. Information on Surcharges is provided during the sales transaction. In most circumstances, all Surcharges are included in the price of Service. With respect to Lifeline supported Service, no additional Surcharges are assessed, applied to or levied on Lifeline supported Service. Further, with the exception of taxes or other charges that are required by law, any fees and/or charges associated with Lifeline supported Service are all inclusive, clearly documented and fully disclosed to the Lifeline applicant/subscriber and any regulatory authority having jurisdiction over such Services prior to the commencement of Service.

Customer Service

If you have a service or billing problem or inquiry, you may contact Selectel's Customer Service Department toll free at 1-877-218-5744. We will make all reasonable attempts to resolve your problem or inquiry. In the event the Customer Service Department is unable to resolve your issue, your dispute will be escalated to the appropriate supervisory personnel of Selectel. If you are still unsatisfied and/or your issue remains unresolved, Selectel supervisory personnel will provide you with contact information for the appropriate Consumer Affairs/Customer Dispute Resolution department of the relevant Utility Commission or other Regulatory Authority for your state and/or the FCC. This information can also be located on Selectel's website at www.Selectelwireless.com. In the event that you wish to pursue resolution of your issue with Selectel directly, the Dispute Resolution provisions of this Agreement will apply.

Protecting Our Network & Services

We can take any action to:

- (1) protect our network, our rights and interests, or the rights of others; or
- (2) optimize or improve the overall use of our network and Services.

Some of these actions may interrupt or prevent legitimate communications and usage, for example message filtering/blocking software to prevent SPAM or viruses, limiting throughput, limiting access to certain websites, applications or other Data Content, prohibitions on unintended uses (for example, use as a dedicated line, or use as a monitoring service), etc. For additional information on what we do to protect our customers, network, Services and equipment, see our AUP.

Your Privacy:

Our Privacy Policy is available on our website. To review the policy, visit www.Selectelwireless.com. This policy may change from time to time, so review it with regularity and care.

Call Monitoring:

To ensure the quality of our Services and for other lawful purposes, we may monitor or record calls between us (for example, your conversations with our customer service or sales departments).

Contact:

You agree that we may contact you for Service related reasons through the contact information you provide, through the Services or Devices to which you subscribe or through other available means, including text message, email, fax, recorded message, mobile, residential or business phone, or mail.

CPNI: As we provide telecommunications products and Services to you (the account holder), we develop information about the quantity, technical configuration, type and destination of telecommunications products and Services you use, as well as some other information ("CPNI"). Under federal law, you have the right, and we have a duty, to protect the confidentiality of your CPNI. For example, we implement safeguards that are designed to protect your CPNI, including authentication procedures when you contact us.

Third Party Applications: If you use a third party application, the application may access, collect, use or disclose your personal information or require Selectel to disclose your information, including location information (when applicable), to the application provider or some other third party. If you access, use or authorize third party applications through the Services, you agree and authorize Selectel to provide information related to your use of the Services or the application(s). You understand that your use of third party applications is subject to the third party's terms and conditions and policies, including its privacy policy.

Information on Devices:

Your Device may contain sensitive or personal information. Selectel is not responsible for any information on your Device, including sensitive or personal information. If possible, you should remove or otherwise safeguard any sensitive or personal information when your Device is out of your possession or control, including, but not limited to, relinquishing, exchanging, returning or

recycling your Device. By submitting your Device to us, you agree that our employees, contractors or vendors may access all of the information on your Device.

Location Based Services:

Our network generally knows the location of your Device when it is outdoors and/or turned on. By using various technologies to locate your Device, we can provide enhanced emergency 911 (“E-911”) services, and optional location-sensitive services provided by us or a third party. Network coverage or environmental factors (such as structures, buildings, weather, geography, landscape, and topography) can significantly impact the ability to access your Device’s location information and use of location-sensitive services.

You agree that any authorized user may access, use or authorize Selectel or third party location sensitive applications through the Services. You understand that your use of such location sensitive applications is subject to the application’s terms and conditions and policies, including its privacy policy. If you activate location sensitive services for devices used by other authorized users, you agree to inform the authorized user(s) of the terms of use for location sensitive applications and that the Device may be located. For additional information on location-sensitive services, see our Privacy Policy at our website.

911 Or Other Emergency Calls

Public Safety Officials advise that when making 911 or other emergency calls, you should always be prepared to provide your location information. Unlike traditional wireline phones, depending on a number of factors (for example, whether your Device is GPS enabled, where you are, whether local emergency service providers have upgraded their equipment, etc.), 911 operators may not know your phone number, your location or the location of your Device. In certain circumstances, an emergency call may be routed to a state patrol dispatcher or alternative location set by local emergency service providers. E911 service, where enabled by local emergency authorities, uses GPS technology to provide location information. Even when available, however, E911 does not always provide accurate location information. If your Device is indoors or for some other reason cannot acquire a satellite signal, you may not be located. Some Devices have a safety feature that prevents use of the keypad after dialing 911 – you should follow voice prompts when interacting with emergency service providers employing IVR systems to screen calls.

If Your Device Is Lost Or Stolen

Call us immediately if your Device is lost or stolen because you may be responsible for usage occurring before you notify us of the alleged loss or theft. You agree to cooperate if we choose to investigate the matter (provide facts, sworn statements, etc.). We will not prorate charges to the date of termination and you won’t receive a credit or refund for any unused Services if you choose to terminate Services as a result of loss or theft of your Device.

Disclaimer of Warranties

WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING (TO THE EXTENT ALLOWED BY LAW) ANY IMPLIED WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE CONCERNING YOUR SERVICES (INCLUDING YOUR DEVICE). WE DON'T PROMISE UNINTERRUPTED OR ERROR-FREE SERVICES AND DON'T AUTHORIZE ANYONE TO MAKE WARRANTIES ON OUR BEHALF.

You Agree We Are Not Responsible For Certain Problems

You agree that neither we nor our vendors, suppliers or licensors are responsible for any damages resulting from:

- (1) anything done or not done by someone else;
- (2) providing or failing to provide Services, including, but not limited to, deficiencies or problems with a Device or network coverage (for example, dropped, blocked, interrupted Services, etc.);
- (3) traffic or other accidents, or any health-related claims relating to our Services;
- (4) Data Content or information accessed while using our Services;
- (5) an interruption or failure in accessing or attempting to access emergency services from a Device, including through 911, Enhanced 911 or otherwise;
- (6) interrupted, failed, or inaccurate location information services;
- (7) information or communication that is blocked by a spam filter;
- (8) damage to your Device or any computer or equipment connected to your Device, or damage to or loss of any information stored on your Device, computer, equipment, or Sprint storage space from your use of the Services or from viruses, worms, or downloads of malicious content, materials, data, text, images, video or audio; or
- (9) things beyond our control, including acts of God (for example, weather-related phenomena, fire, earthquake, hurricane, etc.), riot, strike, war, terrorism or government orders or acts. You should implement appropriate safeguards to secure your Device, computer or equipment and to back-up your information stored on each.

You Agree Our Liability Is Limited – No Consequential Damages

TO THE EXTENT ALLOWED BY LAW, OUR LIABILITY FOR MONETARY DAMAGES FOR ANY CLAIMS YOU MAY HAVE AGAINST US IS LIMITED TO NO MORE THAN THE PROPORTIONATE AMOUNT OF THE SERVICE CHARGES ATTRIBUTABLE TO THE AFFECTED PERIOD. UNDER NO CIRCUMSTANCES ARE WE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, PUNITIVE

OR SPECIAL DAMAGES OF ANY NATURE WHATSOEVER ARISING OUT OF OR RELATED TO PROVIDING OR FAILING TO PROVIDE SERVICES IN CONNECTION WITH A DEVICE, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF BUSINESS, OR COST OF REPLACEMENT PRODUCTS AND SERVICES.

DISPUTE RESOLUTION

We Agree To First Contact Each Other With Any Disputes

We each agree to first contact each other with any disputes and provide a written description of the problem, all relevant documents/information and the proposed resolution. We agree to contact each other as described in the Providing Notice to Each Other Under The Agreement section of the T's & C's.

Instead Of Suing In Court, We Each Agree To Arbitrate Disputes

We each agree to finally settle all disputes (as defined and subject to any specific exceptions below) only by arbitration. In arbitration, there's no judge or jury and review is limited. However, just as a court would, the arbitrator must honor the terms and limitations in the Agreement and can award the same damages and relief, including any attorney's fees authorized by law. The arbitrator's decision and award is final and binding, with some exceptions under the Federal Arbitration Act ("FAA"), and judgment on the award may be entered in any court with jurisdiction. We each also agree as follows:

(1) "Disputes" are any claims or controversies against each other related in any way to our Services or the Agreement, including, but not limited to, coverage, Devices, privacy, or advertising, even if it arises after Services have terminated – this includes claims you bring against our employees, agents, affiliates or other representatives, or that we bring against you.

(2) If either of us wants to arbitrate a dispute, we agree to send written notice to the other providing a description of the dispute, previous efforts to resolve the dispute, all supporting documents/information, and the proposed resolution. Notice to you will be sent as described in the Providing Notice to Each Other Under The Agreement section of the T's & C's and notice to us will be sent to: Selectel Wireless, Attn: General Counsel; 1330 Capital Parkway, Carrollton, TX 75006. We agree to make attempts to resolve the dispute. If we cannot resolve the dispute within forty-five (45) days of receipt of the notice to arbitrate, then we may submit the dispute to formal arbitration.

(3) The FAA applies to this Agreement and arbitration provision. We each agree the FAA's provisions, not state law, govern all questions of whether a dispute is subject to arbitration.

(4) Unless we each agree otherwise, the Arbitration will be conducted by a single neutral arbitrator and will take place in the county of the last billing address of the Device. We will agree on the arbitrator, and if we cannot agree, then the arbitrator will be appointed by the court as provided by the FAA.

(5) The arbitration will be governed by the arbitration rules selected by the Arbitrator. The federal or state law that applies to the Agreement will also apply during the arbitration.

(6) We each agree not to pursue arbitration on a classwide basis. We each agree that any arbitration will be solely between you and us (not brought on behalf of or together with another individual's claim). If for any reason any court or arbitrator holds that this restriction is unconscionable or unenforceable, then our agreement to arbitrate doesn't apply and the dispute must be brought in court.

(7) We each are responsible for our respective costs relating to counsel, experts, and witnesses, as well as any other costs relating to the arbitration. However, we will cover any arbitration administrative or filing fees above:

- a. \$25 if you are seeking less than \$1,000 from us; or
- b. the equivalent court filing fees for a court action in the appropriate jurisdiction if you are seeking \$1,000 or more from us.

Exceptions To Our Agreement To Arbitrate Disputes

Either of us may bring qualifying claims in small claims court. In addition, this arbitration provision does not prevent you from filing your dispute with any federal, state or local government agency that can, if the law allows, seek relief against us on your behalf.

No Class Actions

TO THE EXTENT ALLOWED BY LAW, WE EACH WAIVE ANY RIGHT TO PURSUE DISPUTES ON A CLASSWIDE BASIS; THAT IS, TO EITHER JOIN A CLAIM WITH THE CLAIM OF ANY OTHER PERSON OR ENTITY, OR ASSERT A CLAIM IN A REPRESENTATIVE CAPACITY ON BEHALF OF ANYONE ELSE IN ANY LAWSUIT, ARBITRATION OR OTHER PROCEEDING.

No Trial By Jury

TO THE EXTENT ALLOWED BY LAW, WE EACH WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY LAWSUIT, ARBITRATION OR OTHER PROCEEDING.

Indemnification

You agree to indemnify, defend and hold us harmless from any claims arising out of your actions, including, but not limited to, your use of the Service and any information you submit, post, transmit or make available via the Service, failing to provide appropriate notices regarding location-sensitive services (see "Location Based Services" section), failure to safeguard your passwords, backup question to your shared secret question or other account information, or violating this Agreement or any policy referenced in this Agreement, any applicable law or regulation or the rights of any third party.

Providing Notice To Each Other Under The Agreement

Except as the Agreement specifically provides otherwise, you must provide us notice by calling or writing us as instructed on our website. We will provide you notice through one or more of the following: correspondence to your last known billing address, to any fax number or e-mail address you've provided us, by calling you on your Device or any other phone number you've provided us, by voice message on your Device or any other phone number you've provided us, or by text message on your Device.

Other Important Terms

Subject to federal law or unless the Agreement specifically provides otherwise, this Agreement is governed solely by the laws of the state of Texas, without regard to the conflicts of law rules. If either of us waives or doesn't enforce a requirement under this Agreement in an instance, we don't waive our right to later enforce that requirement. Except as the Agreement specifically provides otherwise, if any part of the Agreement is held invalid or unenforceable, the rest of this Agreement remains in full force and effect. This Agreement isn't for the benefit of any 3rd party except our corporate parents, affiliates, subsidiaries, agents, and predecessors and successors in interest. You can't assign the Agreement or any of your rights or duties under it. We can assign the Agreement. You cannot in any manner resell the Services to another party. The Agreement and the documents it incorporates make up the entire agreement between us and replaces all prior written or spoken agreements. You can't rely on any contradictory documents or statements by sales or service representatives. The rights, obligations and commitments in the Agreement that, by their nature, would logically continue beyond the termination of Services (including, but not limited to, those relating to complaints, payment, E911, dispute resolution, no class action, no jury trial), survive termination of Services.

EXHIBIT D

CONFIDENTIAL Financial Statements









EXHIBIT E

Key Management Bios

Matthew S. O'Flaherty

President of SelecTel, Inc. has over 20 years of experience in the telecom industry. Mr. O'Flaherty oversees the corporate direction and strategy for SelecTel's operations. He focuses on leadership, strategy, innovation, and customers. Mr. O'Flaherty performed similar duties and responsibilities at NorthStar Telecom and Midwest Marketing Group, Inc.

Previous Employment History:

Cordia Communications, October 2007-May 2010, National Sales Marketing Executive
NorthStar Telecom, May 2003-October 2007, Co-owner/Manager-Sales, IT, Regulatory
Midwest Marketing Group, Inc., July 1997-October 2007, Co-owner/Manager
Furst Group, 1993-July 1997, Sales Manager

Stacy L. Hergenrader

Secretary of SelecTel, Inc. manages the customer service, order provisioning and collections departments. Ms. Hergenrader also manages a wireless retail store located in Florida. Ms. Hergenrader performed similar duties and responsibilities at NorthStar Telecom and Midwest Marketing Group, Inc.

Previous Employment History:

NorthStar Telecom, May 2003-October 2007, Co-owner/Manager-Customer Service
Midwest Marketing Group, Inc., July 1997-October 2007, Co-owner/Manager
Furst Group, 1994-July 1997, Sales

Teri L. O'Flaherty

Treasurer and Director of Human Resources of SelecTel, Inc. manages the business finances, accounts receivable/payable and payroll. Ms. O'Flaherty oversees the operation of the wireless product and manages retail stores located in Nebraska. Ms. O'Flaherty performed similar duties and responsibilities at NorthStar Telecom and Midwest Marketing Group, Inc.

Previous Employment History:

Cordia Communications, October 2007-May 2010, Office Manager
NorthStar Telecom, May 2003-October 2007, Co-owner/Manager-Finances/Office/Accts
receivable/payable
Midwest Marketing Group, Inc. July 1997-October 2007, Co-owner/Manager
Furst Group, 1994-July 1997, Sales Manager

Patrick Hall

brings more than 17 years of experience in business development, client relations and consultative sales approach to his role as a National Dealer Accounts Manager. He brings vitality and professionalism. Mr. Hall's primary focus is to build a National Dealer program promoting awareness about SelecTel's Wireless products and services among prospective clients, and develop and maintain relationships with current and potential clients. Prior to joining SelecTel, Inc., Mr. Hall spent 5 years with Dataflo Consulting building the medical reseller program from inception to well over a million dollars in annual revenue. During his time at Dataflo he was awarded the President's award for 4 straight years.

EXHIBIT F

Proposed Lifeline Rate Plans

Plan Name	Plan Includes	Regular Plan Charge	Federal Lifeline Discount	Lifeline Plan Charge
(“Value”) 300 Minute Plan	300 voice minutes 300 text messages 15MB Data	\$15.00	- \$9.25	\$5.75
(“Talk & Text”) 1300 Minute Plan	1300 voice minutes 3000 text messages 500MB Data	\$30.00	- \$9.25	\$20.75
(“Unlimited”) Unlimited Talk, Text & 200MB Data	Unlimited voice minutes Unlimited text messages 200MB Data	\$40.00	- \$9.25	\$30.75
(“Data User”) Unlimited Talk, Text & 2GB Data	Unlimited voice minutes Unlimited text messages 2GB Data	\$55.00	- \$9.25	\$45.75

Included in All Plans

- Free handset
- Free calls to 911 emergency services
- Free calls to Customer Service
- Free domestic long distance
- Nationwide coverage
- Access to Call Forwarding, Caller ID, Call Waiting, 3-way Calling and Voicemail features

Additional Minutes

Available in \$10 increments

- \$0.05 per minute or text
- \$0.05 per MB data