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

In the Matter of)
)
Federal-State Joint Board on Universal Service) WC Docket No. 09-197
)
Tele Circuit Network Corporation)
)
Petition for Limited Designation as an Eligible)
Telecommunications Carrier in the States of)
Alabama, Connecticut, Delaware, Florida, New)
Hampshire, North Carolina, New York,)
Tennessee, 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, NEW HAMPSHIRE, NORTH CAROLINA,
NEW YORK, TENNESSEE, THE COMMONWEALTH OF VIRGINIA, AND THE
DISTRICT OF COLUMBIA**

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SUMMARY

Tele Circuit Network Corporation (“Tele Circuit”) is seeking limited designation as an Eligible Telecommunications Carrier (“ETC”) in the States of Alabama, Connecticut, Delaware, Florida, New Hampshire, North Carolina, New York, Tennessee, 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. Tele Circuit is a Mobile Virtual Network Operator (“MVNO”) that will purchase wireless service on a wholesale basis from Sprint or an authorized reseller of Sprint. Each Non-Jurisdictional State has provided an affirmative statement that it does not exercise jurisdiction over wireless providers for purposes of ETC designation. Accordingly, pursuant to Section 214(e)(6), the Commission has the authority to designate Tele Circuit as an ETC in the Non-Jurisdictional States.

Tele Circuit meets all of the requirements under Section 214(e)(1) for the limited ETC designation requested herein except for providing service, at least in part, using its own facilities. However, the Commission granted forbearance from enforcement of this facilities requirement to carriers seeking Lifeline-only ETC designation in its *Lifeline and Link-Up Reform Order* released February 6, 2012.¹ Through its contracts with underlying carriers, Tele Circuit will be able 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. Tele Circuit therefore respectfully requests that the Commission promptly approve the instant request for limited ETC designation to enable the

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

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

Designating Tele Circuit 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 low 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. Tele Circuit's prepaid service offerings are ideally suited to provide these customers with reliable and cost-effective wireless services. As an ETC, Tele Circuit will be able to provide discounted and affordable services to these consumers who are among the intended beneficiaries of USF support.

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

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I. INTRODUCTION

Tele Circuit Network Corporation (“Tele Circuit” 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, New Hampshire, North Carolina, New York, Tennessee, the Commonwealth of Virginia, and the District of Columbia (collectively the “Non-Jurisdictional States”). Tele Circuit seeks ETC designation in the Non-Jurisdictional States on a wireless basis and only for purposes of participation in the Universal Service Fund’s (“USF”) Lifeline program; the Company 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 New Hampshire Public Utilities Commission, the North Carolina Utilities Commission, the New York Public Service Commission, the Tennessee Regulatory Authority and the Virginia State Corporation Commission (collectively, the “State Commissions”) lack jurisdiction to designate Tele Circuit 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, Tele Circuit 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 Tele Circuit’s request, therefore, will promote the public interest by providing customers in the Non-Jurisdictional States with low prices and high quality wireless services.

² See 47 U.S.C. § 214(e)(6).

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

⁴ See supra note 1.

II. BACKGROUND

A. Company Overview

Tele Circuit is a Georgia corporation.⁵ Tele Circuit will provide prepaid wireless telecommunications services to consumers by using the network of its underlying carrier(s). Initially, Tele Circuit intends to resell the network services of Sprint Spectrum L.P. (“Sprint”). Tele Circuit will obtain from Sprint, either directly or through an authorized reseller such as Reunion Communications, the network infrastructure and wireless transmission facilities to allow Tele Circuit 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 Tele Circuit will purchase services from Sprint on a wholesale basis for mobile calling and text messaging, package those services into Tele Circuit’s own service plans and pricing, and bundle those service with Tele Circuit’s handset selection, mobile applications, marketing materials, web interface, and customer service to produce finished wireless service offerings to sell to end-user customers. Tele Circuit is also a provider of wireline telecommunications services, which it will maintain. Tele

⁵ Tele Circuit does not have a holding company, operating company, or any 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.

Circuit is adding wireless services to its platform in an effort to afford customers a wider range of options for their telecommunications needs.

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, Tele Circuit 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.

Tele Circuit 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, Tele Circuit 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. Tele Circuit does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service. Tele Circuit 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 "When consumers are able to only intermittently remain on the network, they are not fully connected to society and the economy...The Commission has found that the low-income program 'provide[s] the best source of assistance for individuals to

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*").

obtain and retain universal service, and, therefore, help maintain and improve telephone subscribership' and fulfill our obligations under Section 254 of the Act.”¹⁰

C. Proposed Lifeline Offering

Tele Circuit will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carrier. Attached hereto as Attachment A is a table of the Company's Lifeline offering, showing that Tele Circuit will provide customers with 250 anytime prepaid minutes per month at no charge. Lifeline customers will have the capability of purchasing additional bundles of minutes in denominations as low as \$5, \$10, and \$20.¹¹ Text messaging will be available at the rate of one minute (1 text = 1 minute of usage). In addition to free voice services, Tele Circuit's Lifeline plan will include a free handset and the following Custom Calling features at no charge: Voicemail, Caller-ID, and Call waiting. Tele Circuit does not impose burdensome credit checks or long-term service contracts. Calls to customer service will be free, and customers may use their minutes to place domestic long distance calls at no additional charge. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

III. THE COMMISSION HAS AUTHORITY TO PERFORM THE ETC DESIGNATION

Pursuant to Section 214(e)(6), the Commission may designate as an ETC “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a state commission.”¹² The Commission has established that a carrier must

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

¹¹ \$5 = 35 minutes, \$10 = 75 minutes, \$20 = 160 minutes, \$30 = 270 minutes, and \$50 = 700 minutes.

¹² See 47 U.S.C. § 214(e)(6).

demonstrate that it “is not subject to the jurisdiction of a state commission” before it may consider an application for ETC designation.¹³ The Commission also has stated that any carrier seeking ETC designation from it must provide the Commission with an “affirmative statement” from the state PUC that it lacks jurisdiction to perform the ETC designation.”¹⁴

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

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

b) The Connecticut Department of Public Utility Control has provided a letter clarifying that it lacks jurisdiction to entertain the Company’s ETC petition. The 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.

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

¹⁴ See *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership 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).

d) The District of Columbia Public Service Commission has provided a letter clarifying that it lacks jurisdiction to entertain the Company'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 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 G.

g) The New York Public Service Commission has provided a letter clarifying that it lacks jurisdiction to entertain the Company's ETC petition. The letter is attached as Attachment H.

h) 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 I.

i) 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 J.

j) 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 K.

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

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

A. Tele Circuit Requests ETC Designation in its Existing Service Area

Consistent with prior orders granting other MVNOs ETC status,¹⁶ Tele Circuit requests ETC designation for Sprint’s entire service area in Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire, North Carolina, New York, Tennessee and Virginia, but excluding any Tribal Areas.¹⁷ Tele Circuit 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. Tele Circuit’s Limited ETC Designation Request Only Seeks Authority to Participate in the Lifeline Program

Consistent with the scope of forbearance granted by the Commission, Tele Circuit requests ETC designation in the Non-Jurisdictional States for the sole purpose of participating in the Lifeline program. Tele Circuit does not seek eligibility to receive support from the Link-Up program or High Cost support program. As demonstrated herein, the instant request to

¹⁵ 47 U.S.C. § 214(e)(6).

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

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

participate in the Lifeline program is consistent with the Commission's requirements for ETC designation, and would promote the goals of universal service by offering the many benefits of supported services to low-income customers in the Non-Jurisdictional States. As discussed above, Tele Circuit'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

Tele Circuit's request for designation to participate in the Lifeline program is consistent with the Commission's recent decisions conditionally designating TracFone Wireless and Virgin Mobile as ETCs in several states.¹⁸ In its decisions, the Commission determined that the requests of TracFone and Virgin Mobile satisfied all of the eligibility requirements and that designation would serve the public interest.¹⁹ The Commission specifically noted in the *TracFone* and *Virgin Mobile Orders* that designation of prepaid wireless providers as ETCs will provide a variety of benefits to low-income consumers, including increased consumer choice, high-quality service offerings and mobile access to emergency services on wireless devices.²⁰

Tele Circuit 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 Tele Circuit as ETCs is a

¹⁸ See *supra* note 6.

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

²⁰ See *Id.*

significant step towards ensuring that all customers, particularly low-income customers, share in the many benefits associated with access to affordable wireless telecommunications services. During an economic downturn, many existing wireless customers have to forego wireless services because they can no longer afford them. Designation of ETC status to prepaid wireless carriers like TracFone, Virgin Mobile and Tele Circuit helps to close the widening gap for wireless services and provide low-income customers with the significant advantages associated with access to wireless services. The Commission has found that voice service has “become crucial to full participation in our society and economy, which are increasingly dependent upon the rapid exchange of information.”²¹ As noted in a study sponsored by the Massachusetts Institute of Technology’s Legatum Center for Development and Entrepreneurship and New Millennium Research Council, low-income customers receive significant economic and social benefits from wireless services, including enhanced productivity, increased economic opportunity, and broader access to emergency and safety services.²²

V. TELE CIRCUIT 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

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

²² Nicholas P. Sullivan, New Millennium Research, *Cell Phones Provide Significant Economic Gains for Low-Income American Households: A Review of Literature and Data from Two New Surveys*, (April 2008), available at http://newmillenniumresearch.org/archive/Sullivan_Report_032608.pdf.

and rates of such services.²³ As detailed below, Tele Circuit satisfies each of the above-listed requirements.

A. Tele Circuit is a Common Carrier

CMRS resellers like Tele Circuit are common carriers.²⁴

B. Tele Circuit 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 Tele Circuit. 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:²⁵

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

(2) the carrier must file, and the Bureau must approve, a compliance plan providing specific information regarding the carrier's service offerings and outlining the measures the

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

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

²⁵ 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.”

Tele Circuit will avail itself of the FCC’s grant of blanket forbearance.²⁶ In accordance with the *Lifeline and Link Up Reform Order*, Tele Circuit filed its Compliance Plan with the FCC on February 15, 2012, followed by amended versions on April 2, 2012 and May 25, 2012. A copy of its amended Compliance Plan is attached to this Petition as Attachment M. Tele Circuit commits to providing Lifeline service in the Non-Jurisdictional States in accordance with the Compliance Plan.²⁷

C. Tele Circuit Offers All of the Required Services and Functionalities

Through its wholesale arrangements with Sprint, Tele Circuit 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. Tele Circuit will make these services and functionalities available to qualifying consumers with service addresses in Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire, North Carolina, New York, Tennessee and Virginia.

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

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

1. Voice Grade Access to the Public Switched Telephone Network

Tele Circuit will provide voice grade access to the public switched telephone network (“PSTN”) through the purchase of wholesale CMRS services from Sprint.

2. Local Usage

As part of the voice grade access to the PSTN, an ETC must provide minutes of use for local service at no additional charge to end-users. The FCC has not specified a minimum amount of local usage that an ETC must offer.²⁸ Tele Circuit’s Lifeline offering will provide its customers with minutes of use for, among other things, local service.

3. Access to Emergency Services

Tele Circuit will provide 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, Tele Circuit 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.²⁹ “ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls.”³⁰ Nonetheless, Tele Circuit’s offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or

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

²⁹ See *Lifeline and Link Up Reform Order* at ¶ 367.

³⁰ See *Lifeline and Link Up Reform Order* at ¶ 49.

pay-as-you-go, basis. Tele Circuit's service, moreover, is not offered on a distance-sensitive basis and local and domestic long distance minutes are treated the same. Tele Circuit will not seek reimbursement for toll limitation service.

D. Advertising of Supported Services

Tele Circuit will broadly advertise the availability and rates for the services described above using media of general distribution as required by Section 54.201(d)(2) of the Commission's regulations,³¹ and in accordance with the requirements set forth in the *Lifeline and Link Up Reform Order*.³² The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline services, using media of general distribution that may include advertisements via television, 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, Tele Circuit will provide retail vendors with signage to be displayed wherever Tele Circuit products are sold, and with printed materials describing Tele Circuit's Lifeline program. Tele Circuit may distribute brochures at various state and local social service agencies, and may partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline services.

E. Service Commitment Throughout the Proposed Designated Service Area

Tele Circuit will provide service in the Non-Jurisdictional States by reselling service which it obtains from its underlying facilities-based provider. The underlying provider's network is operational and largely built out. Thus, Tele Circuit will be able to commence offering

³¹ See 47 C.F.R. § 54.201.

³² See *Lifeline and Link Up Reform Order* at Section VII.F.

its Lifeline service to all locations served by its underlying carrier very soon after receiving approval from the Commission. Tele Circuit commits to comply with the service requirements applicable to the support that it receives.³³

F. Five-Year Network Improvement Plan

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

G. Ability to Remain Functional in Emergency Situations

In accordance with 47 C.F.R. §54.202(a)(2), Tele Circuit has the ability to remain functional in emergency situations. As described herein, Tele Circuit will purchase wireless network services on a wholesale basis from Sprint, a large, national carrier that is itself subject to various regulatory requirements to remain functional in emergencies. Through Sprint, Tele Circuit will provide to its customers the same ability to remain functional in emergency situations as currently provided by Sprint to its own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, the ability to reroute traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations. Furthermore, the Company is subject to its own 911 requirements in 47 C.F.R. 20.18(m), and has committed to specific 911 and E911-related requirements – including with respect to E911 handsets – in its Compliance Plan.

H. Commitment to Consumer Protection and Service Quality

Under FCC guidelines, an ETC applicant must demonstrate that it will satisfy applicable

³³ See *Lifeline and Link Up Reform Order* at page 208, revised § 54.202(a)(1)(i).

³⁴ See *Lifeline and Link Up Reform Order* at ¶ 386.

consumer protection and service quality standards.³⁵ The Company commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. Tele Circuit commits to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service.

I. Tele Circuit is Financially and Technically Capable

Tele Circuit is financially and technically capable of providing Lifeline-supported services.³⁶ Tele Circuit has been providing wireline telecommunications services for five years and provides service to both Lifeline and non-Lifeline customers. Tele Circuit currently provides local and long distance wireline services in Alabama, Florida, Georgia, North Carolina, South Carolina and Tennessee and has been designated as a wireline ETC in Alabama and Florida; Tele Circuit also provides long distance wireline service in Alabama, Arizona, Colorado, Illinois, New York, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, Oklahoma, Texas, Utah, Virginia, and Wisconsin. Tele Circuit has not been subject to enforcement action or ETC revocation proceedings in any state. Tele Circuit is financially able to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate. Tele Circuit is self-reliant and receives revenue from both its long distance business and its non-Lifeline local business. Tele Circuit has access to a substantial line of credit as well as private investors. Furthermore, the senior management of Tele Circuit has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.³⁷ Tele Circuit

³⁵ See 47 C.F.R. § 54.202(a)(3).

³⁶ See *Lifeline and Link Up Reform Order* at ¶ 387.

³⁷ See Attachment M, Exhibit C for key management resumes.

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

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

A. Consumer Eligibility and Enrollment

Tele Circuit 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, Tele Circuit will rely on the state identification or database.³⁸ In instances where Tele Circuit 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

Tele Circuit 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.”³⁹ Upon receiving an application for Lifeline support, Tele Circuit will check the National Lifeline Accountability Database, once in place, to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. Tele Circuit 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 Tele Circuit determines that an individual at the

³⁸ See *Lifeline and Link Up Reform Order* at ¶ 98.

³⁹ See *Lifeline and Link Up Reform Order* at ¶ 74.

applicant's address is currently receiving Lifeline-supported service, Tele Circuit 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, Tele Circuit will require applicants to complete and submit to the Company USAC's one-per-household template, which will contain the following: (1) an explanation of the Commission's one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income; and (4) the penalty for a consumer's failure to make the required one-per-household certification (i.e., de-enrollment).⁴⁰ Tele Circuit will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a draft sample of which is attached,⁴¹ Tele Circuit 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).⁴² Tele Circuit will inquire on its certification forms whether or not the applicant's address is a temporary one.⁴³ If and when the 90-day verification rules become effective, Tele Circuit will notify the consumer that if

⁴⁰ See *Lifeline and Link Up Reform Order* at ¶ 78.

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

⁴² See *Lifeline and Link Up Reform Order* at ¶ 85.

⁴³ See *Lifeline and Link Up Reform Order* at ¶ 89.

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 Tele Circuit's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.⁴⁴ Also on its certification forms, Tele Circuit will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.⁴⁵ If the subscriber has moved, Tele Circuit will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.⁴⁶

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

Tele Circuit's initial and annual certification forms will conform to the list of

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

⁴⁵ *See Lifeline and Link Up Reform Order* at ¶ 85.

⁴⁶ *See id.*

requirements provided in the *Lifeline and Link Up Reform Order*, Appendix C and C.F.R. § 54.410(d), as amended.⁴⁷ The Company's Lifeline certification forms, a draft sample of which is provided in Attachment M 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.

Tele Circuit 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;

⁴⁷ See *Lifeline and Link Up Reform Order* at pp. 227-29.

- (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 7001-7006.⁴⁸

Enrollment by phone. Tele Circuit anticipates to primarily enroll customers via the phone. Tele Circuit uses a call center that is dedicated only to Tele Circuit and is staffed by independent contractors ("Rep") who are trained and monitored by Tele Circuit employees. When a Rep

⁴⁸ See *Lifeline and Link Up Reform Order* at ¶ 168.

receives a phone call from a prospect inquiring about Lifeline, they will determine whether the prospect will be a Lifeline or non-Lifeline subscriber by asking if the prospect or a member of the prospect's household currently participates in one of the Lifeline-eligible programs or if their annual household income is at or below 135% of the federal poverty guidelines. If no eligibility database is available, the Rep will advise the prospect that they are required to provide proof of identity and verification of benefits before their Lifeline service can be activated. The Rep will then collect and input the required information into an electronic copy of the Company's application form, at which point the Rep will validate the prospect's service address (USPS/Melissa database), ensure via an internal database check that the prospect's household does not already receive a Lifeline subsidy from Tele Circuit,⁴⁹ and review all certifications and disclosures verbally with the applicant, making sure the applicant verbally acknowledges each required certification. If the customer indicates on the application form that their address is a multi-household residence, the Rep will require the applicant to complete USAC's one-per-household template as well. If an eligibility database is available, the Rep will query the database to determine eligibility. Once the initial evaluation is complete, Tele Circuit will notify the applicant that they cannot be approved for Lifeline unless and until Tele Circuit receives the applicant's completed, signed certification form and, when no eligibility database is available, their proof of identity and verification of benefits.⁵⁰

Upon receipt of the required documentation a Tele Circuit Lifeline Coordinator will match the

⁴⁹ Once a National Lifeline Accountability Database is available, Tele Circuit will query such database for all applicants to ensure the applicant or their household does not already receive Lifeline from another carrier. In the interim, the Company intends to query CGM, LLC's aggregate duplicates database to ensure the applicant or their household does not already receive Lifeline from Tele Circuit or any other CGM client that has agreed to share their data. See section VI.B herein.

⁵⁰ Tele Circuit is working towards having the ability to capture customer certifications and signatures via IVR.

documentation with the customer application form and complete and sign the “Office Use Only” section of the form which must include a description about the specific documentation reviewed as part of the eligibility verification process, including type of document (i.e. Medicaid), name on document, and a unique identifier (i.e. last 3 digits of document ID). The Lifeline Coordinator will then destroy the proof documentation and upload a copy of the completed application form to the customer record which will generate completion of the order. Tele Circuit will then mail the phone to the customer via traceable delivery and the customer’s Lifeline service will be activated upon the customer’s personal initiation or actual use of the phone.

Enrollment at retail locations and/or events. The Company may enroll Lifeline applicants in person at retail locations or at community events. When a prospective customer applies in person, Company employees, agents or representatives (“personnel”) will ask to see a government issued ID, will validate the address via a USPS/Melissa Database, and will ensure via an internal database check that the prospect’s household does not already receive a Lifeline subsidy from Tele Circuit.⁵¹ 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, Company 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. Tele Circuit’s Lifeline application contains an “Office Use Only” section, which must be completely filled out and signed by Company personnel in order to record a description about the specific documentation reviewed as

⁵¹ *See id.*

part of the eligibility verification process, including type of document (i.e. Medicaid), name on document, and a unique identifier (i.e. last 3 digits of document ID). Eligibility documents are returned to the customer after review. If an eligibility database is not available or an applicant has not yet provided proof of benefits, personnel will advise the applicant that they must provide (via fax, email, mail, or in person) proof of identity and verification of benefits before they can be enrolled in Lifeline. Finally, Tele Circuit personnel will review all certifications and disclosures verbally with the applicant before they sign the application, making sure the applicant initials each required certification before moving onto the next. Once the Lifeline application is complete, it is scanned into the Company's database. Upon successful completion of the certification process, the customer receives their handset in person. The customer's Lifeline service will be activated upon the customer's personal initiation or actual use of the phone. In instances where the applicant must follow up with proof of identity and verification of benefits, upon receipt of the remaining documentation a Tele Circuit Lifeline Coordinator will match the documentation with the customer application form and complete the "Office Use Only" section of the form as described above. The Lifeline Coordinator will then destroy the proof documentation and upload a copy of the completed application form to the customer record which will generate completion of the order. Tele Circuit will then mail the phone to the customer via traceable delivery and the customer's Lifeline service will be activated upon the customer's personal initiation or actual use of the phone.

Enrollment online. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. Tele Circuit will highlight the certifications that are required, for example, by requiring consumers to acknowledge each

certification before moving on to the next field.⁵² 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, duplicates database, eligibility databases). Upon successful completion of the certification process, Tele Circuit mails the customer their handset via traceable delivery and the customer's Lifeline service is activated upon the customer's personal initiation or actual use of the phone. In instances where the applicant must follow up with proof of identity and verification of benefits, upon receipt of the required documentation a Tele Circuit Lifeline Coordinator will match the documentation with the customer application form and complete and sign the "Office Use Only" section of the form which must include a description about the specific documentation reviewed as part of the eligibility verification process, including type of document (i.e. Medicaid), name on document, and a unique identifier (i.e. last 3 digits of document ID). The Lifeline Coordinator will then destroy the proof documentation and upload a copy of the completed application form to the customer record which will generate completion of the order. Tele Circuit will then mail the phone to the customer via traceable delivery and the customer's Lifeline service will be activated upon the customer's personal initiation or actual use of the phone.

Tele Circuit will determine eligibility utilizing the income and program criteria currently

⁵² See *Order* at ¶ 123.

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, Tele Circuit will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available.⁵³ If a database is used to establish eligibility, Tele Circuit will not require documentation of the consumer's participation in a qualifying federal program; instead, Tele Circuit 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.⁵⁴ 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 Tele Circuit to check electronic databases for eligibility, Tele Circuit will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.⁵⁵ Tele Circuit 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.⁵⁶ Tele Circuit understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Tele Circuit remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.⁵⁷

Tele Circuit will provide employees, agents, and representatives with training designed to

⁵³ See *Lifeline and Link Up Reform Order* at ¶ 97.

⁵⁴ See *Lifeline and Link Up Reform Order* at ¶ 98.

⁵⁵ See *Lifeline and Link Up Reform Order* at ¶ 99.

⁵⁶ See *Lifeline and Link Up Reform Order* at ¶ 101.

⁵⁷ See *Lifeline and Link Up Reform Order* at ¶ 110.

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 M, Exhibit A) on a section-by-section basis. The training will explain what sections of the form must be completed by the customer and will review the form disclosures in detail, to facilitate the ability of personnel to explain each item contained therein and answer any customer questions.

3. Annual Re-Certification

Tele Circuit understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the year.⁵⁸ By December 31, 2012, Tele Circuit 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.⁵⁹ 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. Tele Circuit 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

⁵⁸ See *Lifeline and Link Up Reform Order* at ¶ 130.

⁵⁹ See *id.*

respond to the annual re-certification within 30 days. Tele Circuit 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.⁶⁰

Alternatively, where a database containing consumer eligibility data is available, Tele Circuit (or state agency or third-party, where applicable) will instead query the database by the end of 2012 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, Tele Circuit will contact the subscriber every year during the annual certification process to obtain a valid address.⁶¹ After 2012, Tele Circuit will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.⁶²

Tele Circuit 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 Tele Circuit'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

⁶⁰ See *Lifeline and Link Up Reform Order* at ¶ 132.

⁶¹ See *Lifeline and Link Up Reform Order* at ¶ 131.

⁶² See *Lifeline and Link Up Reform Order* at ¶ 133.

(2) that the Company is in compliance with all federal Lifeline certification procedures.⁶³

B. Other Reforms to Eliminate Waste, Fraud and Abuse

Tele Circuit 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.

Tele Circuit 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 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, Tele Circuit ensures that it does not over-request from support funds.

As detailed in section IV.A.2, Tele Circuit first validates each applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, Tele Circuit 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

⁶³ See *Lifeline and Link Up Reform Order* at ¶ 126-27.

can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, Tele Circuit verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Tele Circuit checks any available eligibility database. If one is not available, the applicant is required to provide proof of eligibility. This prevents ineligible applicants from receiving the subsidy.

Tele Circuit validates the applicant's address via a USPS/Melissa Database to ensure the address is correct. The Company will check the National Lifeline Accountability Database, once it is available; until that time, the Company intends to dip the name/address combination into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from Tele Circuit or any other CGM client that has agreed to share their data. This prompts the representative to detail the one-per-household rule with the applicant.

1. National Lifeline Accountability Database

Tele Circuit will participate in the National Lifeline Accountability Database, once it is established. As required by the *Lifeline and Link Up Reform Order*, Tele Circuit will provide to the database 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.⁶⁴ Tele Circuit will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting subscriber information.⁶⁵

Furthermore, on its certification form, Tele Circuit will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the

⁶⁴ See *Lifeline and Link Up Reform Order* at ¶ 189.

⁶⁵ See *Lifeline and Link Up Reform Order* at ¶ 190.

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.⁶⁶

Within 30 days following Commission notice that the database is capable of accepting queries, Tele Circuit will query the database 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.⁶⁷

2. Subscriber Usage

Tele Circuit 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, Tele Circuit will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.⁶⁸ Tele Circuit will notify its subscribers at service initiation 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.⁶⁹ 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; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company

⁶⁶ See *Lifeline and Link Up Reform Order* Appendix C.

⁶⁷ See *Lifeline and Link Up Reform Order* at ¶ 203.

⁶⁸ See *Lifeline and Link Up Reform Order* at ¶ 257.

⁶⁹ See *id.*

confirming that he or she wants to continue.⁷⁰ Tele Circuit 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.⁷¹ After notification, if the customer fails to use the phone, it is automatically de-enrolled pursuant to the procedures outlined in section VI.C below. Tele Circuit 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.⁷²

3. Marketing & Outreach

Tele Circuit 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. Tele Circuit will explain in clear, easily understood language substantially the following disclosures in all marketing materials related to the supported service:⁷³ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit program. Tele Circuit's

⁷⁰ See *Lifeline and Link Up Reform Order* at ¶ 261.

⁷¹ CGM, LLC is currently the Company's third party contractor.

⁷² See *Lifeline and Link Up Reform Order* at ¶ 262. 911 transmission will actually be performed by the Company's underlying facilities-based CMRS provider.

⁷³ See Attachment M, 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 *Lifeline and Link Up Reform Order* at ¶ 275.

website and printed collateral will also explain the documentation necessary for enrollment, and the details of Tele Circuit'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.⁷⁴ 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, Tele Circuit will include the URL link for its website where disclosures will be listed. Additionally, Tele Circuit will disclose the company name under which it does business.⁷⁵

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.⁷⁶ Tele Circuit will comply with this requirement if and when it is approved, including applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.⁷⁷

C. De-Enrollment

Tele Circuit will de-enroll consumers from the Company's Lifeline program in the

⁷⁴ See *Lifeline and Link Up Reform Order* at ¶ 275.

⁷⁵ See *id.*

⁷⁶ See *Lifeline and Link Up Reform Order* at ¶ 291.

⁷⁷ See *Lifeline and Link Up Reform Order* at ¶ 294. As of the date of filing of this Petition, the audit requirement has not been approved pursuant to the Paperwork Reduction Act.

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).⁷⁸

If a customer does not respond to the Company's annual verification survey within 30 days, or if Tele Circuit 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), Tele Circuit 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.⁷⁹ Similarly, Tele Circuit will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.⁸⁰

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁸¹ Tele Circuit 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.

Non-Usage. Tele Circuit 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. Tele Circuit will

⁷⁸ See *Lifeline and Link Up Reform Order* at ¶ 122.

⁷⁹ See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

⁸⁰ See *Lifeline and Link Up Reform Order* at ¶ 89.

⁸¹ See *Lifeline and Link Up Reform Order* at ¶ 214-16.

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. Tele Circuit will update the national database, once in place, within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.⁸²

D. Additional Rule Amendments

1. Terms and Conditions of Service

The Company's Lifeline offering is summarized in section II.C above. The Company's Lifeline terms and conditions are subject to change as needed, and the most current version will be maintained on the Company's website, www.telecircuit.com/wireless, which is currently under construction.

2. Reporting Requirements

Tele Circuit 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

⁸² See *Lifeline and Link Up Reform Order* at ¶ 257.

minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.⁸³

3. Reimbursement from USAC

In seeking reimbursement for Lifeline, Tele Circuit will comply with the requirements of C.F.R. § 54.407, as revised by the *Lifeline and Link Up Reform Order*.⁸⁴ Tele Circuit will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,⁸⁵ and the Company will seek reimbursement for actual lines served, not projected lines.⁸⁶

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

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is “to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies” to all citizens, regardless of geographic location or income.⁸⁷ There is no question that limited designation of Tele Circuit as an ETC in the Non-Jurisdictional States will promote the public interest by providing low-income consumers in the Non-Jurisdictional States with more affordable and higher 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

⁸³ 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.

⁸⁴ See *id* page 221.

⁸⁵ See *id* at ¶ 128.

⁸⁶ See *id* at ¶ 302.

⁸⁷ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

services bring to other consumers.⁸⁸ Designating Tele Circuit 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.⁸⁹

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

A. Advantages of Tele Circuit'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. Tele Circuit's Lifeline

⁸⁸ See *supra* note 22.

⁸⁹ 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).

customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers. Tele Circuit's Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring a variety of rate plans into the reach of Lifeline customers that are comparable in minutes and features to those available to post-paid wireless subscribers – but at low Lifeline rates and without the burden of credit checks, contracts, or activation fees.

Most importantly, Tele Circuit'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 Tele Circuit 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 Tele Circuit 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 Tele Circuit to provide all of the public benefits cited by the Commission in its analysis in the *TracFone* and *Virgin Mobile Orders*. Namely, Tele Circuit would provide “increased consumer choice, high-

quality service offerings, and mobility,”⁹⁰ as well as the safety and security of effective 911 and E911 services.⁹¹

B. The Benefits of Competitive Choice

The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than three decades.⁹² Designation of Tele Circuit as an ETC will promote competition and innovation, and spur other carriers to target low-income consumers with service offerings tailored to their needs and to improve their existing networks to remain competitive, resulting in improved services to consumers. Designation of Tele Circuit as an ETC will help assure that quality services are available at “just, reasonable, and affordable rates” as envisioned in the Act.⁹³ Designation of Tele Circuit 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

Tele Circuit’s request for designation as an ETC solely for Lifeline purposes would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. Tele Circuit will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC’s Lifeline program. By implementing the safeguards set forth in the *Lifeline and Link Up Reform Order*, Tele Circuit will minimize the

⁹⁰ See *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38; *TracFone ETC Order*, 23 FCC Rcd at 6212 ¶ 15.

⁹¹ See *Virgin Mobile Order*, 24 FCC Rcd at 3391 ¶ 23.

⁹² See, e.g., *Specialized Common Carrier Services*, 29 FCC Rcd 870 (1971).

⁹³ See 47 U.S.C. § 254(b)(1).

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. Tele Circuit'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."⁹⁴

VIII. ANTI-DRUG ABUSE CERTIFICATION

Tele Circuit 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.

IX. CONCLUSION

As discussed above, designation of Tele Circuit 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.

⁹⁴ 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.

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

Respectfully submitted,

/s/ Lance J.M. Steinhart

Lance J.M. Steinhart
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

*Attorney for Tele Circuit Network
Corporation*

July 6, 2012

Attachment A

Proposed Lifeline Rates

Lifeline 250 Minutes Plan - \$0

250 anytime minutes per month

- Free handset
- Free Voicemail, Caller-ID, Call waiting
- Free calls to Customer Service
- Free calls to 911 emergency services
- 1 text message = 1 minute of usage

Additional bundles of minutes available:

\$5 = 35 minutes

\$10 = 75 minutes

\$20 = 160 minutes

\$30 = 270 minutes

\$50 = 700 minutes

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

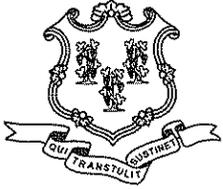
Walter L. Thomas, Jr., Secretary

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Attachment C

Affirmative Statement of the Connecticut Department of Public Utility Control



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC UTILITY CONTROL

March 8, 2012
In reply please refer to:
UR&R:TE: Undocketed:PFR

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

Re: Request for a Letter Clarifying Jurisdiction over Wireless CETC Petitions for Tele Circuit Network Corporation

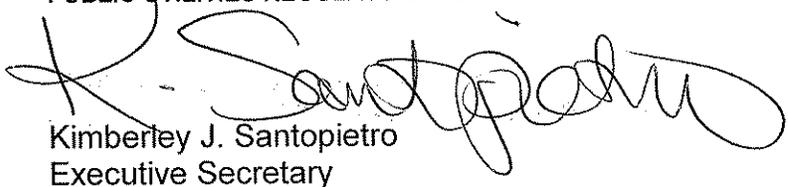
Dear Attorney Steinhart:

The Public Utilities Regulatory Authority (Authority), formerly known as the Department of Public Utility Control, is in receipt, on February 16, 2012, of a letter from your office, on behalf of Tele Circuit Network Corporation. (TCNC or Company). The letter request a statement that the Company is not subject to the Authority's jurisdiction to designate competitive eligible telecommunications carriers in the state and those that wish to be designated, must present their applications to the Federal Communications Commission. In essence, the Company request affirmation from the Authority that it does not exercise jurisdiction over Mobile Virtual Network Operator providers, including the Company, for purposes of making determinations concerning eligibility for Eligible Telecommunications Carrier (ETC) designations.

The Authority does not regulate or license the wireless carrier services' rates and charges per the Federal Omnibus Budget Act of 1993. The Authority 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, etc.). Since the Company appear to be a wireless carrier it is therefore not subject to the Authority's jurisdiction for the purposes of ETC designation.

Sincerely,

DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION
PUBLIC UTILITIES REGULATORY AUTHORITY



Kimberley J. Santopietro
Executive Secretary

Attachment D

Affirmative Statement of the Delaware Public Service Commission



**STATE OF DELAWARE
PUBLIC SERVICE COMMISSION**

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

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

August 18, 2010

VIA E-MAIL

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

Dear Mr. Steinhart:

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

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

Sincerely

Janis L. Dillard
Acting Executive Director

DOCKET COPY
DO NOT REMOVE FROM OFFICE

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

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

ORDER NO. 6736

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

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

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

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

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

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

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

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

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

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

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

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

⁷47 C.F.R. §§ 54.410(a)(ii), 54.416.

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

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

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

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

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

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

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

Now, therefore, IT IS ORDERED:

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

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

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

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

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

BY ORDER OF THE COMMISSION:

Annetta McRae
Chair

Vice Chair

John Corway
Commissioner

John R. [unclear]
Commissioner

[unclear]
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 and Electronic Mail

Lance J.M. Steinhart
Counsel for Tele Circuit Network Corporation
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 16, 2012 letter requesting information on whether the Public Service Commission of the District of Columbia ("Commission") designates wireless telecommunications carriers as eligible telecommunications carriers ("ETC") for the purposes of receiving federal universal service funding. Please be advised that, pursuant to section 34-2006(b) of the District of Columbia Code, the Commission does not have jurisdiction over wireless carriers. Thus, the Commission has no authority to designate wireless telecommunications carriers as ETCs.

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

Sincerely,

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

Richard A. Beverly
General Counsel

Enclosure



D.C. Council Home

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

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

District of Columbia Official Code 2001 Edition Currentness

Division V. Local Business Affairs

Title 34. Public Utilities.

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

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

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

(c) This chapter shall not:

(1) Apply to the provision, rates, charges, or terms of service of Voice Over Internet Protocol Service or Internet Protocol-enabled Service;

(2) Alter the authority of the Commission to enforce the requirements as are otherwise provided for, or allowed by, federal law, including the collection of Telecommunications Relay Service fees and universal service fees;

(3) Alter the authority of the Office of Cable Television and Telecommunications with respect to the provision of video services in the District of Columbia; or

(4) Alter the Commission's existing authority over the regulation of circuit-switched local exchange services in the District of Columbia.

CREDIT(S)

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

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-1456.

Effect of Amendments

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

Legislative History of Laws

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

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

References in Text

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

DC CODE § 34-2006

Current through January 11, 2012

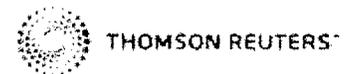
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Attachment F

Affirmative Statement of the Florida Public Service Commission

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

STATE OF FLORIDA



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

Public Service Commission

June 2, 2011

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

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

Dear Mr. Steinhart:

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

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

Sincerely,

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

S. Curtis Kiser
General Counsel

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

Attachment G

Affirmative Statement of the 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 black ink, appearing to read 'F. Anne Ross'.

F. Anne Ross

General Counsel

New Hampshire Public Utilities Commission

Attachment H

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
www.dps.ny.gov

PUBLIC SERVICE COMMISSION

GARRY A. BROWN
Chairman
PATRICIA L. ACAMPORA
MAUREEN F. HARRIS
ROBERT E. CURRY JR.
JAMES L. LARocca
Commissioners



PETER McGOWAN
General Counsel

JACLYN A. BRILLING
Secretary

February 23, 2012

TO WHOM IT MAY CONCERN:

Re: Tele Circuit Network Corporation CMRS Jurisdiction

We have received a letter from Tele Circuit Network Corporation (Tele Circuit), a mobile virtual network operator (MVNO), requesting a statement that the New York State Public Service Commission does not exercise jurisdiction over MVNOs for the purpose of making determinations regarding Competitive Eligible Telecommunications Carrier (CETC) designations under section 214(e)(6) of 47 U.S.C. In response to this request, please be advised that section 5(6)(a) of the New York State Public Service Law provides that:

Application of the provisions of this chapter to cellular telephone services is suspended unless the commission, no sooner than one year after the effective date of this subdivision, makes a determination, after notice and hearing, that suspension of the application of provisions of this chapter shall cease to the extent found necessary to protect the public interest.

The New York State Public Service Commission has not made a determination as of this date that regulation should be reinstated under section 5(6)(a) of the Public Service Law. Consequently, based on the representation by Tele Circuit that it provides wireless service, it would not be subject to New York State Public Service Commission jurisdiction for the purpose of making a CETC designation.

Very truly yours,


Maureen J. McCauley
Assistant Counsel

Attachment I

Affirmative Statement of the North Carolina Public Utilities Commission

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-100, SUB 133c

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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

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

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

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

WHEREUPON, the Commission reaches the following

CONCLUSIONS

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

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

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of August, 2003.

NORTH CAROLINA UTILITIES COMMISSION

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

Patricia Swenson, Deputy Clerk

Attachment J

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.

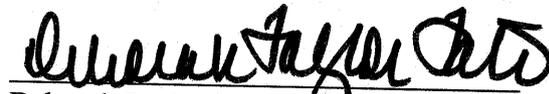
As a matter of “state-federal comity,” the FCC requires that carriers seeking ETC designation “first consult with the state commission to give the state commission an opportunity to interpret state law.”³ Most carriers that are not subject to a state regulatory commission’s jurisdiction seeking ETC designation 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

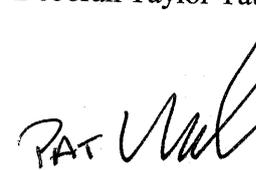
The panel noted that the FCC is the appropriate forum for Advantage to pursue ETC status pursuant to 47 U.S.C. § 214(e)(6). This Order shall serve as the above mentioned affirmative statement required by the FCC.

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 K

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 L
Coverage Area

State	SAC	Study Area Name	Rural (R) or Non-Rural (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	MOUNDVILLE 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
AL	255181	SO CENTRAL BELL-AL	N
AL	259788	CENTURYTEL-AL-SOUTH	N
AL	259789	CENTURYTEL-AL-NORTH	N
CT	132454	THE WOODBURY TEL CO	R
CT	135200	SOUTHERN NEW ENGLAND	N
DC	575020	VERIZON WA, DC INC.	N
DE	565010	VERIZON DELAWARE INC	N
FL	210291	GTC, INC.	R
FL	210318	FRONTIER COMM-SOUTH	R
FL	210328	VERIZON FLORIDA	N
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
FL	210339	GTC, INC.	R
FL	210341	EMBARQ FLORIDA INC. FKA SPRINT	R
NC	230468	ATLANTIC MEMBERSHIP	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
NC	230469	BARNARDSVILLE TEL CO	R
NC	230470	CAROLINA TEL & TEL	R
NC	230471	CENTEL 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	230479	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	N
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
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	230509	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	N
NC	230510	WILKES MEMBERSHIP	R
NC	230511	YADKIN VALLEY TEL	R
NC	230864	VERIZON SOUTH INC. DBA NORTH CAROLINA	N
NC	235193	SOUTHERN BELL-NC	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	MCTA, INC.	R
NH	125113	NORTHERN NEW ENGLAND TELEPHONE OPERATIONS LLC	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

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
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
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	N
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
NY	155130	VERIZON NEW YORK	N
TN	290280	ARDMORE TEL CO	R
TN	290552	CENTURYTEL-ADAMSVILL	R
TN	290553	BEN LOMAND RURAL	R
TN	290554	BLEDSOE TEL COOP	R
TN	290557	CENTURY-CLAIBORNE	R
TN	290559	CONCORD TEL EXCHANGE	R
TN	290561	CROCKETT TEL CO	R

State	SAC	Study Area Name	Rural (R) or Non-Rural (N)
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
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
TN	295185	SO. CENTRAL BELL -TN	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	190233	VERIZON S-VA(CONTEL)	N
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
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	195040	VERIZON VIRGINIA INC	N
VA	197251	SHENANDOAH TELEPHONE COMPANY - NR	R

Attachment M

Tele Circuit Network Corporation's Compliance Plan

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

In the Matter of the)
)
Telecommunications Carriers Eligible for) WC Docket No. 09-197
Universal Service Support)
) WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization)
)
Blanket Forbearance Compliance Plan)

**TELE CIRCUIT NETWORK CORPORATION'S AMENDED
WIRELESS COMPLIANCE PLAN**

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May 25, 2012

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**Before the
Federal Communications Commission
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In the Matter of the)	
)	
Telecommunications Carriers Eligible for)	WC Docket No. 09-197
Universal Service Support)	
)	WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization)	
)	
Blanket Forbearance Compliance Plan)	

**TELE CIRCUIT NETWORK CORPORATION’S AMENDED
WIRELESS COMPLIANCE PLAN**

I. INTRODUCTION

Tele Circuit Network Corporation (“Tele Circuit” or the “Company”) provides prepaid wireless telecommunications services and is 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 For its wireless services, Tele Circuit will avail itself of the FCC’s conditional grant of forbearance and, by its attorney, hereby files its Amended Wireless Compliance Plan outlining the measures it will take to

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*”).

implement the conditions of forbearance outlined in the *Order*.² For the Commission's convenience, this Amended Compliance Plan replaces, in its entirety, the wireless Compliance Plan as originally filed on February 15, 2012 and amended on April 2, 2012. Given the severe economic environment that is forcing many low-income customers to forego wireless service, Tele Circuit 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 This Compliance Plan applies only to the Company's wireless services. 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. TELE CIRCUIT WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER

Tele Circuit 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 Tele Circuit 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 Tele Circuit 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 Tele Circuit 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 Tele Circuit providing only E911-compliant handsets to its Lifeline customers.⁶ Tele Circuit will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing Tele Circuit customer does not have an E911-compliant handset, the Company will replace it with a new 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

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

Tele Circuit 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, Tele Circuit will check the duplicates database, once in place, to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. Tele Circuit 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 Tele Circuit determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, Tele Circuit 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, Tele Circuit 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 Tele Circuit 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 Tele Circuit 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 Tele Circuit will inquire on its certification forms whether or not the applicant's address is a temporary one.¹² Tele Circuit will notify the consumer that if they have a temporary address, the Company may 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 Tele Circuit's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.¹³ Also on its certification forms, Tele Circuit will explain that if the subscriber moves, they must provide

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.* If and when the above requirement is approved, the Company will attempt to verify a temporary address and de-enroll from Lifeline any customer who fails to respond within 30 days to the Company's attempt. However, as of the date of filing of this Compliance Plan, the requirement to recertify every 90 days the addresses of beneficiaries living at temporary addresses has not been approved. In fact, on April 13, 2012, the Office of Management and Budget (OMB) invoked the Paperwork Reduction Act (PRA) to prevent the above-mentioned requirement from going into effect.

their new address to the Company within 30 days of moving.¹⁴ If the subscriber has moved, Tele Circuit will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.¹⁵

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

Tele Circuit'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. Tele Circuit'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;

¹⁴ See *Order* at ¶ 85.

¹⁵ See *id.*

- (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.

Tele Circuit 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 and any applicable state laws.

Enrollment by phone. Tele Circuit anticipates to primarily enroll customers via the phone. Tele Circuit uses a call center that is dedicated only to Tele Circuit and is staffed by independent contractors ("Rep") who are trained and monitored by Tele Circuit employees. When a Rep receives a phone call from a prospect inquiring about Lifeline, they will determine whether the prospect will be a Lifeline or non-Lifeline subscriber by asking if the prospect or a member of the prospect's household currently participates in one of the Lifeline-eligible programs or if their annual household income is at or below 135% of the federal poverty guidelines. If no eligibility database is available, the Rep will advise the prospect that they are required to provide proof of identity and verification of benefits before their Lifeline service can be activated. The Rep will then collect and input the required information into an electronic copy of the Company's application form, at which point the Rep will validate the prospect's service address (USPS/Melissa database), ensure via an internal database check that the prospect's household does not already receive a Lifeline subsidy from Tele Circuit,¹⁷ and review all certifications and disclosures verbally with the

¹⁶ See Order at ¶ 168.

¹⁷ Once a national duplicates database is available, Tele Circuit will query such database for all applicants to ensure the applicant or their household does not already receive Lifeline from

applicant, making sure the applicant verbally acknowledges each required certification. If the customer indicates on the application form that their address is a multi-household residence, the Rep will require the applicant to complete USAC's one-per-household template as well. If an eligibility database is available, the Rep will query the database to determine eligibility. Once the initial evaluation is complete, Tele Circuit will notify the applicant that they cannot be approved for Lifeline unless and until Tele Circuit receives the applicant's completed, signed certification form and, when no eligibility database is available, their proof of identity and verification of benefits.¹⁸ Upon receipt of the required documentation a Tele Circuit Lifeline Coordinator will match the documentation with the customer application form and complete and sign the "Office Use Only" section of the form which must include a description about the specific documentation reviewed as part of the eligibility verification process, including type of document (i.e. Medicaid), name on document, and a unique identifier (i.e. last 3 digits of document ID). The Lifeline Coordinator will then destroy the proof documentation and upload a copy of the completed application form to the customer record which will generate completion of the order. Tele Circuit will then mail the phone to the customer via traceable delivery and the customer's Lifeline service will be activated upon the customer's personal initiation or actual use of the phone.

Enrollment at retail locations and/or events. The Company may enroll Lifeline applicants in person at retail locations or at community events. When a prospective customer applies in person, Company employees, agents or representatives ("personnel") will ask to see a government issued ID, will validate the address via a USPS/Melissa Database, and will ensure via an internal database

another carrier. In the interim, the Company intends to query CGM, LLC's aggregate duplicates database to ensure the applicant or their household does not already receive Lifeline from Tele Circuit or any other CGM client. See section III.D herein.

¹⁸ Tele Circuit is working towards having the ability to capture customer certifications and signatures via IVR.

check that the prospect's household does not already receive a Lifeline subsidy from Tele Circuit.¹⁹ 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, Company 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. Tele Circuit's Lifeline application contains an "Office Use Only" section, which must be completely filled out and signed by Company personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of document (i.e. Medicaid), name on document, and a unique identifier (i.e. last 3 digits of document ID). Eligibility documents are returned to the customer after review. If an eligibility database is not available or an applicant has not yet provided proof of benefits, personnel will advise the applicant that they must provide (via fax, email, mail, or in person) proof of identity and verification of benefits before they can be enrolled in Lifeline. Finally, Tele Circuit personnel will review all certifications and disclosures verbally with the applicant before they sign the application, making sure the applicant initials each required certification before moving onto the next. Once the Lifeline application is complete, it is scanned into the Company's database. Upon successful completion of the certification process, the customer receives their handset in person. The customer's Lifeline service will be activated upon the customer's personal initiation or actual use of the phone. In instances where the applicant must follow up with proof of identity and verification of benefits, upon receipt of the remaining documentation a Tele Circuit Lifeline Coordinator will match the documentation with the customer application form and complete the "Office Use Only" section of the form as described above. The

¹⁹ See supra note 17.

Lifeline Coordinator will then destroy the proof documentation and upload a copy of the completed application form to the customer record which will generate completion of the order. Tele Circuit will then mail the phone to the customer via traceable delivery and the customer's Lifeline service will be activated upon the customer's personal initiation or actual use of the phone.

Enrollment online. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. Tele Circuit will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.²⁰ 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, duplicates database, eligibility databases). Upon successful completion of the certification process, Tele Circuit mails the customer their handset via traceable delivery and the customer's Lifeline service is activated upon the customer's personal initiation or actual use of the phone. In instances where the applicant must follow up with proof of identity and verification of benefits, upon receipt of the required documentation a Tele Circuit Lifeline Coordinator will match the documentation with the customer application form and complete and sign the "Office Use Only" section of the form which must include a description about the specific documentation reviewed as part of the eligibility verification process, including type of document (i.e. Medicaid), name on document, and a unique identifier (i.e. last 3 digits of document ID). The Lifeline Coordinator will

²⁰ See *Order* at ¶ 123.

then destroy the proof documentation and upload a copy of the completed application form to the customer record which will generate completion of the order. Tele Circuit will then mail the phone to the customer via traceable delivery and the customer's Lifeline service will be activated upon the customer's personal initiation or actual use of the phone.

Tele Circuit provides employees, agents, and representatives with training 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 an employee's ability to explain each item contained therein and answer any customer questions.

Tele Circuit 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, Tele Circuit will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available.²¹ If a database is used to establish eligibility, Tele Circuit will not require documentation of the consumer's participation in a qualifying federal program; instead, Tele Circuit 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.²² However, in states where there

²¹ See Order at ¶ 97.

²² See Order at ¶ 98.

is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Tele Circuit to check electronic databases for eligibility, Tele Circuit will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.²³ Tele Circuit 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.²⁴ Where Tele Circuit personnel conclude that proffered documentation is insufficient to establish such eligibility, Tele Circuit will deny the associated application and inform the applicant of the reason for such rejection. In the event that Tele Circuit personnel cannot ascertain whether documentation of a specific type is sufficient to establish an applicant's eligibility, the matter will be escalated to supervisory personnel at Tele Circuit's corporate headquarters. Tele Circuit understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Tele Circuit remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.²⁵

3. Annual Re-Certification

Tele Circuit understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the year.²⁶ By December 31, 2012, Tele Circuit will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by

²³ See Order at ¶ 99.

²⁴ See Order at ¶ 101.

²⁵ See Order at ¶ 110.

²⁶ See Order at ¶ 130.

text message, by email, or otherwise through the Internet—to confirm their continued eligibility.²⁷ 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. Tele Circuit 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. Tele Circuit 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.²⁸

Alternatively, where a database containing consumer eligibility data is available, Tele Circuit (or state agency or third-party, where applicable) will instead query the database by the end of 2012 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, Tele Circuit will contact the subscriber every year during the annual certification process to obtain a valid address.²⁹ After 2012, Tele Circuit will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.³⁰

Tele Circuit 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 Tele Circuit's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

²⁷ *See id.*

²⁸ *See Order* at ¶ 132.

²⁹ *See Order* at ¶ 131.

³⁰ *See Order* at ¶ 133.

(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.³¹

D. Other Reforms to Eliminate Waste, Fraud and Abuse

Tele Circuit 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.

Tele Circuit 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 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, Tele Circuit ensures that it does not over-request from support funds.

As detailed in section III.C.2, Tele Circuit validates each applicant's identity via a

³¹ See *Order* at ¶ 126-27.

government issued ID card, passport, etc. Additionally, as mentioned above, Tele Circuit 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. Once the applicant's identity is confirmed, Tele Circuit verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Tele Circuit checks any available eligibility database. If one is 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. This prevents ineligible applicants from receiving the subsidy.

Tele Circuit verifies the address of the applicant first via the applicant's government issued ID, then validates the address via a USPS/Melissa Database to ensure the address is correct. Simultaneously, the name/address combination is dipped into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from Tele Circuit or any other CGM client. This is done through an API connection between the Company's provisioning platform and CGM. This then prompts the representative to detail the one-per-household rule with the applicant.

1. National Lifeline Accountability Database

Tele Circuit will participate in the National Lifeline Accountability Database, once it is established. As required by the *Order*, Tele Circuit will provide to the database 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.³² Tele Circuit will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting

³² See *Order* at ¶ 189.

subscriber information.³³

Furthermore, Tele Circuit 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.³⁴

Within 30 days following Commission notice that the database is capable of accepting queries, Tele Circuit will query the database 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.³⁵

2. Subscriber Usage

Tele Circuit 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, Tele Circuit will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.³⁶ Tele Circuit will notify its subscribers at service initiation, at a minimum via the certification form, 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.³⁷ 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; answers an incoming call from

³³ See Order at ¶ 190.

³⁴ See Order, Appendix C.

³⁵ See Order at ¶ 203.

³⁶ See Order at ¶ 257.

³⁷ See *id.*

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.³⁸ Tele Circuit 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.³⁹ After notification, if the customer fails to use the phone, it is automatically de-enrolled pursuant to the procedures outlined in section E below. Tele Circuit 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.⁴⁰

3. Marketing & Outreach

Tele Circuit 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. Tele Circuit will emphasize the one-per-household restriction in its direct sales contact with potential customers and in its marketing materials. Tele Circuit will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:⁴¹ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit

³⁸ See *Order* at ¶ 261.

³⁹ CGM, LLC is currently the Company's third party contractor.

⁴⁰ See *Order* at ¶ 262. 911 transmission will actually be performed by the Company's underlying facilities-based CMRS provider.

⁴¹ 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.

program. Tele Circuit's website and printed collateral will explain the documentation necessary for enrollment, and the details of Tele Circuit'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.⁴² 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, Tele Circuit will include the URL link for its website where disclosures will be listed. Additionally, Tele Circuit will disclose the company name under which it does business.⁴³

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.⁴⁴ Tele Circuit will comply with this requirement if and when it is approved, including applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.⁴⁵

E. De-Enrollment

Tele Circuit will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

⁴² See *Order* at ¶ 275.

⁴³ See *id.*

⁴⁴ See *Order* at ¶ 291.

⁴⁵ See *Order* at ¶ 294. As of the date of filing of this Compliance Plan, the audit requirement has not been approved. In fact, on April 13, 2012, the OMB invoked the PRA to prevent the above-mentioned requirement from going into effect.

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).⁴⁶

If a customer does not respond to the Company's annual verification survey within 30 days, or if Tele Circuit 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), Tele Circuit 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.⁴⁷ Similarly, Tele Circuit will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.⁴⁸

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁴⁹ Tele Circuit 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.

Non-Usage. Tele Circuit 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. Tele Circuit 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. Tele

⁴⁶ See Order at ¶ 122.

⁴⁷ See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

⁴⁸ See Order at ¶ 89.

⁴⁹ See Order at ¶ 214-16.

Circuit will update the national database, once in place, within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.⁵⁰

F. Additional Rule Amendments

1. Terms and Conditions of Service

The Company's Lifeline offering is summarized in section IV.C below. The Company's Lifeline terms and conditions are subject to change as needed, and the most current version will be maintained on the Company's website, www.telecircuit.com/wireless, which is currently under construction.

2. Reporting Requirements

Tele Circuit 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.⁵¹

3. Reimbursement from USAC

In seeking reimbursement for Lifeline, Tele Circuit will comply with the requirements of C.F.R § 54.407, as revised by the *Order*.⁵² Tele Circuit will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the

⁵⁰ See *Order* at ¶ 257.

⁵¹ 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.

⁵² See *Order* page 221.

Company seeks Lifeline reimbursement,⁵³ and the Company will seek reimbursement for actual lines served, not projected lines.⁵⁴

4. Section 54.202 Certifications

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

IV. COMPANY INFORMATION

Tele Circuit is a Georgia corporation. Tele Circuit will provide prepaid wireless telecommunications services to consumers by using the network of its underlying carrier(s). Initially, Tele Circuit intends to resell the network services of Sprint Spectrum L.P. (“Sprint”). Tele Circuit will obtain from Sprint, either directly or through an authorized reseller such as Reunion Communications, the network infrastructure and transmission facilities to allow Tele Circuit to operate as a Mobile Virtual Network Operator (“MVNO”). Tele Circuit is also a provider of wireline telecommunications services, which it will maintain. Tele Circuit is adding wireless services to its platform in an effort to afford customers a wider range of options for their telecommunications needs. Tele Circuit has a separate Compliance Plan pending in regards to its wireline operations.

A. Names and Identifiers

Tele Circuit does not have a holding company, operating company, or any affiliates, and operates under and identifies itself as Tele Circuit Network Corporation.

⁵³ See Order at ¶ 128.

⁵⁴ See Order at ¶ 302.

B. Financial and Technical Capability

Tele Circuit is financially and technically capable of providing Lifeline-supported services.⁵⁵ Tele Circuit has been providing wireline telecommunications services for five years and provides service to both Lifeline and non-Lifeline customers. Tele Circuit currently provides local and long distance wireline services in Alabama, Florida, Georgia, North Carolina, South Carolina and Tennessee and has been designated as a wireline ETC in Alabama and Florida; Tele Circuit also provides long distance wireline service in Alabama, Arizona, Colorado, Illinois, New York, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, Oklahoma, Texas, Utah, Virginia, and Wisconsin. Tele Circuit has not been subject to enforcement action or ETC revocation proceedings in any state. Tele Circuit is financially able to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate. Tele Circuit is self-reliant and receives revenue from both its long distance business and its non-Lifeline local business. Tele Circuit has access to a substantial line of credit as well as private investors. Furthermore, the senior management of Tele Circuit has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.⁵⁶ Tele Circuit will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

C. Lifeline Offering

Tele Circuit will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carrier. As summarized in Exhibit D attached hereto, the Company's Lifeline offering will provide customers with 250 anytime prepaid minutes per month at no charge. Lifeline customers will have the capability of purchasing additional

⁵⁵ See Order at ¶ 387.

⁵⁶ See Exhibit C for key management resumes.

bundles of minutes in denominations as low as \$5, \$10, and \$20.⁵⁷ Text messaging will be available at the rate of one minute (1 text = 1 minute of usage). In addition to free voice services, Tele Circuit's Lifeline plan will include a free handset and the following Custom Calling features at no charge: Voicemail, Caller-ID, and Call waiting. Tele Circuit does not impose burdensome credit checks or long-term service contracts. Calls to customer service will be free, and customers may use their minutes to place domestic long distance calls at no additional charge. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

⁵⁷ \$5 = 35 minutes, \$10 = 75 minutes, \$20 = 160 minutes, \$30 = 270 minutes, and \$50 = 700 minutes.

V. **CONCLUSION**

Tele Circuit 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, Tele Circuit 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,

Tele Circuit Network Corporation

/s/ Lance J.M. Steinhart

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1725 Windward Concourse
Suite 150
Alpharetta, Georgia 30005
(770) 232-9200

Its Counsel

Dated May 25, 2012

Exhibit A

Sample Lifeline Certification Form

Telecircuit Network Corporation
P.O. Box 958283 □ Duluth, GA 30095

LIFELINE APPLICATION

This signed authorization is required in order to enroll you in the Lifeline Program in your state. This authorization is only for the purpose of verifying your participation in these programs and will not be used for any purpose other than Lifeline. Service requests will not be processed until this form has been received and verified by Telecircuit. I authorize Telecircuit to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program.

Things to know about the Lifeline Program:

- (1) Lifeline is a federal benefit.
- (2) Lifeline Service is available for only one line 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 a P.O. Box)

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

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

Initial Here

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

FOR OFFICE USE ONLY:

Telecircuit Representative: _____

Documentation Verified: (description) _____

Representative Signature: _____

Date: _____

Is this a multi- family dwelling? _____

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

Initial Here

I certify, under penalty of perjury: (Initial by 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. Telecircuit 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.
- _____ (6) I understand my Telecircuit 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 wireless 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 Telecircuit to confirm that I want to continue receiving their service.
- _____ (8) I will notify Telecircuit 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 my household:
 - (1) ceases to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
 - (2) is receiving more than one Lifeline supported service;
 - (3) no longer satisfies the criteria for receiving Lifeline support.
- _____ (9) I will notify Telecircuit 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 Telecircuit every ninety (90) days. If I fail to respond to Telecircuit's address verification attempts within thirty (30) days, my Telecircuit Lifeline service may be terminated.
- _____ (10) Telecircuit 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 Telecircuit Lifeline service.
- _____ (11) I authorize and understand that Telecircuit 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, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) 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.

APPLICANT'S SIGNATURE

DATE

Exhibit B

Sample Advertisement

Revised 05/17/12
Visual

Graphic:

Tele Circuit Lifeline Program

FREE Cell Phone Service
FREE phone and FREE minutes

Roll the graphic:

Food Stamps
Housing Assistance
Medicaid
Supplemental Security Income
Low Income Home Energy Assistance Program
Temporary Assistance for Needy Families
National School Lunch Program (Free program)
Senior citizen low-income discount plan offered by local gas or power company

You may also qualify based on income

Graphic:

FREE Cell Phone
FREE Minutes
FREE Long Distance

No Deposit
No Credit Check
(call for details - Sprint service areas only)

Graphic:

FREE cell phone
FREE minutes each month

Graphic continuously at the bottom of the screen

1-800-738-0057
www.telecircuit.com/wireless

Lifeline is a government-supported service available only to eligible consumers. Documentation required for proof of eligibility. Only one benefit per family/household. Customers willfully making false statements concerning benefits can be punished by fine or imprisonment or can be barred from the program. Terms and conditions apply. Talk to a customer service representative for more information or visit www.telecircuit.com/wireless.

Audio

Are you currently receiving any type of government assistance?

If so, you may qualify for Lifeline, a government benefit, so you can receive a free cell phone and 250 free minutes each month

Call today to see if you qualify for your free cell phone with 250 free minutes each month. There is no credit check and no deposit.

Call today at 1-800-738-0057.

Exhibit C

Key Management Resumes

Ashar Syed

Summary of Expertise

A software developer with over 9 years of product development, business development, marketing management and software consulting experience. Solid reputation as a strategic visionary, and problem solver. Strong ability to develop and motivate teams. Performance-oriented with experience in profit and loss management. Skilled in executive level presentations, vendor relationships, and strategic partnerships. Extensive technical expertise in telecommunication software development, data communication technologies, and Internet applications.

Professional Experience

Chairman and CEO, October 2003 - Present

Tele Circuit Network Corp. Alpharetta, GA

Created a long-distance telecommunication company that has been in operation for one and half year. Consultant to several telecommunication, software development and professional services companies on content and product support strategies, vertical market development, business partnership deal structures and customer acquisition. Conceived, developed and brought telecom services to market such as calling card, T1s, DSL and long-distance. Designed user interfaces and telephony applications. Delivered technology assessments and evaluations for training, knowledge ware and groupware applications. Negotiated licensing and joint venture agreements. Established pricing policies. Designed and executed advertising, direct mail and telemarketing campaigns for Tele Circuit.

Technical Manager, July 1999 – September 2003

America's Tele-Network Corp. Roswell, GA

Responsible for managing, analyzing, designing, implementation, testing and maintaining of **GUIs, Telephony, Internet, Intranet, Extranet and Database Systems** related to telecommunications industry. **Provide application modeling and programming expertise in building software and hardware solutions for maintenance and management of Voice Processing, Customer Service and Billing systems** using **C++, MFC, Dialogic SDK, Green Leaf, Visual Voice, COM, ActiveX Controls, SQL Sever, MS Access.**

- Providing technical skills of strategic network planning for data transfer between different offices at other locations.
- Supervised and developed file processing and on-line communication system with different long distance carriers like, AT&T, QWest, Sprint, and MCI-WorldCom.
- Analyzed, designed, implemented and maintaining **Automated Telephone Dialer System** using **Object-Oriented** methodologies, which is being used as the main sales, marketing and advertising tool. Automatically dial customers from lead pool, record voices, process them and response to the customers questions analytically. This **Multithreaded System** is operated on a **Digital Dialogic Card** and implemented using **MFC, C++, Visual Voice, Dialogic SDK, MS Access and SQL Server.**
- Analyzed and designed **Client-Server Architecture** for customer services named QuickLink. This **Two-Tier** application is being by all customer service representatives to process customer complaints and requests. The presentation tier was modeled using **UML** and its architecture is based on **COM Components** and Object-Oriented technology. It was implemented using **C++, ASP, MFC, JavaScript, DLLs, ActiveX**

Education

Master of Telecommunications Management, December 2002
Keller Graduate Institute of Technology, Alpharetta, Georgia

Master of Science, Computer Science, April 1998
University of South Alabama, Mobile, Alabama

Master of Science, Computer Science, September 1995
Quaid-e-Azam University, Islamabad, Pakistan

Certified Internet Web Associate, June 2000



References available on request

Thomas E. Allen

1901 S. Palmetto Ave
South Daytona, FL 32119
386-212-0212
tommy@telecircuit.com

Education Lanier High School Macon, GA - Graduated 1970
Mercer University, Macon, GA - Graduated 1974
Bachelor of Arts Degree
Major: Business Administration

Experience

Chief Operations Officer, September 2008 - Present **Tele Circuit Network Corp Alpharetta, GA**

In concert with the CEO, work to establish an annual operations execution plan and to maintain "best practices and processes" in the office.

In concert with the CEO, work to effectively managing their assigned human resources, included but not limited to recruitment, hiring, training, performance reviews/rewards, progressive discipline issues and compensation plans.

Work with CEO to establish and coordinate arrangements for regular regional meetings including preparation of meeting agenda and materials.

Promoting growth and goodwill for the company through daily personal contact with agents and other outside individuals and organizations, and through attendance staff meetings, community meetings, and trade associations.

Carrying out supervisory responsibilities in accordance with the organization's policies and applicable laws.

Performing interviewing and training of employees; planning, assigning, and directing work; appraising performance; rewarding and disciplining employees; addressing complaints and resolving problems.

President, 1991 - 2007 **Deland Actel, Inc Daytona Beach, FL**

I recruited, trained and managed the sales and marketing team selling telecommunication services and equipment directly to businesses and individuals. As of August 1999 upon receiving CLEC certification, operated a prepaid Competitive Local Exchange Carrier with service offered in GA and FL with as many as 5000 customers. Was responsible for technical implementation of telecommunications services as well as regulatory and tariff issues with each state public utilities commission. Managed customer service departments that regularly dealt with customer service issues. Regularly reviewed expense and reimbursement reports, budgets and reviewed financial statements and reports.

Vice President, 1978 - 1991
Actel Communications Macon, GA

As an Authorized Service Representative for BellSouth Telecommunications, I recruited, trained and managed the sales and marketing team selling telecommunication services and equipment directly to businesses and individuals. Developed training manuals and technical instructions to use by the sales people. Instituted account management systems and trained on sales techniques. Developed sales forecasts along with service and pricing plans.

Susan R. Mulhall

1568 N. Woodland Blvd.
Deland, FL 32720
386-734-0057
susan@telecircuit.com

Education Briarcliff High School, Briarcliff Manor NY

Experience 1995-2000 Actel Deland Actel, Inc. Deland, FL
Bookkeeper-Office Manager
Cellular Service & Equipment retail sales
Trained and Managed sales staff
Full Charge Bookkeeper
Sales and Communication tax reporting and remittances
Responsible for provisioning in Bellsouth system

2000 - 2007 Actel Wireless, Inc Deland, FL

President - General Manager

I recruited, trained and managed the sales and marketing team selling telecommunication services and equipment directly to businesses and individuals. Upon receiving CLEC certification, operated a prepaid Competitive Local Exchange Carrier with service offered in FL.

Was responsible for technical implementation of telecommunications services as well as regulatory and tariff issues with each state public utilities commission. Managed customer service departments that regularly dealt with customer service issues. Regularly reviewed expense and reimbursement reports, budgets and reviewed financial statements and reports.

Responsible for all provisioning in Sprint system.

Report and follow up on repair issues.

Sales & Communication Tax reporting and remittance.

Cellular Service & Equipment retail sales

2007-Present Tele Circuit Network, Inc Alpharetta, GA

Provisioning Manager

Responsible for Provisioning in Bell South, Embarq, Verizon and Windstream systems.

Report and follow up on repair issues.

Resolve errors on provisioning orders

Assist customer service as needed

Exhibit D

Proposed Lifeline Rate Plan

Lifeline 250 Minutes Plan - \$0

250 anytime minutes per month

- Free handset
- Free Voicemail, Caller-ID, Call waiting
- Free calls to Customer Service
- Free calls to 911 emergency services
- 1 text message = 1 minute of usage

Additional bundles of minutes available:

\$5 = 35 minutes

\$10 = 75 minutes

\$20 = 160 minutes

\$30 = 270 minutes

\$50 = 700 minutes