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May 19, 2014

VIA ECFS

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

Re: Mobile Net POSA, Inc.
Petition for Designation as an Eligible Telecommunications Carrier
WC Docket No. 09-197

Dear Ms. Dortch:

Attached please find Mobile Net POSA, Inc.'s Petition for Limited Designation as an Eligible Telecommunications Carrier in the States of Alabama, Connecticut, Delaware, Florida, Maine, New Hampshire, North Carolina, New York, Tennessee, Texas, the Commonwealth of Virginia, and the District of Columbia ("Petition"). The attached Petition replaces the version as filed on May 16, 2014 and includes a corrected Exhibit N (Coverage Area).

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

Respectfully submitted,

/s/ Lance J.M. Steinhart

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Lance J.M. Steinhart, P.C.
Attorneys for Mobile Net POSA, Inc.

Attachments

cc: Sharoz Yroshalmiane

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

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

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

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SUMMARY

Mobile Net POSA, Inc. (“Mobile Net”) is seeking limited designation as an Eligible Telecommunications Carrier (“ETC”) in the States of Alabama, Connecticut, Delaware, Florida, Maine, New Hampshire, North Carolina, New York, Tennessee, Texas, the Commonwealth of Virginia, and the District of Columbia (collectively the “Non-Jurisdictional States”) pursuant to Section 214(e)(6) of the Communications Act, solely for purposes of offering services supported by the Universal Service Fund’s (“USF”) Lifeline program. Mobile Net is a Mobile Virtual Network Operator (“MVNO”) that purchases wireless service on a wholesale basis from Sprint and T-Mobile. 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 Mobile Net as an ETC in the Non-Jurisdictional States.

Mobile Net 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, Mobile Net has the ability to offer all of the services and functionalities supported by the USF and set forth in Section 54.101(a) of the Commission’s rules. Mobile Net 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 Mobile Net 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. Mobile Net's prepaid service offerings are ideally suited to provide these customers with reliable and cost-effective wireless services. As an ETC, Mobile Net 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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**PETITION FOR LIMITED DESIGNATION AS AN ELIGIBLE
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CAROLINA, NEW YORK, TENNESSEE, TEXAS, THE COMMONWEALTH OF
VIRGINIA, AND THE DISTRICT OF COLUMBIA**

I. INTRODUCTION

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

Since the Alabama Public Service Commission, the Connecticut Department of Public Utility Control, the Delaware Public Service Commission, the District of Columbia Public Service Commission, the Florida Public Service Commission, the Maine Public Utilities Commission, the New Hampshire Public Utilities Commission, the North Carolina Utilities Commission, the New York Public Service Commission, the Tennessee Regulatory Authority, the Texas Public Utility Commission, and the Virginia State Corporation Commission (collectively, the “State Commissions”) lack jurisdiction to designate Mobile Net 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, Mobile Net 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 Mobile Net’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

Mobile Net is a California corporation.⁵ Mobile Net POSA, Inc.'s primary business since it was incorporated in 2010 has hinged on its web-based point of sale and activation software which is being used by over 5,000 retail locations nationwide, giving them access to activate and sell more than 100 different wireless products and prepaid international calling and phone cards. Mobile Net has also recently begun to offer prepaid wireless services under the d/b/a Expo Mobile, and intends to offer both Lifeline and non-Lifeline prepaid wireless services under the d/b/a Jolt Mobile.

Mobile Net will provide prepaid wireless telecommunications services to consumers by using the Sprint Spectrum L.P. ("Sprint") and T-Mobile wireless networks on a wholesale basis. Sprint and T-Mobile are nationwide carriers that provide wholesale capacity on their wireless networks to wireless resellers like Mobile Net. Mobile Net has a direct contract relationship with Sprint, and has access to the T-Mobile network through a contract with Prepaid Wireless Wholesale, LLC, a Mobile Virtual Network Enabler ("MVNE"). Pursuant to existing agreements, Mobile Net obtains from Sprint and T-Mobile the network infrastructure, including wireless transmission facilities, to allow Mobile Net 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

⁵ Mobile Net does not have a holding company or operating company. Mobile Net's affiliates are as follows: (1) Network Enhanced Technologies ("NET"), which offers long distance service to business and residential customers. NET's nationwide service has served more than 500,000 subscribers for more than 15 years. For the past 7 years, NET has created different brands of PINless dialing for customers who wish to use their mobile phone to make international calls; some examples of NET's very successful brands are "llamex" (serving the Hispanic, specially Mexican market), "My011" (serving the Asian market), and "Itell" (serving the middle eastern market); and (2) Jolt Mobile, Inc. ("Jolt"), which provides prepaid wireless services using the AT&T wireless network. Jolt has activated over 30,000 subscribers and is growing.

Commission.⁶ Mobile Net will purchase services from Sprint and T-Mobile on a wholesale basis for mobile calling and text messaging, package those services into Mobile Net's own service plans and pricing, and bundle those service with Mobile Net's handset selection, mobile applications, marketing materials, web interface, and customer service to produce finished wireless service offerings to sell to end-user customers.

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

Given its pricing and marketing strategy and the demographics of other, similar MVNOs' customers, Mobile Net 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

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.

constraints, poor credit history, or sporadic employment. Mobile Net does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service.

B. Lifeline Program

Universal service has been a fundamental component of U.S. telecommunications policy since adoption of the Act over 70 years ago. Section 254 of the Act codified that commitment in 1996, and embodies the Commission’s historical commitment to the concept of universal service, including for low-income consumers. Section 254(b) sets forth the principles upon which the Commission shall base its policies for the promotion and advancement of universal service. These principles require the Commission to ensure that all consumers, including low-income consumers, have access to telecommunications services at affordable and reasonably comparable rates.⁷ As part of those universal service support programs, Lifeline support helps defray the monthly costs of telecommunications services for low-income consumers by providing them with discounts off the monthly cost of telephone service, with additional discounts available for individuals living on tribal lands.⁸

While generally praising the Low-Income program’s success, the Commission has noted that “there is more that we can do to make telephone service affordable for more low-income households,” and has specifically targeted telephone subscription among low income consumers as

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.

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 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

Attached hereto as Attachment A is a table of the Company’s proposed Lifeline offering, showing that Mobile Net will provide customers with a free handset and 250 voice minutes and 250 SMS text messages each month at no charge. In lieu of the free plan option, customers may elect to apply their Lifeline discount to one of the Company’s retail plans.

In addition, the Company’s Lifeline offering will include access to Caller ID, Call Forwarding, Call Waiting, 3-Way Calling and Voicemail features at no cost. Mobile Net offers data capabilities and international calling, but these features will require additional funds to be added to the account beforehand, and these features can also be blocked at any time. Customers will have the ability to purchase additional airtime via the Company’s website, at select retail locations, or by calling Mobile Net Customer Service at no decrement in minutes. Additional airtime costs \$0.11 per minute of talk or \$.05 per text, and data costs \$0.25 per Megabyte;

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

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

customers also have the option to upgrade to a different plan at any time, though they will only receive one Lifeline discount per month. Customers are not bound by a local calling area requirement; all Mobile Net plans come with domestic long distance at no extra per minute charge and exceptional nationwide digital coverage on the Nationwide Sprint and T-Mobile wireless networks. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. Calls to Mobile Net Customer Service are also free and do not deduct minutes. Mobile Net does not require burdensome credit checks or impose long-term service contracts on its prepaid customers.

III. THE COMMISSION HAS AUTHORITY TO PERFORM THE ETC DESIGNATION

Pursuant to Section 214(e)(6), the Commission may designate as an ETC “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a state commission.”¹¹ The Commission has established that a carrier must demonstrate that it “is not subject to the jurisdiction of a state commission” before it may consider an application for ETC designation.¹² The Commission also has stated that any carrier seeking ETC designation from it must provide the Commission with an “affirmative statement” from the state PUC that it lacks jurisdiction to perform the ETC designation.”¹³

¹¹ See 47 U.S.C. § 214(e)(6).

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

¹³ See *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscriberhip in Unserved and Underserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, 15 FCC Rcd 12208, 12264 ¶ 113 (2000).

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

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

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

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

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

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

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

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

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

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

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

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

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

Accordingly, for each of the Non-Jurisdiction States, Mobile Net is “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission.”¹⁴ As such, the Commission is authorized to designate Mobile Net as an Eligible Telecommunications Carrier.

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

A. Mobile Net Requests ETC Designation in its Existing Service Area

Consistent with prior orders granting other MVNOs ETC status,¹⁵ Mobile Net requests ETC designation for its entire service area in Alabama, Connecticut, Delaware, District of Columbia, Florida, Maine, New Hampshire, North Carolina, New York, Tennessee, Texas, and Virginia (i.e., the area served by the facilities-based carriers from whom it obtains wholesale service), but excluding any Tribal Areas.¹⁶ Mobile Net 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. Mobile Net’s Limited ETC Designation Request Only Seeks Authority to Participate in the Lifeline Program

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

¹⁴ 47 U.S.C. § 214(e)(6).

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

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

program or High Cost support program. As demonstrated herein, the instant request to participate in the Lifeline program is consistent with the Commission's requirements for ETC designation, and would promote the goals of universal service by offering the many benefits of supported services to low-income customers in the Non-Jurisdictional States. As discussed above, Mobile Net'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

Mobile Net's request for designation to participate in the Lifeline program is consistent with the Commission's decisions conditionally designating TracFone Wireless and Virgin Mobile as ETCs in several states.¹⁷ In 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.¹⁸ The Commission specifically noted in the *TracFone* and *Virgin Mobile Orders* that designation of prepaid wireless providers as ETCs will provide a variety of benefits to low-income consumers, including increased consumer choice, high-quality service offerings and mobile access to emergency services on wireless devices.¹⁹

Mobile Net 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

¹⁷ See *supra* note 6.

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

¹⁹ See *Id.*

prepaid wireless providers such as TracFone, Virgin Mobile and Mobile Net as ETCs is a significant step towards ensuring that all customers, particularly low-income customers, share in the many benefits associated with access to affordable wireless telecommunications services. During an economic downturn, many existing wireless customers have to forego wireless services because they can no longer afford them. Designation of ETC status to prepaid wireless carriers like Mobile Net helps to close the widening gap for wireless services and provide low-income customers with the significant advantages associated with access to wireless services. The Commission has found that voice service has “become crucial to full participation in our society and economy, which are increasingly dependent upon the rapid exchange of information.”²⁰ As noted in a study sponsored by the Massachusetts Institute of Technology’s Legatum Center for Development and Entrepreneurship and New Millennium Research Council, low-income customers receive significant economic and social benefits from wireless services, including enhanced productivity, increased economic opportunity, and broader access to emergency and safety services.²¹

V. MOBILE NET SATISFIES THE REQUIREMENTS FOR DESIGNATION AS AN ETC

Section 214(e)(1) of the Act and Section 54.201(d) of the Commission’s rules provide that applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier’s services, except where the Commission has forbore

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

²¹ Nicholas P. Sullivan, New Millennium Research, *Cell Phones Provide Significant Economic Gains for Low-Income American Households: A Review of Literature and Data from Two New Surveys*, (April 2008), available at http://newmillenniumresearch.org/archive/Sullivan_Report_032608.pdf.

from the “own facilities” requirement. Applicants also must commit to advertise the availability and rates of such services.²² As detailed below, Mobile Net satisfies each of the above-listed requirements.

A. Mobile Net is a Common Carrier

CMRS resellers like Mobile Net are common carriers.²³

B. Mobile Net 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 Mobile Net. In the *Lifeline and Link Up Reform Order*, the Commission granted forbearance from the “own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:²⁴

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

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

²³ *Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services*, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1425 ¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory “mobile services” category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) (“mobile services” providers are common carriers); see also *PCIA Petition for Forbearance for Broadband PCS*, WT Docket No. 98-100, Memorandum Opinion and Order and Notice of Proposed Rulemaking, 13 FCC Rcd 16857, 16911 ¶ 111 (1998) (“We concluded [in the *Second Report and Order*] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services *and resellers of such services.*”) (emphasis added).

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

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

Mobile Net will avail itself of the FCC's grant of blanket forbearance.²⁵ In accordance with the *Lifeline and Link Up Reform Order*, Mobile Net filed its Compliance Plan with the FCC on May 14, 2014. A copy of its Compliance Plan is attached to this Petition as Attachment O. Mobile Net commits to providing Lifeline service in the Non-Jurisdictional States in accordance with the Compliance Plan.²⁶

C. Mobile Net Offers All of the Required Services and Functionalities

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

²⁵ Although the Company qualifies for and seeks to avail itself of the Commission's grant of forbearance from the facilities requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state, particularly for purposes of state universal service funding under state program rules and requirements. The Company will follow the requirements of the Commission's Lifeline rules and its Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income fund.

²⁶ To the extent that future changes in federal regulations render the commitments made in the Compliance Plan invalid, the Company reserves the right to modify its operations in accordance with federal regulations in effect at that time.

1. Voice Grade Access to the Public Switched Telephone Network

Mobile Net provides voice grade access to the public switched telephone network (“PSTN”) through the purchase of wholesale CMRS services from Sprint and T-Mobile.

2. Local Usage

As part of the voice grade access to the PSTN, an ETC must provide minutes of use for local service at no additional charge to end-users. The FCC has not specified a minimum amount of local usage that an ETC must offer.²⁷ Mobile Net rate plans include minutes of use for, among other things, local service.

3. Access to Emergency Services

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

4. Toll Limitation for Qualifying Low-Income Consumers

In its *Lifeline and Link Up Reform Order*, the FCC stated that toll limitation would no longer be deemed a supported service.²⁸ “ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls.”²⁹ Nonetheless, Mobile Net’s offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or

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

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

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

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

D. Advertising of Supported Services

Mobile Net will advertise the availability and rates for the services described above using media of general distribution as required by Section 54.201(d)(2) of the Commission's regulations,³⁰ and in accordance with the requirements set forth in the *Lifeline and Link Up Reform Order*.³¹ The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline services, using media of general distribution that may include advertisements via newspapers, television 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, Mobile Net will utilize its network of retail partners to help promote the availability of its Lifeline plans, especially those retail outlets that are frequented by low-income consumers. Mobile Net will provide retail vendors with signage to be displayed where Mobile Net products are sold, and with printed materials describing Mobile Net's Lifeline program. Mobile Net expects to be able to inform consumers of the availability of Lifeline service in a manner that will result in significantly higher participation in the Lifeline program by qualified consumers than has been the case in the past. Mobile Net may also distribute brochures at various state and local social service agencies and partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline services.

³⁰ See 47 C.F.R. § 54.201.

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

E. Service Commitment Throughout the Proposed Designated Service Area

Mobile Net will provide service in the Non-Jurisdictional States by reselling service which it obtains from its underlying facilities-based providers. The underlying providers' networks are operational and largely built out. Thus, Mobile Net will be able to commence offering its Lifeline service to all locations served by its underlying carriers very soon after receiving approval from the Commission. Mobile Net commits to comply with the service requirements applicable to the support that it receives.³²

F. Five-Year Network Improvement Plan

As set forth in the *Lifeline and Link Up Reform Order*, a common carrier seeking designation as a Lifeline-only ETC is not required to submit a five-year network improvement plan as part of its application for designation as an ETC.³³

G. Ability to Remain Functional in Emergency Situations

In accordance with 47 C.F.R. §54.202(a)(2), Mobile Net has the ability to remain functional in emergency situations. As described herein, Mobile Net purchases wireless network services on a wholesale basis from Sprint and T-Mobile, large national carriers that are subject to various regulatory requirements to remain functional in emergencies. Through Sprint and T-Mobile, Mobile Net provides to its customers the same ability to remain functional in emergency situations as currently provided by the ILECs to their 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

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

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

requirements in 47 C.F.R. 20.18(m), and has committed to specific 911 and E911-related requirements – including with respect to E911 handsets – in its Compliance Plan.

H. Commitment to Consumer Protection and Service Quality

Under FCC guidelines, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards.³⁴ The Company commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. Mobile Net commits to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service.

I. Mobile Net is Financially and Technically Capable

Mobile Net is financially and technically capable of providing Lifeline-supported services.³⁵ Mobile Net has been in business for 3 years and currently receives only non-Lifeline revenue. Furthermore, the sole owner of Mobile Net is also the sole owner of NET, its affiliate which has been in business for 15 years and has a proven track record of success. Mobile Net has not been subject to enforcement action or ETC revocation proceedings in any state. Mobile Net is financially able to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate. In the event that USAC ceases disbursements for a period of time, the Company will still be able to provide service to its customers. The Company will continue to rely on its successful business model and service offerings to sustain and grow its business, independent of USF disbursements that provide discounts for qualifying Lifeline subscribers. Furthermore, the senior management of Mobile Net has great depth in the telecommunications industry and offers

³⁴ See 47 C.F.R. § 54.202(a)(3).

³⁵ See *Lifeline and Link Up Reform Order* at ¶ 387. Financial statements were filed confidentially with the Company's Compliance Plan (Attachment O, Exhibit C).

extensive telecommunications business technical and managerial expertise to the Company.³⁶ Mobile Net will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carriers.

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

A. Consumer Eligibility and Enrollment

Mobile Net 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, Mobile Net will rely on the state identification or database.³⁷ In instances where Mobile Net 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

Mobile Net understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as “any individual or group of individuals who are living together at the same address as one economic unit.”³⁸ Upon receiving an application for Lifeline support, Mobile Net will check the National Lifeline Accountability Database (“NLAD”) to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. Mobile Net will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported

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

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

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

service to someone at that residential address. If Mobile Net determines that an individual at the applicant's address is currently receiving Lifeline-supported service, Mobile Net 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, Mobile Net will require applicants to complete and submit to the Company USAC's one-per-household template, which will contain the following: (1) an explanation of the Commission's one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income; and (4) the penalty for a consumer's failure to make the required one-per-household certification (i.e., de-enrollment).³⁹ Mobile Net will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a draft sample of which is attached,⁴⁰ Mobile Net will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and a billing address for the service, if different (which may include a P.O. Box or General Delivery address).⁴¹ Mobile Net will inquire on its certification forms whether or not the applicant's address is a temporary one.⁴² If and

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

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

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

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

when the 90-day verification rules become effective, Mobile Net will notify the consumer that if they have a temporary address, the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of Mobile Net’s attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.⁴³ Also on its certification forms, Mobile Net will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.⁴⁴ If the subscriber has moved, Mobile Net will update the NLAD with the information within 10 business days of receipt of the information.⁴⁵

As detailed below, Mobile Net’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. Mobile Net’s application form will identify that it is a “Lifeline” application. Mobile Net 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.

Mobile Net’s initial and annual certification forms will conform to the list of requirements

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

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

⁴⁵ *See id.*

provided in the *Lifeline and Link Up Reform Order*, Appendix C and C.F.R. § 54.410(d), as amended.⁴⁶ The Company's Lifeline certification forms, a draft sample of which is provided in Attachment O as Exhibit A, will require each prospective subscriber to provide the following information:

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

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

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

Mobile Net 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;

⁴⁶ 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 7001-7006.⁴⁷

Enrollment in person. The Company will primarily enroll Lifeline applicants in person. Mobile Net anticipates that it will enroll approximately 80% of its subscribers at retail locations using agents, and will potentially enroll 10% at Company events. When the Company hosts an

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

event, it will set up a tent housing a table where customers can apply for Lifeline service, and will place signage around the event for identification; employees of the Company will be present along with agents. Whether at retail locations or Company events, Company employees, agents or representatives (“personnel”) trained in the Lifeline program will be equipped with a computer or tablet to assist potential customers with the application process electronically using CGM, LLC’s Enrollment Application (the “CGM App”).

When a prospective customer applies at an event, Company personnel will ask to see a government issued ID and will validate the address via a USPS/Melissa Database. The Company will check the NLAD to confirm that the applicant is not already receiving a Lifeline subsidy from Mobile Net or any other ETC. If the customer indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete USAC’s one-per-household template as well. In cases where an eligibility database exists, personnel will query the database to determine eligibility. In states where eligibility databases are not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. Company personnel will record information about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID). Eligibility documents are returned to the customer after review. Finally, Mobile Net personnel will verbally review all certifications and disclosures with the applicant before they sign the application form, making sure the applicant verbally acknowledges each required certification before moving on to the next. Upon successful completion of the certification process, the customer is allowed to choose a service plan and receive their free phone in person. In instances where eligibility databases cannot be accessed in real-time, Mobile Net will mail the phone to the customer once verification of eligibility is complete. The

customer's account is then activated upon the customer's personal initiation or actual use of the phone. The customer's first phone call will automatically route to the Company for activation purposes; this activation call will capture via IVR the customer's name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

Enrollment by phone. Mobile Net will make phone enrollment available, but expects to enroll only a small percentage of subscribers using this method. With respect to those enrolling via the phone, Company personnel are able to verbally explain the Lifeline program and its eligibility requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant's signature via IVR. If the customer indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete USAC's one-per-household template as well. If no eligibility database is available, personnel will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, NLAD, eligibility databases). If no eligibility database is available, the application will be placed in a "hold" status until the Company receives copies of the applicant's proof documentation and government-issued ID, at which point Company personnel will review the documentation and record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID). Mobile Net will destroy copies of proof documentation and deliver phones to eligible customers by mail. The customer's account is activated upon the customer's personal initiation or actual use of the phone. The customer's first phone call will automatically route to the Company for activation

purposes; this activation call will capture via IVR the customer's name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

Enrollment online. Mobile Net will make online enrollment available, but expects to enroll only a small percentage of subscribers using this method. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. Mobile Net will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.⁴⁸ If the customer indicates that their address is a multi-household residence, online interface will require the applicant to complete USAC's one-per-household template as well. If no eligibility database is available, the online interface will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, NLAD, eligibility databases). If no eligibility database is available, the application will be placed in a "hold" status until the Company receives copies of the applicant's proof documentation and government-issued ID, at which point Company personnel will record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID). Mobile Net will destroy copies of proof documentation and deliver phones to eligible customers by mail. The customer's account is activated upon the customer's personal initiation or actual use of the phone. The customer's first phone call will

⁴⁸ See *Order* at ¶ 123.

automatically route to the Company for activation purposes; this activation call will capture via IVR the customer's name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

General Enrollment Procedures. Mobile Net 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, Mobile Net will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available.⁴⁹ If a database is used to establish eligibility, Mobile Net will not require documentation of the consumer's participation in a qualifying federal program; instead, Mobile Net or its representative will note in its records a description of what specific data was relied upon to confirm the consumer's initial eligibility for Lifeline.⁵⁰ However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Mobile Net to check electronic databases for eligibility, Mobile Net will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.⁵¹ Mobile Net will require acceptable documentation both for income eligibility and for program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility.⁵² Mobile Net understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline,

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

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

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

⁵² See *Lifeline and Link Up Reform Order* at ¶ 101.

and in such cases Mobile Net remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.⁵³

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

3. Annual Re-Certification

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

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

elect to perform this re-certification on a rolling basis throughout the year.⁵⁴ Mobile Net will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by text message, by email, or otherwise through the Internet—to confirm their continued eligibility.⁵⁵ The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. Mobile Net will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section VI.A.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. Mobile Net understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.⁵⁶

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

Mobile Net will certify its compliance with Commission rules on an annual Lifeline

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

⁵⁵ See *id.*

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

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

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

eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of Mobile Net's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

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

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

B. Other Reforms to Eliminate Waste, Fraud and Abuse

Mobile Net 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.

Mobile Net 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

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

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, Mobile Net ensures that it does not over-request from support funds.

During the Lifeline application process, the Company details all required disclosures with the applicant, including the one-per-household rule. As detailed in section IV.A.2, Mobile Net validates each applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, Mobile Net 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. Mobile Net validates the applicant's address via a USPS/Melissa Database to ensure the address is correct. Once the applicant's identity is confirmed, Mobile Net verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Mobile Net checks the NLAD and any available eligibility database. If an eligibility database is not available, the applicant is required to provide proof of eligibility. This prevents ineligible applicants or duplicate subscribers from receiving the subsidy.

1. National Lifeline Accountability Database

Mobile Net will participate in the NLAD. As required by the *Lifeline and Link Up Reform Order*, Mobile Net will provide to the NLAD subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.⁶⁰

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

Mobile Net will query the NLAD to check to see if a prospective subscriber is already receiving service from another ETC at a residential address prior to seeking reimbursement from the Fund.⁶¹

Furthermore, on its certification form, Mobile Net will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.⁶²

2. Subscriber Usage

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

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

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

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

⁶⁴ See *id.*

affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.⁶⁵ Mobile Net utilizes tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.⁶⁶ After notification, if the customer fails to use the phone, it is automatically de-enrolled pursuant to the procedures outlined in section VI.C below. Mobile Net will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.⁶⁷

3. Marketing & Outreach

Mobile Net 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. Mobile Net will explain in clear, easily understood language substantially the following disclosures in all marketing materials related to the supported service:⁶⁸ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either

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

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

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

⁶⁸ See Attachment O, Exhibit B for a sample advertisement. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. See *Lifeline and Link Up Reform Order* at ¶ 275.

wireline or wireless service; and (4) Lifeline is a government benefit program. Mobile Net's website and printed collateral will also explain the documentation necessary for enrollment, and the details of Mobile Net's plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.⁶⁹ For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, Mobile Net will include the URL link for its website where disclosures will be listed. Additionally, Mobile Net will disclose the company name under which it does business.⁷⁰

4. Audits

The *Lifeline and Link Up Reform Order* requires ETCs that draw \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, to hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to assess the ETC's overall compliance with the program's requirements.⁷¹ Mobile Net will comply with this requirement, including applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.⁷²

C. De-Enrollment

If at any time a Mobile Net Lifeline customer wishes to de-enroll from the Company's

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

⁷⁰ See *id.*

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

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

Lifeline program, Company customer service representatives will handle such elective de-enrollment requests. Mobile Net Lifeline customers simply call the Company, via 611 or the toll-free customer service number, and they can speak to a live operator to de-enroll from Mobile Net's Lifeline program. Mobile Net will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).⁷³

If a customer does not respond to the Company's annual verification survey within 30 days, or if Mobile Net 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), Mobile Net will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.⁷⁴ Similarly, Mobile Net will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.⁷⁵

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁷⁶ Mobile Net will de-enroll a subscriber within 5 business days if

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

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

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

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

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. Mobile Net 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. Mobile Net 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. Mobile Net will update the NLAD within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.⁷⁷

D. Additional Rule Amendments

1. Terms and Conditions of Service

The Company's Lifeline offering is summarized in section II.C above. Terms and conditions are subject to change as needed, and the most current version will be maintained on the Company's website. The terms and conditions of Mobile Net's retail plans, as generally available to the public and to which a Lifeline customer can apply their Lifeline discount, will also be maintained on the Company's website.

2. Reporting Requirements

Mobile Net 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

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

conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.⁷⁸

3. Reimbursement from USAC

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

VII. DESIGNATION OF MOBILE NET 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.⁸² Designation of Mobile Net as an ETC in the Non-Jurisdictional States will promote the public interest by providing low-income consumers in the Non-Jurisdictional States with affordable and high quality wireless services. Many low-income consumers have yet to reap the full benefits of the wireless marketplace.

⁷⁸ See *Lifeline and Link Up Reform Order* at ¶ 296, 390. Section 153 of the Act defines “affiliate” as “a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

⁷⁹ See *id* page 221.

⁸⁰ See *id* at ¶ 128.

⁸¹ See *id* at ¶ 302.

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

Whether because of financial constraints, poor credit or intermittent employment, these consumers often lack access to the benefits that wireless services bring to other consumers.⁸³

Designating Mobile Net as an ETC in the Non-Jurisdictional States will enable it to expand the availability of affordable telecommunications services to qualifying consumers, leading to lower prices and increased choice.⁸⁴

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

⁸³ See *supra* note 21.

⁸⁴ See *TracFone ETC Order*, 23 FCC Rcd at 6212 ¶ 15; *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38; *Policy and Rules Concerning the Interstate, Interexchange Marketplace, Implementation of Section 254(g) of the Communications Act of 1934*, CC Docket No. 96-61, Second Report and Order, 11 FCC Rcd 20730, 20760 ¶ 52 (1996).

affordable amounts in the event that included usage has been exhausted, 911 service and, where available, E911 service in accordance with current FCC requirements. Mobile Net's Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers. Mobile Net's Lifeline offering will allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, without the burden of credit checks, contracts, or activation fees.

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

quality service offerings, and mobility,”⁸⁵ as well as the safety and security of effective 911 and E911 services.⁸⁶

B. The Benefits of Competitive Choice

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.⁸⁷ Designation of Mobile Net 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 Mobile Net as an ETC will help assure that quality services are available at “just, reasonable, and affordable rates” as envisioned in the Act.⁸⁸ Designation of Mobile Net 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

Mobile Net 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*, Mobile Net will minimize the likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. Significantly, the Company’s designation as an ETC will

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

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

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

⁸⁸ See 47 U.S.C. § 254(b)(1).

not increase the number of persons eligible for Lifeline support. Mobile Net’s ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable wireless services to low-income consumers. According to the FCC, “the additional choice and service options of another wireless reseller offering a service for low-income consumers represents a significant benefit for consumers and is in the public interest,” and “A new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance in the context of the Lifeline program outweighs the potential costs.”⁸⁹

VIII. ANTI-DRUG ABUSE CERTIFICATION

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

⁸⁹ See *Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A)*, Order, FCC 10-117 (rel. June 25, 2010) at ¶ 19.

IX. CONCLUSION

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

For all of the foregoing reasons, Mobile Net respectfully requests that the Commission designate Mobile Net 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

Attorneys for Mobile Net POSA, Inc.

May 19, 2014

Attachment A

Proposed Lifeline Rates

MobileNet

Lifeline Rate Plan

\$0 – Monthly net cost to Lifeline customer

- 250 Anytime Talk Minutes
- 250 SMS Text Messages
- No rollover

Also Includes:

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

Additional Airtime:

Voice Minutes:	\$0.11 per minute
SMS Text Messages:	\$0.05 per text
Data:	\$0.25 per Megabyte

Attachment B

Affirmative Statement of the Alabama Public Service Commission

Alabama Public Service Commission

Orders

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

Joint Petitioners

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

DOCKET U-4400

ORDER

BY THE COMMISSION:

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

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

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

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

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

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

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

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

ALABAMA PUBLIC SERVICE COMMISSION

Jim Sullivan, President

Jan Cook, Commissioner

George C. Wallace, Jr., Commissioner

ATTEST: A True Copy

Walter L. Thomas, Jr., Secretary

Attachment C

Affirmative Statement of the Connecticut Department of Public Utility Control



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC UTILITY CONTROL

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

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

Re: TracFone Wireless, Inc.

Dear Attorney Chesterman:

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

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

Sincerely,

DEPARTMENT OF PUBLIC UTILITY CONTROL

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

Louise E. Rickard
Acting Executive Secretary

Attachment D

Affirmative Statement of the Delaware Public Service Commission



**STATE OF DELAWARE
PUBLIC SERVICE COMMISSION**

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

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

August 18, 2010

VIA E-MAIL

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

Dear Mr. Steinhart:

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

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

Sincerely

Janis L. Dillard
Acting Executive Director

DOCKET COPY
DO NOT REMOVE FROM OFFICE

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

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

ORDER NO. 6736

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

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

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

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

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

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

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

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

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

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

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

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

⁷47 C.F.R. §§ 54.410(a)(ii), 54.416.

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

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

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

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

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

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

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

Now, therefore, IT IS ORDERED:

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

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

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

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

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

BY ORDER OF THE COMMISSION:

Christy McRae
Chair

Vice Chair

Jim Corway
Commissioner

John R. ...
Commissioner

[Signature]
Commissioner

ATTEST:

Norma J. Sherwood
Acting Secretary

Attachment E

Affirmative Statement of the District of Columbia Public Service Commission



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

February 29, 2012

Via First Class & Electronic Mail

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

Dear Mr. Steinhart:

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

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

Sincerely,

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

Richard A. Beverly
General Counsel

Enclosure



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

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

District of Columbia Official Code 2001 Edition Currentness

Division V. Local Business Affairs

Title 34. Public Utilities.

▾ Subtitle V. Telecommunications.

▾ Chapter 20. Telecommunications Competition.

➔ **§ 34-2006. Exemptions.**

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

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

(c) This chapter shall not:

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

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

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

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

CREDIT(S)

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

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-1456.

Effect of Amendments

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

Legislative History of Laws

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

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

References in Text

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

DC CODE § 34-2006

Current through January 11, 2012

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Attachment F

Affirmative Statement of the Florida Public Service Commission

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

STATE OF FLORIDA



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

Public Service Commission

June 2, 2011

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

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

Dear Mr. Steinhart:

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

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

Sincerely,

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

S. Curtis Kiser
General Counsel

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

Attachment G

Affirmative Statement of the Maine Public Utilities Commission

June 13, 2013

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

ORDER ADOPTING
AMENDED RULE AND
STATEMENT OF FACTUAL
AND POLICY BASIS

WELCH, Chairman; LITTELL and VANNOY, Commissioners

I. SUMMARY

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

II. BACKGROUND

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

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

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

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

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

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

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

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

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

III. DISCUSSION OF THE RULE AMENDMENTS

A. Section 1: Purpose

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

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

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

B. Section 2: Definitions

1. Applicant

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

2. Lifeline/Link-Up

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

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

C. Section 3: Contents of Petition by Applicant

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

D. Section 6: Annual Reports

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

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

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

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

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

IV. ORDERING PARAGRAPHS

In light of the foregoing, we

O R D E R

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

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

BY ORDER OF THE COMMISSION

/s/ Harry Lanphear

Harry Lanphear
Administrative Director

COMMISSIONERS VOTING FOR: Welch
Littell
Vannoy

NOTICE OF RIGHTS TO REVIEW OR APPEAL

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

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

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

Attachment H

Affirmative Statement of the New Hampshire Public Utilities Commission

THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Thomas B. Getz

COMMISSIONERS
Clifton C. Below
Amy L. Ignatius

EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland



PUBLIC UTILITIES COMMISSION

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

Tel. (603) 271-2431

FAX (603) 271-3878

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

Website:
www.puc.nh.gov

March 28, 2011

RE: ETC Certification in New Hampshire

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

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

Sincerely,

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

F. Anne Ross

General Counsel

New Hampshire Public Utilities Commission

Attachment I

Affirmative Statement of the New York Public Service Commission

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

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

PUBLIC SERVICE COMMISSION

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



DAWN K. JABLONSKI
General Counsel

JANET HAND DEEXLER
Secretary

March 27, 2003

TO WHOM IT MAY CONCERN:

Re: Nextel CMRS Jurisdiction

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

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

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

Sincerely,

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

Elizabeth H. Liebschutz
Assistant Counsel

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350

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

PUBLIC SERVICE COMMISSION

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



DAWN JABLONSKI RYMAN
General Counsel

JACLYN A. BRILLING
Secretary

March 18, 2004

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

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

Dear Mr. Brecher,

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

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

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

Mr. Mitchell Brecher

March 18, 2004

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

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

Sincerely,


Kathleen H. Burgess
Assistant Counsel

Attachment J

Affirmative Statement of the North Carolina Public Utilities Commission

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-100, SUB 133c

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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

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

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

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

WHEREUPON, the Commission reaches the following

CONCLUSIONS

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

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

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of August, 2003.

NORTH CAROLINA UTILITIES COMMISSION

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

Patricia Swenson, Deputy Clerk

Attachment K

Affirmative Statement of the Tennessee Regulatory Authority

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 11, 2003

IN RE:

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

)
)
)
)
)

DOCKET NO.
02-01245

ORDER

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

Background

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

The January 27, 2003 Authority Conference

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

jurisdiction over Advantage for ETC designation purposes.¹

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

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

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

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

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

² 47 U.S.C. §214(e)(6) states:

(6) Common carriers not subject to state commission jurisdiction

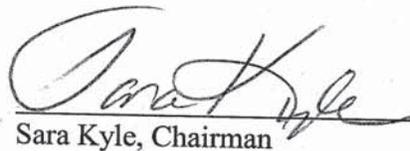
In the case of a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission, the Commission shall upon request designate such a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier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

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

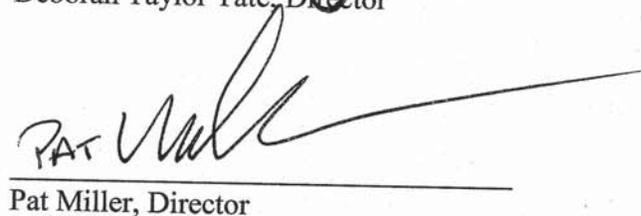
The panel noted that the FCC is the appropriate forum for Advantage to pursue ETC status pursuant to 47 U.S.C. § 214(e)(6). This Order shall serve as the above mentioned affirmative statement required by the FCC.

IT IS THEREFORE ORDERED THAT:

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


Sara Kyle, Chairman


Deborah Taylor Tate, Director


Pat Miller, Director

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

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

Attachment L

Affirmative Statement of the Texas Public Utility Commission

PROJECT NO. 40561

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

PUBLIC UTILITY COMMISSION

OF TEXAS

2012 NOV 21 AM 11:37
FILED CLERK

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

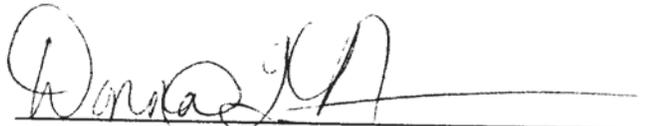
- (E) each support category complies with subparagraphs (A) and (B) of this paragraph;
 - (F) monthly payments of FUSF support shall be based upon the annual amount of FUSF support divided by 12 months if the rural ILEC's study area does not contain a competitive carrier designated as an ETC; and
 -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

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

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

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

PUBLIC UTILITY COMMISSION OF TEXAS



DONNA L. NELSON, CHAIRMAN



KENNETH W. ANDERSON, JR., COMMISSIONER



ROLANDO PABLOS, COMMISSIONER

Attachment M

Affirmative Statement of the Virginia Corporation Commission

STATE CORPORATION COMMISSION DOCUMENT CONTROL

AT RICHMOND, APRIL 9, 2004

IN RE:

2004 APR -9 A 11:46

APPLICATION OF VIRGINIA CELLULAR LLC

CASE NO. PUC-2001-00263

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

ORDER INVITING COMMENTS AND/OR REQUESTS FOR HEARING

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Accordingly, IT IS ORDERED THAT:

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

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

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

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

(4) This matter is continued generally.

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

Attachment N
Coverage Area

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

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

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

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

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

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

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

Attachment O

Mobile Net POSA, Inc.'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)	
)	
Mobile Net POSA, Inc.)	
Compliance Plan)	

MOBILE NET POSA, INC.'S COMPLIANCE PLAN

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May 13, 2014

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

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

MOBILE NET POSA, INC.’S COMPLIANCE PLAN

I. INTRODUCTION

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

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

Order.² Given the severe economic environment that is forcing many low-income customers to forego wireless service, Mobile Net 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.

III. MOBILE NET WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER

Mobile Net will comply with all conditions set forth in the *Order*, the provision of this

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

³ See *Order* at ¶¶ 368, 373 and 379.

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

C. Consumer Eligibility and Enrollment

Mobile Net 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, Mobile

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.*

Net will rely on the state identification or database.⁷ In instances where Mobile Net 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

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

⁷ See Order at ¶ 98.

⁸ See Order at ¶ 74.

consumer's failure to make the required one-per-household certification (i.e., de-enrollment).⁹ Mobile Net 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 Mobile Net 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 Mobile Net will inquire on its certification forms whether or not the applicant's address is a temporary one.¹² If and when the 90-day verification rules become effective, Mobile Net will notify the consumer that if they have a temporary address, the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of Mobile Net's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.¹³ Also on its certification forms, Mobile Net will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.¹⁴ If the subscriber has moved, Mobile Net will update the NLAD with the information within 10 business days of receipt of the information.¹⁵

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

⁹ See Order at ¶ 78.

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

¹¹ See Order at ¶ 85.

¹² See Order at ¶ 89.

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

¹⁴ See Order at ¶ 85.

¹⁵ See *id.*

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. Mobile Net's application form will identify that it is a "Lifeline" application. Mobile Net 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.

Mobile Net'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. Mobile Net's Lifeline certification forms, a draft sample of which is attached as Exhibit A, will require each prospective subscriber to provide the following information:

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

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

(i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;

(ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.

(iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);

(iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;

(v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;

(vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;

(vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,

(viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and

(ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

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

meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.¹⁶

Enrollment in person. The Company will primarily enroll Lifeline applicants in person. Mobile Net anticipates that it will enroll approximately 80% of its subscribers at retail locations using agents, and will potentially enroll 10% at Company events. When the Company hosts an event, it will set up a tent housing a table where customers can apply for Lifeline service, and will place signage around the event for identification; employees of the Company will be present along with agents. Whether at retail locations or Company events, Company employees, agents or representatives (“personnel”) trained in the Lifeline program will be equipped with a computer or tablet to assist potential customers with the application process electronically using CGM, LLC’s Enrollment Application (the “CGM App”).

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

¹⁶ See *Order* at ¶ 168.

Stamps) and a unique identifier (last 3 digits of document ID). Eligibility documents are returned to the customer after review. Finally, Mobile Net personnel will verbally review all certifications and disclosures with the applicant before they sign the application form, making sure the applicant verbally acknowledges each required certification before moving on to the next. Upon successful completion of the certification process, the customer is allowed to receive their free phone in person. In instances where eligibility databases cannot be accessed in real-time, Mobile Net will mail the phone to eligible customers once verification of eligibility is complete. The customer's account is then activated upon the customer's personal initiation or actual use of the phone. The customer's first phone call will automatically route to the Company for activation purposes; this activation call will capture via IVR the customer's name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

Enrollment by phone. Mobile Net will make phone enrollment available, but expects to enroll only a small percentage of subscribers using this method. With respect to those enrolling via the phone, Company personnel are able to verbally explain the Lifeline program and its eligibility requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant's signature via IVR. Company personnel will obtain applicant's verbal confirmation of each required certification. If the applicant indicates on the application form that their address is a multi-household residence, personnel will require the applicant to complete USAC's one-per-household template as well. If no eligibility database is available, personnel will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what documentation qualifies as proof of benefits. The Company will qualify the applicant

by accessing necessary databases (USPS/Melissa, NLAD, eligibility databases). If no eligibility database is available, the application will be placed in a “hold” status until the Company receives copies of the applicant’s proof documentation and government-issued ID, at which point Company personnel will review the documentation and complete the “Office Use Only” section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID). Mobile Net will destroy copies of proof documentation and deliver phones to eligible customers by mail. The customer’s account is activated upon the customer’s personal initiation or actual use of the phone. The customer’s first phone call will automatically route to the Company for activation purposes; this activation call will capture via IVR the customer’s name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

Enrollment online. Mobile Net will make online enrollment available, but expects to enroll only a small percentage of subscribers using this method. When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. Mobile Net will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.¹⁷ If the customer indicates that their address is a multi-household residence, online interface will require the applicant to complete USAC’s one-per-household template as well. If no eligibility database is available, the online interface will advise the applicant that they are required to provide proof of identity verification of benefits before their Lifeline service can be activated; applicants will be made aware of how to submit the required documentation to the Company as well as what

¹⁷ See *Order* at ¶ 123.

documentation qualifies as proof of benefits. The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, NLAD, eligibility databases). If no eligibility database is available, the application will be placed in a “hold” status until the Company receives copies of the applicant’s proof documentation and government-issued ID, at which point Company personnel will review the documentation and complete the “Office Use Only” section of the application form, which must be completely filled out and signed by personnel in order to record a description about the specific documentation reviewed as part of the eligibility verification process, including type of documentation (i.e. Food Stamps) and a unique identifier (last 3 digits of document ID). Mobile Net will destroy copies of proof documentation and deliver phones to eligible customers by mail. The customer’s account is activated upon the customer’s personal initiation or actual use of the phone. The customer’s first phone call will automatically route to the Company for activation purposes; this activation call will capture via IVR the customer’s name and last four digits of SSN in order to verify that the person activating the phone is the intended recipient.

General Enrollment & Training Procedures. Mobile Net 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, Mobile Net will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available.¹⁸ If a database is used to establish eligibility, Mobile Net will not require documentation of the consumer’s participation in a qualifying federal program; instead, Mobile Net or its representative will note in its records what specific data was relied upon to confirm the consumer’s initial eligibility for Lifeline.¹⁹

¹⁸ See Order at ¶ 97.

¹⁹ See Order at ¶ 98.

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 Mobile Net to check electronic databases for eligibility, Mobile Net will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.²⁰ Mobile Net will require acceptable documentation both for income eligibility and for program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility.²¹ Mobile Net understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Mobile Net remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.²²

Mobile Net will provide Lifeline-specific training to all personnel – employees, agents, and representatives – designed to give them an understanding of Lifeline program requirements and permit them to review customer documentation and determine whether it is sufficient to establish a customer's eligibility to participate in the Lifeline program under the Commission's rules. No Company employee, agent, or representative may accept a Lifeline application unless he or she has first completed this training program and demonstrated an understanding of the underlying material. Among other things, the Lifeline program training discusses the Company's Lifeline application form (see Exhibit A) on a section-by-section basis. The training explains what sections of the form must be completed by the customer and reviews the form disclosures in detail, to facilitate the ability of employees, agents, or representatives to explain each item contained therein and answer any customer questions. Because the Company is responsible for the actions of all its personnel,

²⁰ See Order at ¶ 99.

²¹ See Order at ¶ 101.

²² See Order at ¶ 110.

including those enrolling customers in any Company-owned or agent retail locations, and a Company employee will be responsible for overseeing and finalizing every Lifeline enrollment prior to including that customer on an FCC Form 497 for reimbursement, the Company always “deals directly” with its customers to certify and verify customers’ Lifeline eligibility.

3. Annual Re-Certification

Mobile Net understands that it must annually re-certify the eligibility of its entire Lifeline subscriber base and report the results to USAC by January 31 each year, and the Company may elect to perform this re-certification on a rolling basis throughout the year.²³ Mobile Net will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by text message, by email, or otherwise through the Internet—to confirm their continued eligibility.²⁴ The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. Mobile Net 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. Mobile Net understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.²⁵

Alternatively, where a database containing consumer eligibility data is available, Mobile Net (or state agency or third-party, where applicable) will instead query the database and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber’s address cannot be verified through the state data, Mobile Net will

²³ See *Order* at ¶ 130.

²⁴ See *id.*

²⁵ See *Order* at ¶ 132.

contact the subscriber every year during the annual certification process to obtain a valid address.²⁶ Mobile Net understands that it has the option to elect USAC to administer the self-certification process on the Company's behalf.²⁷

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

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

(2) that the Company is in compliance with all federal Lifeline certification procedures.²⁸

D. Other Reforms to Eliminate Waste, Fraud and Abuse

Mobile Net 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.

Mobile Net 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

²⁶ See Order at ¶ 131.

²⁷ See Order at ¶ 133.

²⁸ See Order at ¶ 126-27.

will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, Mobile Net ensures that it does not over-request from support funds.

During the Lifeline application process, the Company details all required disclosures with the applicant, including the one-per-household rule. As detailed in section III.C.2, Mobile Net validates each applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, Mobile Net 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. Mobile Net validates the applicant's address via a USPS/Melissa Database to ensure the address is correct. Once the applicant's identity is confirmed, Mobile Net verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Mobile Net checks the NLAD and any available eligibility database. If an eligibility database is not available, the applicant is required to provide proof of eligibility. This prevents ineligible applicants or duplicate subscribers from receiving the subsidy.

1. National Lifeline Accountability Database

Mobile Net will participate in the NLAD. Mobile Net will query the NLAD to check to see if a prospective subscriber is already receiving service from another ETC at a residential

address prior to seeking reimbursement from the Fund.²⁹ As required by the *Order*, Mobile Net will provide to the NLAD subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.³⁰

Furthermore, on its certification form, Mobile Net will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.³¹

2. Subscriber Usage

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

²⁹ See *Order* at ¶ 203.

³⁰ See *Order* at ¶ 189.

³¹ See *Order*, Appendix C.

³² See *Order* at ¶ 257.

³³ See *id.*

affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.³⁴ Mobile Net utilizes tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.³⁵ After notification, if the customer fails to use the phone, it is automatically de-enrolled pursuant to the procedures outlined in section E below. Mobile Net will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.³⁶

3. Marketing & Outreach

Mobile Net 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. Mobile Net will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:³⁷ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit program. Mobile Net's website and printed collateral will explain the documentation necessary for enrollment, and the details of Mobile

³⁴ See Order at ¶ 261.

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

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

³⁷ See Exhibit B for a sample advertisement. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. See Order at ¶ 275.

Net's plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.³⁸ For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, Mobile Net will include the URL link for its website where disclosures will be listed. Additionally, Mobile Net will disclose the company name under which it does business.³⁹

4. Audits

The *Order* requires ETCs that draw \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, to hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to assess the ETC's overall compliance with the program's requirements.⁴⁰ Mobile Net 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.⁴¹

E. De-Enrollment

If at any time a Mobile Net Lifeline customer wishes to de-enroll from the Company's Lifeline program, Company customer service representatives will handle such elective de-enrollment requests. Mobile Net Lifeline customers simply call the Company, via 611 or the toll-free customer service number, and they can speak to a live operator to de-enroll from Mobile

³⁸ See *Order* at ¶ 275.

³⁹ See *id.*

⁴⁰ See *Order* at ¶ 291.

⁴¹ See *Order* at ¶ 294. As of the date of filing of this Compliance Plan, the audit requirement has not been approved pursuant to the Paperwork Reduction Act.

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

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).⁴²

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

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁴⁵ Mobile Net 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. Mobile Net 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. Mobile Net will provide the subscriber 30 days' notice, using clear, easily understood language, that the

⁴² See Order at ¶ 122.

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

⁴⁴ See Order at ¶ 89.

⁴⁵ See Order at ¶ 214-16.

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. Mobile Net will update the NLAD within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.⁴⁶

F. Additional Rule Amendments

1. Terms and Conditions of Service

The Company's Lifeline offering is summarized in section IV.C below. Terms and conditions are subject to change as needed and will be maintained on the Company's website. The terms and conditions of the Company's retail plans, as generally available to the public and to which a Lifeline customer can apply their Lifeline discount, will also be maintained on the Company's website.

2. Reporting Requirements

Mobile Net 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.⁴⁷

⁴⁶ See Order at ¶ 257.

⁴⁷ See Order at ¶ 296, 390. Section 153 of the Communications Act defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person."

3. Reimbursement from USAC

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

4. Section 54.202 Certifications

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

IV. COMPANY INFORMATION

Mobile Net is a California corporation. Mobile Net provides prepaid wireless telecommunications services to consumers by using the network of its underlying carrier(s), currently Sprint Spectrum L.P. (“Sprint”) and T-Mobile. Sprint and T-Mobile are nationwide carriers that provide wholesale capacity on their wireless networks to resellers like Mobile Net. Mobile Net has a direct contract relationship with Sprint, and has access to the T-Mobile network through a contract with Prepaid Wireless Wholesale, LLC, a Mobile Virtual Network Enabler (“MVNE”). Through these resale agreements, the Company obtains the network infrastructure and transmission facilities to allow Mobile Net to operate as a Mobile Virtual Network Operator (“MVNO”) on the Sprint and T-Mobile wireless networks.

⁴⁸ See *Order* page 221.

⁴⁹ See *Order* at ¶ 128.

⁵⁰ See *Order* at ¶ 302.

A. Operations

Mobile Net POSA, Inc.'s primary business since it was incorporated in 2010 has hinged on its web-based point of sale and activation software which is being used by over 5,000 retail locations nationwide, giving them access to activate and sell more than 100 different wireless products and prepaid international calling and phone cards. Mobile Net has also recently begun to offer prepaid wireless services under the d/b/a Expo Mobile, and intends to offer both Lifeline and non-Lifeline prepaid wireless services under the d/b/a Jolt Mobile. Mobile Net does not have a holding company or operating company. Mobile Net's affiliates are as follows: (1) Network Enhanced Technologies ("NET"), which offers long distance service to business and residential customers. NET's nationwide service has served more than 500,000 subscribers for more than 15 years. For the past 7 years, NET has created different brands of PINless dialing for customers who wish to use their mobile phone to make international calls; some examples of NET's very successful brands are "Ilamex" (serving the Hispanic, specially Mexican market), "My011" (serving the Asian market), and "Itell" (serving the middle eastern market); and (2) Jolt Mobile, Inc. ("Jolt"), which provides prepaid wireless services using the AT&T wireless network. Jolt has activated over 30,000 subscribers and is growing.

Mobile Net intends to use the following third party vendors/contractors in relation to its Lifeline services: CGM, LLC for Lifeline compliance services; BeQuick software for billing, and to interface with LexisNexis to ensure more complete identity verification; and local agents for assistance in providing a point of presence for customers to apply for Lifeline.

B. Financial and Technical Capability

Mobile Net is financially and technically capable of providing Lifeline-supported services.⁵¹ Mobile Net has been in business for 3 years and currently receives only non-Lifeline revenue.

⁵¹ See *Order* at ¶ 387. See Exhibit C, which is filed confidentially, for financial statements.

Furthermore, the sole owner of Mobile Net is also the sole owner of NET, its affiliate which has been in business for 15 years and has a proven track record of success. Mobile Net has not been subject to enforcement action or ETC revocation proceedings in any state. Mobile Net is financially able to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate. In the event that USAC ceases disbursements for a period of time, the Company will still be able to provide service to its customers. The Company will continue to rely on its successful business model and service offerings to sustain and grow its business, independent of USF disbursements that provide discounts for qualifying Lifeline subscribers. Furthermore, the senior management of Mobile Net has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.⁵² Mobile Net will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carriers.

C. Customer Service

Mobile Net is dedicated to quality customer service and care. Lifeline customers can reach the Company's Customer Service department via phone, e-mail, or online. Mobile Net offers multi-lingual Customer Service that is available 24/7 by phone and on the web. The Company has a dedicated Customer Service staff that will handle all service requests, including elective de-enrollments as outlined in Section III.E above.

D. Lifeline Offering

Mobile Net will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carriers, currently Sprint and T-Mobile.⁵³ Mobile

⁵² See Exhibit D for key management resumes.

⁵³ The Company reserves the right to alter the proposed Lifeline rate plans on a state-by-state basis, particularly as required by state public utility commissions (PUC). The Company commits to pass through the entire Lifeline subsidy amount directly to the consumer.

Net is not currently designated as an ETC in any state. As summarized in Exhibit E attached hereto, the Company's Lifeline offering will provide customers with a free handset and 250 voice minutes and 250 SMS text messages each month at no charge. In lieu of the free plan option, customers may elect to apply their Lifeline discount to one of the Company's retail plans.

In addition, the Company's Lifeline offering will include access to Caller ID, Call Forwarding, Call Waiting, 3-Way Calling and Voicemail features at no cost. Mobile Net offers data capabilities and international calling, but these features will require additional funds to be added to the account beforehand, and these features can also be blocked at any time. Customers will have the ability to purchase additional airtime via the Company's website www.MobileNet.com, at select retail locations, or by calling Mobile Net Customer Service at no decrement in minutes. Additional airtime costs \$0.11 per minute of talk or \$.05 per text, and data costs \$0.25 per Megabyte; customers also have the option to upgrade to a different plan at any time, though they will only receive one Lifeline discount per month. Customers are not bound by a local calling area requirement; all Mobile Net plans come with domestic long distance at no extra per minute charge and exceptional nationwide digital coverage on the Nationwide Sprint and T-Mobile wireless networks. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. Calls to Mobile Net Customer Service are also free and do not deduct minutes. Mobile Net does not require burdensome credit checks or impose long-term service contracts on its prepaid customers.

V. **CONCLUSION**

Mobile Net 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, Mobile Net 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,

Mobile Net POSA, Inc.

/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 13, 2014

Exhibit A

Sample Lifeline Certification Form



700 South Flower Street Suite 420 Los Angeles, California 90017

APPLICATION FOR GOVERNMENT LIFELINE ASSISTANCE PROGRAM

A Complete and signed Application and Certification ("Certification") is required to enroll you the Lifeline program in your state. The Certification is only for the purpose of verifying your eligibility in the Lifeline service and will not be used for any purpose other than administration of the Lifeline program. This service is provided by Mobile Net POSA, Inc. Requests will not be processed until this form has been received, verified and processed by the company.

Things to know about the Lifeline Program:

1. Lifeline is a federal non-transferable benefit.
2. Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers.
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.
4. Only eligible consumers may enroll in the program.
5. 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.

Please read all instructions before completing. Information will be validated and discrepancies could result in delays.

Last Name: _____ MI: _____

First Name: _____ Date of Birth: Month ___ Day ___ Year _____

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

Home Phone: _____ Cell Phone: _____

Contact Phone: _____ Email Address: _____

Residence Address (NO P.O. Box): _____

Apartment No: _____ City: _____ State: _____ Zip: _____

This address is _____ Permanent _____ Temporary _____ Multi-Household

Billing Address (If different, may contain a P.O. Box): _____

Apartment No: _____ City: _____ State: _____ Zip: _____

To Apply for Mobile Net POSA, Inc.'s Lifeline Program choose one of the two options below:

Option 1 To qualify you must attach proof of participation in one of the programs listed below.

_____ I hereby certify that I participate in at least ONE of the following public assistance programs (Check all that apply):
Initial Here

- Medicaid (Not the same as Medicare)
- Supplemental Nutrition Assistance Program (Food Stamps)
- Temporary Assistance to Needy Families (TANF)
- Supplemental Security Income SSI (Not the same as Social Security Benefits)
- National School Lunch Program's Free Lunch Program
- Low-Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance (Section 8)

Proof of Program Participation includes:

- Your benefit ID card or other program participation document
- An eligibility letter from an authorized agency
- A benefits statement (current or prior year)

Option 2 Qualify by certifying your income is at or below 135% of the federal poverty guidelines.

Household Income: Please check household persons and income level that applies. Eligibility may apply if your total household income is at or below the following guidelines.

Persons in Household	Annual Income	Monthly Income
1	\$15,754.50	\$1,312.88
2	\$21,235.50	\$1,769.63
3	\$26,716.50	\$2,226.38
4	\$32,197.50	\$2,683.13
5 or more*	\$37,678.50	\$3,139.88
*For each additional person, add:	\$5,481	\$456.75

____ I hereby certify that my household income is at or below 135% of the Federal Poverty Guidelines.
Initial Here

There are ____ individuals in my household.

To qualify by income you must attach proof of income. Submit your most current statement from sources below:

Any Documentation You Submit Will Not Be Returned

Three consecutive months of ONE of these statements OR ONE of these documents
 (from the previous 12 months):

- | | |
|---|--|
| <ul style="list-style-type: none"> • Your pay stub • Social Security benefits statement • Veterans Administration benefits statement • Retirement/Pension benefits statement • Unemployment benefits statement | <ul style="list-style-type: none"> • Prior year's State or Federal Income tax return • Income statement from employer • Federal letter of participation in General Assistance • Divorce decree or child support document containing income |
|---|--|

Total monthly household income Number of people receiving income

Total yearly household income Number of children under the age of 18

PENALTY OF PERJURY: Under title 18 U.S.C. §1621, whoever willfully states as true any material matter which he does not believe to be true in a statement under penalty of perjury, is guilty of perjury and shall, except as otherwise expressly provided by law, be fined or imprisoned not more than five years, or both.

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% 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. Mobile Net POSA, Inc. 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 US Government.

____ (5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline supported service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.

____ (6) I understand my Mobile Net POSA, Inc. Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.

____ (7) I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact Mobile Net POSA, Inc. to confirm that I want to continue receiving their services.

____ (8) I will notify Mobile Net POSA, Inc. 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 Mobile Net POSA, Inc. if:

(a) I cease to participate in the above Federal or State program, or my annual household income exceeds 135% FPG.

(b) My household is receiving more than one Lifeline supported device.

(c) I no longer satisfy the criteria for receiving Lifeline support.

____ (9) I will notify Mobile Net POSA, Inc. 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 Mobile Net POSA, Inc. every ninety (90) days. If I fail to respond to Mobile Net POSA, Inc.'s verification attempts within thirty (30) days, my Mobile Net POSA, Inc. Lifeline service may be terminated.

____ (10) Mobile Net POSA, Inc. has explained that I am required each year to re-certify my eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my Mobile Net POSA, Inc. service.

____ (11) I authorize and understand that Mobile Net POSA, Inc. may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.

____ (12) I understand that my name, telephone number, address, date of birth, last four digits of my Social Security Number or my Tribal ID Number, the date my Lifeline service was initiated, the date my Lifeline service was terminated, if applicable, amount of Lifeline support requested on my behalf and the means through which I qualified for Lifeline will be divulged to the Universal Service Administrative Company (USAC)(the administrator of the program) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.

____ (13) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

Privacy Law

____ (Initial) I authorize Mobile Net POSA, Inc. or its duly appointed representative to: (1) access any records required to verify my statements herein; (2) to confirm my continued eligibility for Lifeline assistance; (3) to update my address to a proper mailing address format; and (4) authorize social service agency representatives to discuss with and/or provide information to Mobile Net POSA, Inc. verifying my participation in benefits programs that qualify me for the Lifeline assistance. I understand that completion of this form does not constitute immediate approval for Lifeline.

Please check this box if you would like to receive pre-recorded special offers and promotions for Mobile Net POSA, Inc. at the Home Telephone number provided in the contact information.

Applicant Signature: _____ **Date:** _____ **Please sign and date here**

Mail your application to: 700 South Flower Street Suite 420 Los Angeles CA 90017 For questions please call: 800.644.7990

Exhibit B

Sample Advertisements

(800) 644-7990 | MOBILENETUS.COM

IMPORTANT NOTICE | MOBILENET SERVICE INFORMATION

Notice by Law: MobileNet is a Lifeline-supported service and is only available for one phone per household, consisting of either wireline or wireless service. Lifeline is a government benefit program and is non-transferable. Only eligible consumers may enroll. Proof of eligibility is required. 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.
Web address: www.mobilenetus.com

Program Based Eligibility:
Federal Public Housing / Section 8
Food Supplement Program/ Food Stamps
Low Income Home energy Assistance Program
Medicaid Assistance
National School Lunch Program (free program only)
Temporary Assistance for Needy Families
Supplemental Security Income (SSI)
You may also be eligible based on income

Proof of Program Participation includes:

- Your benefit ID card or other program participation document
- An eligibility letter from an authorized agency
- A benefits statement (current or prior year)

Proof of Income includes either:

Three consecutive months of one of these statements (from the previous 12 months):

- Your pay stub
- Social Security benefits statement
- Veterans Administration benefits statement
- Retirement/Pension benefits statement
- Unemployment benefits statement

OR

ONE of these documents

- Prior year's State or Federal Income tax return
- Income statement from employer
- Federal letter of participation in General Assistance
- Divorce decree or child support document containing income



- **FREE CELLPHONE**
- **FREE MINUTES**
- **FREE TEXTS**

FREE 250MINUTES TALK & TEXT FREE ACTIVATION

(800) 644-7990 | MOBILENETUS.COM



- **FREE CELLPHONE**
- **FREE MINUTES**
- **FREE TEXTS**

Exhibit C

Financial Statements

CONFIDENTIAL AND PROPRIETARY

Exhibit D

Key Management Resumes

Sharoz Yroshalmiane

Accomplished Senior Executive with over twenty years of demonstrated success in leading technology organizations to optimal efficiency and profitability. Skilled in successful integration of latest technologies within organizations while introducing new revenue streams through formation of partnerships and marketing efforts to promote them. Adept at identifying the best business solutions and facilitating transition to ensure desired results are achieved. Highly skilled in information technology, strategic planning, team building, technology allocation and engineering. Skilled and experienced in managing operations abroad with strong international business acumen. Possess excellent people and critical communications skills to achieve results in management, collaboration, negotiating and fact-finding. Technologically sharp, capable of quickly adapting to unfamiliar, technically complicated areas and communicating well with others within them. Visionary leader with hands-on approach to managing and supporting organizations with maximum utility of available resources.

Mobile Net POSA, Inc. dba Expo Mobile, Jolt Mobile: Founder, Principal & Chief Executive (2012-present)

- Launched the service in October 2013 with both B2B and B2C strategy, combining the traditional nationwide talk and text with direct international calling and texting. Taking advantage of his 20 years of experience in the telecom and combining it with the new wireless technology
- Developed well-defined job descriptions, job evaluations based on specific performance criteria, and regular coaching and feedback processes, to ensure that the right foundation was established to foster the development of a sales culture.
- Built a critical five year rolling strategic business plan for staffing, technology, products and brand image
- Responsible for leading infrastructure-building including: site development, marketing plan, securing intellectual property, financial analysis and accounting, and identifying licensing targets
- Responsible for cash management, financial goals, business model optimization, talent acquisition, and sales/marketing strategy for growth.

Network Enhanced Technologies: CEO and president (2010 –present)

Serving as president and CEO of a multimillion-dollar IXC carrier. Full responsibility for bottom-line factors, including company vision, strategic planning, product management, and software development process.

Key Achievements:

- Created a more responsive and market-driven organization
- Substantially improved productivity while reducing staffing and operational cost
- Opened new marketing channels and established strategic and efficient restructuring
- Developed and introduced successful new products for international markets

Jolt Mobile: CEO and President (2009-Present)

- Acquiring Jolt Mobile (ATT MVNO) in 2009
- Placing Jolt mobile in 5000 locations nationwide
- Set the strategic goals to increase sales revenues 30% annually, and strengthen consumer awareness and relationships with trade channels; emphasis on disciplined, accountable, creative business management
- Expanded product categories and product line assortments, resulting in significant increases in share of business with each channel member and product market shares for each category
- Initiated and led implementation of the Quality Improvement Process (QIP)
- Built national marketing, sales, communications and administration teams

Network Enhanced Technologies: Executive Vice President (1995-2010)

- Successfully oversaw the start-up and development of this company from \$0 to \$20 million in revenue
- Enhanced the public image and recognition of the firm's name within the business community through new business development, community outreach, and aggressive networking
- Interfaced with partners and large clients to develop and maintain organizational strategies, operational efficiencies, and proposals for increasing technical efficiency and improving profitability
- Directed marketing strategies, business development plans, promotional activities, product development projects
- Oversaw the management of the company's operation team

Exhibit E

Proposed Lifeline Rate Plans

MobileNet

Lifeline Rate Plan

\$0 – Monthly net cost to Lifeline customer

- 250 Anytime Talk Minutes
- 250 SMS Text Messages
- No rollover

Also Includes:

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

Additional Airtime:

Voice Minutes:	\$0.11 per minute
SMS Text Messages:	\$0.05 per text
Data:	\$0.25 per Megabyte