

**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

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In the Matter of the Application of )  
TAG Mobile, LLC seeking designation as an Eligible )  
Telecommunications Carrier in the State of Utah for ) Docket No. 15-2578-01  
the Limited Purpose of Participating in the Lifeline )  
Program ) **Amended Direct Testimony**

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**PRE-FILED DIRECT TESTIMONY OF MARY CALDERON**

1 **Q: PLEASE STATE YOUR NAME, YOUR POSITION WITH TAG MOBILE ,**  
2 **LLC, AND YOUR BUSINESS ADDRESS.**

3 **A:** My name is Mary Calderon I am the Director of Compliance & Regulatory Affairs  
4 for TAG Mobile, LLC (hereinafter sometimes referred to as “**TAG Mobile**” or the  
5 “**Company**”). My business address is 1330 Capital Pkwy, Carrollton, TX 75006.

6 **Q: PLEASE STATE YOUR BACKGROUND.**

7 **A:** I have over 29 years of experience in the telecommunications industry. All of my  
8 experience was gained while employed with AT&T in Dallas & San Antonio,  
9 Texas. Positions held at AT&T include Area Manager of the CLEC call center,  
10 Account Manager of Unbundled Network Elements, Director of Corporate  
11 Regulatory Strategy for Access Services, Slamming/Cramming, USF, Competitive  
12 Analysis, CLEC Migration and Alternative Regulation and Director of External  
13 Affairs.

14

1 I have had many accomplishments -- most notably I was a key contributor in the  
2 development of the Local Service Center (LSC) whose primary responsibility was  
3 serving CLECs entering the market. I was also instrumental in enhancing and  
4 leading the company-wide rollout and implementation of the system used to track  
5 and route proposed legislation for compliance certification.

6

7 **Q: HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE UTAH PUBLIC**  
8 **SERVICE COMMISSION?**

9 **A:** No.

10 **Q: PLEASE PROVIDE A BRIEF DESCRIPTION OF TAG MOBILE.**

11 **A:** TAG Mobile is a Texas Limited Liability Company organized in the State of Texas  
12 on March 8, 2010. TAG Mobile provides lifeline service in Arkansas, California,  
13 Colorado, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota,  
14 Missouri, Nevada, Oklahoma, Pennsylvania, South Carolina, Texas, West Virginia  
15 and Wisconsin.

16 TAG Mobile is a provider of resold commercial mobile radio service  
17 ("CMRS"). TAG Mobile provides wireless services to consumers by using the  
18 Sprint Spectrum, L.P. ("Sprint") T-Mobile, Inc. ("T-Mobile") and Verizon  
19 Wireless ("Verizon") networks. TAG Mobile intends to provide Lifeline wireless  
20 service under the brand name "TAG Mobile".

21 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

22 **A:** The purpose of my testimony is to demonstrate that TAG Mobile meets the state  
23 and federal requirements for designation as an Eligible Telecommunications

1 Carrier (“**ETC**”) in the State of Utah.

2 **Q: HOW ARE TAG MOBILE’S OFFERINGS DIFFERENT FROM OTHER**  
3 **CARRIERS’ OFFERINGS?**

4 **A:** TAG Mobile seeks ETC status on a wireless basis to provide an additional valuable  
5 alternative to the existing more traditional telecommunications services currently  
6 available in these areas and hopes to achieve increased competition facilitating the  
7 provision of advanced communications services to low-income residents of Utah.  
8 TAG Mobile will offer a unique, easy to use, competitive and highly affordable  
9 wireless telecommunications service, which it will make available to qualified  
10 consumers who either have no other service alternatives or who choose a wireless  
11 prepaid solution in lieu of more traditional services.

12 **Q: WHAT IS THE NATURE OF TAG MOBILE’S ETC DESIGNATION**  
13 **REQUEST?**

14 **A:** TAG Mobile seeks ETC designation solely to participate in the federal Universal  
15 Service Fund’s (“**USF**”) Lifeline program; the Company will not seek access to funds  
16 for the purpose of participating in the Link-Up program or providing service to high  
17 cost areas.

18 **Q: DOES TAG MOBILE MEET THE REQUIREMENTS FOR OBTAINING**  
19 **ETC DESIGNATION?**

20 **A:** Yes. TAG Mobile meets the requirements for ETC designation contained in federal  
21 regulations as well as those enumerated in Utah Administrative Code R746-341, *et*  
22 *seq.* for designation as a wireless resale ETC in the State of Utah within the service  
23 area proposed in the Company’s Application and, further, that grant of this

1 designation is in the public interest. TAG Mobile recognizes that the FCC’s Rules  
2 (47 C.F.R. § 54.201(i)) prohibit state commissions from designating as an ETC a  
3 telecommunications carrier that offers services exclusively through the resale of  
4 another carrier’s services. However, the FCC recently granted forbearance from  
5 enforcement of this facilities requirement to carriers seeking Lifeline-only ETC  
6 designation.<sup>1</sup> In accordance with the *Lifeline and Link Up Reform Order*, TAG  
7 Mobile filed a Compliance Plan with the FCC outlining the measures the Company  
8 will take to implement the obligations contained in the *Lifeline and Link Up Reform*  
9 *Order*. A copy of the approved Compliance Plan, which the FCC approved on  
10 August 8, 2012, was attached to the Company’s Application. TAG Mobile commits  
11 to providing Lifeline service in Utah in accordance with its FCC-approved  
12 Compliance Plan.

13 **Q: ARE STATES REQUIRED TO COMPLY WITH THE FCC’S GRANT OF**  
14 **FORBEARANCE?**

15 **A:** While I am not an attorney, I understand that when the FCC exercises its  
16 forbearance authority under Section 10 of the Communications Act, it is binding  
17 on state commissions. Section 10(e) of the Act provides: “[a] State commission  
18 may not continue to apply or enforce any provision of this chapter that the [Federal  
19 Communications] Commission has determined to forbear from applying under  
20 subsection (a) of this section.” As such, this Utah Public Service Commission

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<sup>1</sup> See *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*”) ¶ 368.

1 (“**Commission**”) may not apply the facilities-based requirement to TAG Mobile.  
2 Indeed, the Commission has the authority under Section 214(e)(2) of the  
3 Communications Act to grant the Company’s request for designation as an ETC  
4 throughout the State of Utah.

5 **Q: HAS TAG MOBILE BEEN DESIGNATED AS AN ETC IN ANY OTHER**  
6 **STATES?**

7 **A:** TAG Mobile has been designated as an ETC on a wireless basis in Arkansas,  
8 California, Colorado, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan,  
9 Minnesota, Missouri, Nevada, Oklahoma, Pennsylvania, South Carolina, Texas,  
10 West Virginia and Wisconsin. TAG Mobile currently has applications for ETC  
11 designation pending with Georgia, Nebraska, New Jersey, Massachusetts, Iowa,  
12 Mississippi and Ohio, and with the FCC for the federal default jurisdictions of  
13 Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire,  
14 New York, North Carolina, Tennessee, and Virginia.

15 **Q: WHAT SERVICES WILL TAG MOBILE OFFER TO LIFELINE**  
16 **SUBSCRIBERS IF GRANTED ETC STATUS?**

17 **A:** Through its wholesale arrangements with Sprint Spectrum L.P (Sprint), Prepaid  
18 Wireless Wholesale, LLC (reseller of T-Mobile, Inc. Services), and Coast to  
19 Coast Cellular, Inc. (reseller of Verizon services) TAG Mobile, LLC is able to  
20 provide all of the services required by Utah Admin Code R746-341 of the  
21 Commission’s Rules and Section 54.101(a) and Section 54.202(a) of the FCC’s  
22 Rules:

1           a.       *Voice-grade access to the public switched telephone network.* TAG  
2           Mobile provides voice grade access to the public switched telephone  
3           network (“PSTN”) through the purchase of wholesale CMRS services from  
4           Sprint and Verizon.

5           b.       *Minutes of use for local service.* As part of the voice grade access  
6           to the PSTN, an ETC must provide minutes of use for local service at no  
7           additional charge to end-users. It is important to note that currently, the  
8           FCC has not adopted any minimum local usage requirements. TAG  
9           Mobile offers one lifeline plan free of charge including a phone and  
10          replenishment plan can be purchased for an additional charge.

11          c.       *Access to emergency services.* TAG Mobile provides 911 and E911  
12          access for all of its customers to the extent the local government in its  
13          service area has implemented 911 or E911 systems, and will continue to  
14          comply with all FCC E911 requirements applicable to wireless resellers.  
15          TAG Mobile also complies with the FCC’s regulations governing the  
16          deployment and availability of E911 compatible handsets.

17          d.       *Toll limitation for qualifying low-income consumers.* TAG  
18          Mobile’s service is not offered on a distance-sensitive basis and local and  
19          domestic long distance minutes are treated the same. In the *Lifeline and*  
20          *Link Up Reform Order*, the FCC stated that toll limitation would no longer  
21          be deemed a supported service, and that ETCs are not required to offer toll  
22          limitation service to low-income consumers if the Lifeline offering

1 provides a set amount of minutes that do not distinguish between toll and  
2 non-toll calls.

3 e. *Other Services.* While no longer required by 47 C.F.R. § 54.101(a),  
4 TAG Mobile provides dual tone multi-frequency (“**DTMF**”) signaling to  
5 expedite the transmission of call set up and call detail information  
6 throughout the network, single party service for the duration of each  
7 telephone call and not multi-party (or “party-line”) services, access to  
8 operator services, the ability to make interexchange, or long distance,  
9 telephone calls.

10 **Q: HOW QUICKLY WILL TAG MOBILE BE ABLE TO PROVIDE**  
11 **LIFELINE SERVICE?**

12 **A:** TAG Mobile will be able to commence offering its Lifeline service to all locations  
13 served by its underlying carriers 30 days after receiving approval from the  
14 Commission.

15 **Q: IS TAG MOBILE ABLE TO REMAIN FUNCTIONAL IN EMERGENCY**  
16 **SITUATIONS IN ACCORDANCE WITH 47 CFR §54.202(A)(2)?**

17 **A:** Yes. TAG Mobile relies on its underlying carriers, Sprint, T-Mobile and Verizon,  
18 for operation in emergency situations. As Tier I carriers, Sprint, T-Mobile and  
19 Verizon have redundancies, back-up generator power, and an extensive disaster  
20 recovery program.

21 **Q: DESCRIBE TAG MOBILE’S COMMITMENT TO CONSUMER**  
22 **PROTECTION AND SERVICE QUALITY IN ACCORDANCE WITH 47**  
23 **CFR §54.202(A)(3).**

1 **A:** TAG Mobile's service is of the same quality and reliability as that of its underlying  
2 carriers. The Company commits to satisfying all such applicable state and federal  
3 requirements related to consumer protection and service quality standards.  
4 Specifically, TAG Mobile commits to comply with the Cellular  
5 Telecommunications and Internet Association's (CTIA) Consumer Code for  
6 Wireless Service.

7 **Q: IS TAG MOBILE FINANCIALLY AND TECHNICALLY CAPABLE OF**  
8 **PROVIDING LIFELINE-SUPPORTED SERVICES IN ACCORDANCE**  
9 **WITH 47 CFR §54.202(A)(4)?**

10 **A:** Yes. Please see attached Exhibit SF-3 TAG Mobile FCC Approved Compliance  
11 Plan. Again, TAG Mobile has not relied, and will not be relying exclusively on  
12 Lifeline reimbursement for the Company's operating revenues. The Company has not  
13 been subject to enforcement sanctions or ETC revocation proceedings in any state.  
14 Furthermore, the senior management of TAG Mobile has great depth in the  
15 telecommunications industry and offers extensive telecommunications business  
16 technical and managerial expertise to the Company. Officer bios are provided here  
17 as Exhibit SF-1.

18 **Q: HOW DOES TAG MOBILE INTEND TO ADVERTISE THE**  
19 **AVAILABILITY OF THE SUPPORTED SERVICES?**

20 **A:** TAG Mobile will advertise the availability and rates for its Lifeline services using  
21 media of general distribution as required by 47 C.F.R. § 54.201(d)(2) of the FCC's  
22 regulations. The Company will advertise its services in a manner reasonably  
23 designed to reach those likely to qualify for Lifeline service, using mediums for



1 outreach including print advertisements, direct marketing, and over the Internet.  
2 TAG Mobile may contract with and provide to retail vendors signage to be  
3 displayed wherever Company products are sold, and with printed materials  
4 describing the Company's Lifeline program. Sample advertising was attached to  
5 the Company's Application as well as to the Company's Responses to Staff Data  
6 Requests submitted October 8, 2014. TAG Mobile may also promote the  
7 availability of its Lifeline offerings by distributing brochures at various state and  
8 local social service agencies, and may partner with nonprofit assistance  
9 organizations in order to inform customers of the availability of its Lifeline  
10 services.

11 **Q: WILL TAG MOBILE COMPLY WITH THE LIFELINE CERTIFICATION**  
12 **AND VERIFICATION REQUIREMENTS?**

13 **A:** Yes. TAG Mobile will certify and verify consumer eligibility in accordance with  
14 the FCC's requirements (47 C.F.R. § 54.410) and with applicable Commission  
15 rules.

16 **Q: HAS TAG MOBILE MADE ANY COMMITMENTS TO COMBAT**  
17 **WASTE, FRAUD AND ABUSE OF THE PROGRAM?**

18 **A:** TAG Mobile recognizes the importance of safeguarding the USF. The Company  
19 will utilize the Universal Service Administrative Company's ("USAC") National  
20 Lifeline Accountability Database ("NLAD") in Utah to add, enroll, edit, and de-  
21 enroll subscribers in its Lifeline program.

22 To further protect the integrity of the USF, TAG Mobile will not seek  
23 reimbursement from the USF for inactive subscribers who have not used the service

1 for a consecutive 60-day period. An account will be considered active if during any  
2 60-day period the authorized subscriber does at least one of the following: makes a  
3 monthly payment; purchases minutes from the Company to add to an existing pre-  
4 paid Lifeline account; completes an outbound call; initiates an outbound SMS or  
5 data usage; answers an incoming call from anyone other than the Company, its  
6 representative, or agent; or affirmatively responds to a direct contact from the  
7 Company confirming that he or she wants to continue. TAG Mobile will provide  
8 the subscriber 30 days' notice, using clear, easily understood language, that the  
9 subscriber's failure to use the Lifeline service within the 30-day notice period will  
10 result in service termination for non-usage; such notice may be given after 30 days  
11 of non-usage.

12 **Q: IN WHAT SERVICE AREAS IS TAG MOBILE SEEKING DESIGNATION**  
13 **AS AN ETC?**

14 **A:** TAG Mobile requests designation as an ETC in the service area defined in Exhibit  
15 C to TAG Mobile's Application filed in this matter. TAG Mobile understands that  
16 its service area may overlap with rural carriers in Utah, but maintains that the public  
17 interest factors described below justify its designation in these carriers' service areas,  
18 especially because it seeks ETC designation solely to utilize USF funding to provide  
19 Lifeline and NTAP service to qualified low-income consumers.

20 **Q: WILL TAG MOBILE PROVIDE LIFELINE SERVICE THROUGHOUT**  
21 **ITS DESIGNATED SERVICE AREA?**

22 **A:** TAG Mobile commits to continuously provide the supported services throughout its  
23 designated service area in accordance with Utah Administrative Code R746-341, *et*

1           *seq.* In the unlikely event that Sprint, T-Mobile or Verizon were to cease network  
2           operations throughout the designated service area, the Company would enter into a  
3           resale agreement with other succeeding wireless carrier(s) in order to maintain  
4           continuity of service. In accordance with Utah Administrative Code R746-341, *et*  
5           *seq.*, TAG Mobile also commits to provide service throughout its designated service  
6           area to all eligible customers who make a reasonable request for service. Furthermore,  
7           TAG Mobile commits to comply with the service requirements applicable to the  
8           support that it receives, in accordance with 47 C.F.R. § 54.202(a)(1)(i) and Utah  
9           Administrative Code R746-341, *et seq.*

10       **Q:   WHAT ARE THE RATES AND TERMS AND CONDITIONS OF TAG**  
11       **MOBILE’S LIFELINE SERVICE OFFERING?**

12       **A:**   See Exhibit SF-4 TAG Mobile Summary Rate Plan for Utah.

13       **Q:   WILL CUSTOMERS BE REQUIRED TO PAY FOR HANDSETS?**

14       **A:**   TAG Mobile’s Lifeline customers will receive an E911-compliant wireless handset  
15       at no charge. All wireless handsets issued by the Company are capable of accessing  
16       911 services without charge regardless of activation status and availability of  
17       minutes.

18       **Q:   HOW WILL CUSTOMERS COMMUNICATE WITH TAG MOBILE**  
19       **REGARDING QUESTIONS, CONCERNS, OR COMPLAINTS?**

20       **A:**   Customers are able to contact the Company via a toll free number or by dialing 611  
21       from their TAG Mobile phone. They will also be able to contact Customer Service  
22       via the Company’s website or by mail. TAG Mobile is committed to resolving  
23       customer questions, concerns, and complaints in a swift and satisfactory manner.

1 **Q: HOW WILL TAG MOBILE’S PRESENCE AS AN ETC IN UTAH SERVE**  
2 **THE PUBLIC INTEREST?**

3 **A:** A central purpose of the Telecommunications Act of 1996 was to “promote  
4 competition and reduce regulation ... to secure lower prices and higher quality  
5 services ... and encourage the rapid deployment of new telecommunications  
6 technologies” to all citizens, regardless of geographic location or income.<sup>2</sup> TAG  
7 Mobile’s Lifeline service will provide low-income Utah residents with the  
8 convenience and security offered by wireless services—even if their financial  
9 position deteriorates. Many low-income customers in Utah have yet to reap the  
10 full benefits of the intensely competitive wireless market. Whether because of  
11 financial constraints, poor credit history or intermittent employment, these  
12 consumers often lack the countless choices available to most consumers.

13 The public interest benefits of the Company’s wireless service include  
14 larger local calling areas (as compared to traditional wireline carriers), the  
15 convenience and security afforded by mobile telephone service, the opportunity for  
16 customers to control cost by receiving a preset amount of monthly airtime at no  
17 charge, the ability to purchase additional usage at flexible and affordable amounts  
18 in the event that included usage has been exhausted, 911 service and, where  
19 available, E911 service in accordance with current FCC requirements. Without  
20 question, prepaid wireless services have become essential for low-income  
21 customers, providing them with value for their money, access to emergency  
22 services on wireless devices, and a reliable means of contact for prospective

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<sup>2</sup> The Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, 56 (1996).

1 employers, social service agencies or dependents. Providing TAG Mobile with the  
2 authority necessary to offer discounted Lifeline services to those most in danger of  
3 losing wireless service altogether undoubtedly promotes the public interest.

4 **Q: WHAT ARE SOME OF THE BENEFITS OF INCREASED**  
5 **COMPETITIVE CHOICE?**

6 **A:** Introducing TAG Mobile into the market as an additional wireless ETC provider  
7 will afford low income Utah residents a wider choice of providers and available  
8 services while creating a competitive marketplace as ETCs compete for a finite  
9 number of Lifeline-eligible customers. Increasing the competitive marketplace of  
10 providers has the potential to effectively increase the penetration rate and reduce  
11 the number of individuals not connected to the PSTN, while helping to assure that  
12 quality services are available at just, reasonable, and affordable rates. TAG Mobile  
13 expects that qualified consumers will elect to participate in Lifeline if they are  
14 aware of a wireless option, and that the availability of competing Lifeline programs  
15 will encourage greater participation in the Lifeline program.

16 **Q: IF TAG MOBILE'S APPLICATION IS GRANTED, WILL THERE BE**  
17 **ANY FINANCIAL IMPACT ON THE UNIVERSAL SERVICE FUND?**

18 **A:** With Lifeline, ETCs only receive support for customers they obtain. The amount  
19 of support available to an eligible subscriber is exactly the same whether the support  
20 is given through a company such as TAG Mobile or the Incumbent LEC operating  
21 in the same service area. TAG Mobile will only increase the amount of USF  
22 Lifeline funding situations where it obtains Lifeline customers not enrolled in  
23 another ETC's Lifeline program. By implementing the safeguards set forth in the

1        *Lifeline and Link-up Reform Order*, TAG Mobile will minimize the likelihood that  
2        its customers are not eligible or are receiving duplicative support either individually  
3        or within their household. Significantly, TAG Mobile’s designation as an ETC will  
4        not increase the number of persons eligible for Lifeline support. TAG Mobile’s  
5        ability to increase the Lifeline participation rate of qualified low-income  
6        individuals will further the goal of Congress to provide all individuals with  
7        affordable access to telecommunications service, and thus any incremental  
8        increases in Lifeline expenditures are far outweighed by the significant public  
9        interest benefits of expanding the availability of affordable wireless services to low-  
10       income consumers.

11    **Q: DOES TAG MOBILE AGREE TO COMPLY WITH ALL COMMISSION**  
12    **RULES AND REGULATIONS REGARDING ETC?**

13    **A:** Yes. TAG Mobile hereby asserts its willingness and ability to comply with all the  
14    rules and regulations that the Commission may lawfully impose upon the  
15    Company’s provision of service contemplated by its application for ETC  
16    designation.

17  
18    **Q: IS THERE ANYTHING ELSE YOU WOULD LIKE TO ADD TO YOUR**  
19    **TESTIMONY?**

20    **A:** Yes. Based on my testimony above, I would like to reiterate that TAG Mobile meets  
21    all legal requirements for designation as an ETC. Accordingly, the Company  
22    requests that the Commission promptly grant TAG Mobile’s Application for  
23    designation as an ETC so that the Company may commence providing Lifeline

1 service to qualified low-income Utah households at the earliest possible time.

**EXHIBIT SF-1**  
**OFFICER BIOS**



**EXHIBIT SF-2**

**2011 LIFELINE PARTICIPATION RATES BY STATE**

**EXHIBIT SF-3**

**FCC Approved Compliance Plan**

**EXHIBIT SF-4**

**TAG Mobile Summary Rate Plan for Utah**

**EXHIBIT SF-5  
CERTIFICATION**

**VERIFICATION**

I, Mary Calderon, do hereby declare under penalty of perjury that the foregoing testimony is true and correct to the best of my knowledge and belief.

DATED this 18<sup>th</sup> day of May, 2015

\_\_\_\_\_  
Mary Calderon

SUBSCRIBED AND SWORN TO before me this 18<sup>th</sup> day of May 2015.

\_\_\_\_\_  
Notary Public