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July 27, 2018

VIA ELECTRONIC DELIVERY

Utah Public Service Commission
Attn: Gary Widerburg
160 East 300 South, 4th Floor
Salt Lake City, UT 84111

Re: i-wireless, LLC - Petition to Amend Designation as an ETC

Dear Mr. Widerburg:

Attached please find for filing the Petition of i-wireless, LLC to Amend its Designation as an Eligible Telecommunications Carrier in the State of Utah to Participate in the Utah Universal Service Fund ("Petition").

I hereby certify that a true and correct copy of the above referenced Petition was filed upon the Commission via e-mail on July 27, 2018.

If you have any questions, or if I may provide you with any additional information, please do not hesitate to contact me at 770-232-9200 or hkirby@telecomcounsel.com. Thank you for your attention to this matter.

Respectfully submitted,

s/ Heather Kirby

Heather Kirby
Regulatory Specialist
Lance J.M. Steinhart, P.C.
Attorneys for i-wireless, LLC

Attachments

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Petition of i-wireless, LLC)
)
)
To Amend its Designation as an Eligible) Docket No. _____
Telecommunications Carrier in the State of Utah)
to Participate in the Utah Universal Service Fund)
)
)

**PETITION OF I-WIRELESS, LLC TO AMEND ITS DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF UTAH
TO PARTICIPATE IN THE UTAH UNIVERSAL SERVICE FUND**

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July 27, 2018

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**PETITION OF I-WIRELESS, LLC TO AMEND ITS DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF UTAH
TO PARTICIPATE IN THE UTAH UNIVERSAL SERVICE FUND**

I. INTRODUCTION

i-wireless, LLC (“i-wireless” or the “Company”), by the undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the “Act”)¹, Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission (“FCC”),² and the rules and regulations of the Public Service Commission of Utah (“Commission”), hereby petitions the Commission to Amend its Designation as an Eligible Telecommunications Carrier (“ETC”) to include authorization to receive Utah Universal Service Fund (“Utah USF”) support for Lifeline service within the State of Utah. As explained in the instant Petition, i-wireless will enhance its current Lifeline service offerings to provide additional airtime to qualifying low-income Utah households based upon its receipt of Utah USF support. i-wireless seeks ETC designation solely to provide Lifeline service to qualifying Utah consumers; it has not and will not seek access to funds from the federal Universal Service Fund (“USF”) for the purpose of participating in the

¹ 47 U.S.C. § 214(e)(2)
² 47 C.F.R. §§ 54.101-54.207.

Link-Up program or providing service to high-cost areas.³ The Commission's grant of i-wireless' Petition will serve the public by allowing qualifying Utah low-income households to receive enhanced Lifeline offerings and benefit from increased competition in the market for wireless Lifeline service.

As demonstrated herein, and as certified in Exhibit 1 to this Petition, i-wireless meets all state and federal statutory and regulatory requirements for an expansion of its designation as an ETC in the State of Utah to include participation in the Utah USF program, including the requirements outlined in the FCC's *Lifeline and Link Up Reform Order*.⁴ Accordingly, the Company respectfully requests that the Commission expeditiously approve this Petition to Amend i-wireless' Designation as an ETC to include authorization to receive Utah USF support for Lifeline service within the State of Utah throughout the Company's existing designated service area.

All correspondence, communications, pleadings, notices, orders and decisions relating to this Petition should be addressed to:

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³ Given that i-wireless, LLC only seeks support from the low-income program and does not seek any high-cost support, ETC certification requirements for the high-cost program are not applicable to the Company.

⁴ *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*").

II. COMPANY OVERVIEW

i-wireless is a North Carolina Limited Liability Company.⁵ Its principal office is located at 1 Levee Way, Suite 3104, Newport, Kentucky 41071. i-wireless provides commercial mobile radio service (“CMRS”) throughout the United States. i-wireless provides prepaid wireless telecommunications services to consumers by using the Sprint Spectrum, L.P. (“Sprint”) network on a wholesale basis to offer nationwide service. Through a direct wholesale agreement with Sprint, i-wireless obtains from Sprint the network infrastructure and wireless transmission facilities to allow the Company to operate as a Mobile Virtual Network Operator (“MVNO”). Through its service arrangements, i-wireless is able to offer the services supported by the universal service program, as detailed in Section 54.101(a) of the FCC Rules, throughout its service area.

To date, i-wireless has been granted ETC designation on a wireless carrier basis in Arkansas (Docket No. 11-010-U), Arizona (Docket No. T-20538A-10-0332), California (Advice Letter No. 2), Colorado (Docket No. 10A-949T), Georgia (Docket No. 25481), Idaho (Case No. WIR-T-15-01), Iowa (Docket No. ETA-2013-0003), Illinois (Docket No. 11-0073), Indiana (Cause No. 41052-ETC-56), Kansas (Docket No. 12-IWRZ-848-ETC), Kentucky (Docket No. 2010-00478), Louisiana (Docket No. S-31851), Maryland (Docket No. TE-10453), Michigan (Docket No. U-16465), Minnesota (Docket No. 11-473), Mississippi (Docket No. 2011-UA-182), Missouri (Docket No. TA-2011-0377), Nebraska (Docket No. C-4622/NUSF-90), Nevada (Docket No. 11-05003), Ohio (Docket No. 11-0571-TP-UNC), Oklahoma (Cause No. PUD 201300150), Oregon (Docket No. UM 1509), Pennsylvania (Docket No. P-2011-2235119), Rhode Island (Docket No. 4427), South Carolina (Docket No. 2011-107-C), Texas (Docket No. 40242), Utah (Docket No. 10-2526-01),

⁵ i-wireless, LLC was organized in the State of North Carolina on September 7, 2006. i-wireless, LLC is owned by Genie Global, Inc. and The Kroger Co. and has no other holding companies, operating companies, or affiliates. i-wireless provides Lifeline service under the d/b/a Access Wireless.

Washington (Docket No. UT-101640), West Virginia (Docket No. 11-0501-C-PC), and Wisconsin (Docket No. 9604-TI-100), and by the FCC in Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire, New York, North Carolina, Tennessee, and Virginia. i-wireless currently has applications for ETC designation pending in Massachusetts and New Jersey, and with the FCC for the state of Maine.

On June 29, 2011, the Commission issued an Order designating i-wireless as an ETC.⁶ The Commission provided in the ETC Order that i-wireless' ETC designation was subject to several explicit conditions, including the following: "i-wireless is not currently seeking any Utah USF funding. If i-wireless seeks Utah USF funding in the future, i-wireless will file a separate application requesting such support."⁷ i-wireless now seeks the Commission's authorization to obtain Utah USF funds so that it may provide an enhanced Lifeline service to qualifying low-income Utah residents. As demonstrated in the instant Petition, i-wireless is eligible for Utah USF.

i-wireless' prepaid wireless services remain affordable, easy-to-use, and 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. i-wireless offers consumers simple and affordable prepaid calling plans, a variety of prepaid service plans, easy-to-use handsets and high-quality customer service. i-wireless does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service.

⁶ *In the Matter of the Petition of i-wireless, LLC for Designation as an Eligible Telecommunications Carriers in the State of Utah*, Order Approving Settlement Stipulation and Application for Designation as an Eligible Telecommunications Carrier, Docket No. 10-2526-01, June 29, 2011. ("ETC Order").

⁷ ETC Order, at 2.

Through receipt of Utah USF support, i-wireless will provide enhanced service offerings to customers in Utah who already enjoy i-wireless' affordable wireless plans and quality customer service, and to prospective low-income customers who are otherwise unable to afford them, or were previously ignored by traditional carriers, therefore expanding the availability and scope of wireless services throughout the State of Utah. As demonstrated in the Commission's ETC Order, i-wireless has the ability to provide all services supported by the universal service program, as detailed in Section 54.101(a) of the FCC's Rules (47 C.F.R. § 54.101(a)) throughout Utah.

III. I-WIRELESS SATISFIES THE COMMISSION'S REQUIREMENTS FOR ETC DESIGNATION AND IS ELIGIBLE FOR UTAH UNIVERSAL SERVICE FUND SUPPORT

By this Petition, i-wireless seeks the Commission's authorization to obtain Utah USF support so that it may provide an enhanced Lifeline service to qualifying low-income Utah households. As described below, i-wireless meets Utah's statutory and regulatory requirements for receipt of Utah USF support as outlined in Utah Code § 54-8b-15 and Utah Administrative Code R746-8-403. i-wireless further commits to comply with the requirements set forth in Utah Administrative Code R746-8-403 as well as any additional requirements the Commission may deem necessary for Utah USF support.

A. i-wireless is a Non-Facilities-Based Lifeline ETC Eligible for Support.

The Utah State Legislature recently enacted S.B. 130, which amends statutory provisions related to the Utah USF. The amended statute, codified as Utah Code § 54-8b-15, became effective as of July 1, 2017. The amendments to section 54-8b-15 relate to several aspects of the Utah USF, including funding, calculation of a contribution charge, and permitted uses of support. In addition, the amendments provide the following:

A facilities-based *or nonfacilities-based* wireless telecommunications provider is eligible for distribution from the Universal Telecommunications Service Support Fund under the [L]ifeline program described in Subsection 3(b) for providing

[L]ifeline service that is consistent with the Federal Communications Commission's [L]ifeline program for low-income consumers.⁸

The amended statute further provides that the Commission “may impose reasonable conditions for providing a distribution to a wireless telecommunications provider under the [L]ifeline program.”⁹ However, the Commission “may not require a wireless telecommunications provider to offer unlimited local calling as a condition of receiving a distribution under the [L]ifeline program described in Subsection 3(b).”¹⁰ Thus, the Commission has the right, but not the obligation, to impose conditions on wireless carriers' receipt of funds from the Utah USF. As a non-facilities-based wireless telecommunications provider, i-wireless meets the criteria as laid out in the amended Utah statute and is eligible for distributions from the Utah USF based on the requirements detailed in the Utah rules.

B. i-wireless Meets the Requirements of the Federal Lifeline Program.

As provided in the Commission's ETC Order, i-wireless is a designated ETC in the State of Utah that provides non-facilities-based wireless Lifeline service to low-income Utah residents who meet the requirements of the federal Lifeline program. i-wireless provides service that is consistent with the federal requirements for Lifeline service as discussed below. First, i-wireless operates as a common carrier in the State of Utah, as defined in 47 U.S.C. § 153(11). Second, i-wireless offers all of the services required by the FCC's rules for eligible voice telephony service and broadband Internet access service (“BIAS”).¹¹ Eligible voice telephony services must include

⁸ Utah Code § 54-8b-15(15)(a) (2017) (emphasis added). Subsection 3(b) provides that the Commission shall use funds in the Utah USF to “fund a [L]ifeline program that covers the reasonable cost to an eligible telecommunications carrier, as determined by the [C]ommission, to offer [L]ifeline service consistent with the Federal Communications Commission's [L]ifeline program for low-income consumers.” Utah Code § 54-8b-15(3)(b).

⁹ Utah Code § 54-8b-15(15)(b).

¹⁰ Utah Code § 54-8b-15(15)(c).

¹¹ 47 C.F.R. §§ 54.101(a); 54.202(a).

the following: voice grade access to the public switched network; local usage; access to emergency services; and toll limitation for qualifying low-income consumers. Eligible BIAS services must provide the capability to transmit data and to receive data from all or substantially all Internet endpoints. i-wireless also advertises the availability and rates for the supported services using media of general distribution as required by 47 C.F.R. § 54.201 and in accordance with the requirements set forth in the *Lifeline and Link Up Reform Order* (Section VII.F).

Since this Commission designated i-wireless as an ETC, i-wireless has provided each of the required supported services throughout its designated service area in the State of Utah. i-wireless provides voice grade access to the public switched telephone network to low-income customers in its designated service area through the Sprint wireless network. i-wireless offers a variety of rate plans that include minutes of use for, among other things, local service, and all rate plans meet the FCC's minimum service standards. i-wireless also provides access to emergency services provided by local government or public safety officials, including 911 and E911, where available, for free and without regard to whether a customer's service is active or has available airtime. i-wireless will not provide toll limitation service ("TLS") but, like most wireless providers, i-wireless does not differentiate domestic long-distance usage from local usage, and all usage is paid for in advance; thus, toll limitation is unnecessary. 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."¹² Finally, through Sprint, i-wireless also provides its Lifeline customers with BIAS that has the ability to receive "the capability to transmit data to and receive data from all or substantially all Internet endpoints,

¹² See *Lifeline and Link Up Reform Order* at ¶ 49.

including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up Internet access service.”¹³

C. i-wireless is an Ongoing Participant in a Commission-approved Lifeline Program that is Eligible for Utah USF Support.

The Commission has also adopted requirements for Lifeline support, which are outlined in Utah Administrative Code R746-8-403. The Commission’s rules stipulate that Lifeline support may not exceed \$3.50 per Lifeline subscriber per month of subscription to a service that, for wireless Lifeline, meets FCC broadband Lifeline requirements as set forth in 47 C.F.R. 54.408 and allows, at no charge beyond the basic monthly fee, unlimited texting and at least 750 voice minutes per month.”¹⁴ Furthermore, the rules provide that ETCs will be eligible for ongoing Lifeline distribution if the company is an ongoing participant in a Commission-approved Lifeline program if the Commission finds it is in the public interest.¹⁵ i-wireless is currently an approved wireless Lifeline provider in the State of Utah. Its offerings, as further detailed below, meet the requirements outlined by this Commission for eligibility to receive Utah USF support.

D. i-wireless Will Use Utah USF Support to Offer an Enhanced Lifeline Offering to Eligible, Low-Income Households in Utah.

The Utah USF provides ETCs with up to an additional \$3.50 per month, per Lifeline customer, of support beyond monthly Lifeline benefit provided under the federal Lifeline program (currently \$9.25 per month, per eligible customer).¹⁶ As discussed above, i-wireless is currently an approved wireless Lifeline provider in the State of Utah, offering eligible Lifeline customers with voice services, text messaging, and data to access mobile broadband Internet service. i-

¹³ 47 C.F.R. § 54.202(a); *see also* 47 C.F.R. § 8.2(a) (defining “broadband Internet access service”).

¹⁴ Utah Admin. Code R746-8-403(2)(a)(ii).

¹⁵ Utah Admin. Code R476-8-403(1).

¹⁶ *See* Utah Admin. Code R746-341-6(A).

wireless intends to update its Lifeline offerings in the State of Utah when granted approval for Utah USF support to offer an enhanced plan that will enable customers to receive more voice service and/or increased data usage per month compared to current offerings.

i. Proposed Enhanced Lifeline Offering

i-wireless currently offers Utah Lifeline customers the choice of a Lifeline service plan that meets the voice minimum service standards (currently 750 minutes, with unlimited text and 50-500 MB data) or a plan option which meets the broadband minimum service standards (currently 1 GB of data, with unlimited text and 250 voice minutes). As a recipient of Utah USF support, i-wireless will instead offer Utah Lifeline customers 750 voice minutes, unlimited text messages, and 1 GB of data, with the data allowance increasing annually in accordance with federal broadband minimum service standards as set forth in 47 C.F.R. 54.408. The Utah Enhanced plan would thus provide 500 additional voice minutes in comparison to i-wireless' existing national broadband bundle, and at least double the data in comparison to the current voice bundles.

i-wireless will continue to provide a free handset device with all Lifeline plans, and access to Voicemail, Caller ID and Call Waiting custom calling features at no charge. i-wireless will also continue to offer additional airtime and data usage for purchase in the event that all airtime subscribed to has been exhausted.¹⁷ Lifeline customers may purchase, at their option, additional credits as maintained on www.accesswireless.com, which are currently as follows:

¹⁷ i-wireless will continue to not deplete a Lifeline customer's available airtime for calls made to i-wireless customer service. i-wireless customers can continue to contact i-wireless customer service by dialing a short code (e.g. *611) from their handset device to address billing, service, and general account issues with all voice minutes used in association with such calls being credited to the customer's account. Customers whose balance of voice minutes has been exhausted will continue to be able to make outbound calls to i-wireless customer service as long as their service is active. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

	Purchased Minutes	Text (SMS/MMS)	Data
\$5 Card	250	Unlimited	250 MB
\$10 Card	500	Unlimited	500 MB
\$25 Card	Unlimited	Unlimited	1 GB
\$35 Card	Unlimited	Unlimited	2.5 GB
\$50 Card	Unlimited	Unlimited	4 GB

*Valid for 30 days from date applied to account, except the \$5 card is valid for 10 days from date applied.

i-wireless’ proposed enhanced offering plainly meets the requirements as outlined by the Commission to be eligible for Utah USF support. i-wireless’ proposed service offering also complies with federal minimum service standards and will enable Lifeline customers to receive the full value of their Lifeline subsidy. As discussed in detail in the following section, amending i-wireless’ ETC designation to include participation in the Utah USF is in the public interest. i-wireless has targeted its services to provide exceptional offerings that meet the needs of low-income consumers, and reimbursement from the Utah USF would only enhance i-wireless’ ability to provide services and plans that are beneficial to this community.

IV. GRANT OF THIS PETITION WILL SERVE THE PUBLIC INTEREST

Approving i-wireless’ instant Petition to participate in the Utah USF will further the Commission’s universal service goals to the benefit of Lifeline-eligible consumers by enabling i-wireless to provide an enhanced Lifeline offering, to its existing Utah Lifeline subscribers as well as to eligible subscribers yet to enroll. Specifically, i-wireless will be able to offer increased supported service to low-income consumers (after application of all available Utah USF and federal USF Lifeline support), thereby increasing consumer choice and access to telephone and broadband services for Utah residents. Said enhanced Lifeline benefits will also provide a valuable alternative to existing Lifeline service available to eligible Utah households provided by ETCs who have yet to be so authorized by this Commission to receive Utah USF support. Increasing

such customer choice will also spur other wireless ETC providers to compete for eligible customers by providing the highest value (*e.g.*, higher-quality handset devices, superior customer service, etc.).

Existing data clearly demonstrates the large and growing demand by low-income Utah households for wireless Lifeline services.¹⁸ Additional airtime provided because of participation in the Utah USF will better enable i-wireless to assist such Lifeline customers in obtaining calling capacity sufficient to meet all their telecommunications needs and/or sufficient mobile broadband usage. Such customers will have more minutes to contact (or be contacted by), for example, current and prospective employers, health care providers, or government services, and to remain in contact with family members and friends, and/or access to additional mobile data to send and receive email, apply for jobs, or otherwise access the internet.

The public interest benefits to low-income Utah consumers of i-wireless' service include larger local calling areas (as compared to traditional wireline carriers); the convenience, portability and security afforded by mobile service; a generous amount of voice and broadband access included without cost (after application of available Lifeline support); the opportunity for customers to receive service without going through a credit check or deposit requirement, or committing to a long-term service contract; and access to 911 and E911 (where available) service in accordance with current FCC requirements. Providing i-wireless with the authority necessary to seek reimbursement for its Lifeline services from the Utah USF will only further the public interest already served by i-wireless' existing offerings by allowing the Company to provide a greater quantity of units of no-cost or discounted Lifeline services to those currently without access

¹⁸ See LI05 Annual Low Income Support Claimed by State and Company January 2014 through March 2017 .xlsx, available at <http://www.usac.org/about/tools/fcc/filings/2017/q3.aspx>.

to essential telephone and broadband services, or those most in danger of losing wireless service altogether.

V. CONCLUSION

WHEREFORE, based on the foregoing, i-wireless respectfully requests that the Commission promptly approve i-wireless' Petition seeking to amend its ETC designation in the State of Utah to include the right to seek support from the Utah Universal Service Fund.

Respectfully submitted,

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