

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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Petition of i-wireless, LLC To Amend its)	
Designation as an Eligible Telecommunications)	Docket No. 18-2526-01
Carrier in the State of Utah to Participate in the)	
Utah Universal Service Fund)	
_____)	

I-WIRELESS, LLC’S SUBMISSION OF DIRECT TESTIMONY

i-wireless, LLC, by counsel, hereby files with the Public Service Commission of Utah (“Commission”) the Direct Testimony of John Willis.

Respectfully submitted this 11th day of September, 2018.

/s/ Lance J.M. Steinhart
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DIRECT TESTIMONY OF JOHN WILLIS

1 **Q: WHAT IS YOUR NAME AND BUSINESS ADDRESS?**

2 **A:** My name is John Willis. My business address is 1 Levee Way, Suite 3104,
3 Newport, Kentucky 41071.

4 **Q: WHAT IS YOUR POSITION WITH APPLICANT?**

5 **A:** I am the Chief Operating Officer of i-wireless, LLC (hereinafter referred to as “i-
6 wireless” or the “Company”), the Applicant in this proceeding.

7 **Q: PLEASE DESCRIBE YOUR EMPLOYMENT BACKGROUND.**

8 **A:** I have almost 30 years of experience in the telecommunications industry, including
9 experience with the Lifeline program since 2011. Before becoming COO, I served i-
10 wireless in previous roles as Vice President of Operations and General Manager.
11 Prior to joining i-wireless in 2006, I served as Director at Cincinnati Bell and
12 Manager at Verizon Wireless, overseeing various divisions including customer care,
13 marketing, and operations.

14 **Q: PLEASE PROVIDE A BRIEF DESCRIPTION OF I-WIRELESS.**

15 **A:** i-wireless is a North Carolina Limited Liability Company with principal offices in
16 Newport, Kentucky. i-wireless is a reseller of commercial mobile radio service

1 (“CMRS”) throughout the United States and provides prepaid wireless
2 telecommunications services to consumers by using the Sprint Spectrum, L.P.
3 (“Sprint”) network on a wholesale basis to offer nationwide service. Through a
4 direct wholesale agreement with Sprint, i-wireless obtains from Sprint the
5 network infrastructure and wireless transmission facilities to allow the Company
6 to operate as a Mobile Virtual Network Operator (“MVNO”). To date, i-wireless
7 has been granted Eligible Telecommunications Carrier (“ETC”) designation on a
8 wireless carrier basis in Arkansas, Arizona, California, Colorado, Georgia, Idaho,
9 Iowa, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Michigan,
10 Minnesota, Mississippi, Missouri, Nebraska, Nevada, Ohio, Oklahoma, Oregon,
11 Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Washington, West
12 Virginia, and Wisconsin, and by the FCC in Alabama, Connecticut, Delaware,
13 District of Columbia, Florida, New Hampshire, New York, North Carolina,
14 Tennessee, and Virginia.

15 **Q: ARE YOU FAMILIAR WITH I-WIRELESS’ PETITION IN THIS**
16 **PROCEEDING?**

17 **A:** Yes, I have reviewed i-wireless’ Petition to Amend its Designation as an Eligible
18 Telecommunications Carrier to Participate in the Utah Universal Service Fund
19 (“UUSF”) (the “UUSF Petition”) and verify that the statements therein are true
20 and correct.

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

22 **A:** The purpose of my testimony is to support the UUSF Petition, and to demonstrate
23 that i-wireless satisfies the Commission’s requirements for receipt of UUSF

1 support and that expansion of the Company’s ETC designation to include
2 participation in the UUSF is in the public interest.

3 **Q: WHAT IS THE NATURE OF I-WIRELESS’ REQUEST?**

4 **A:** On June 29, 2011, the Commission issued an Order in Docket No. 10-2526-01
5 designating i-wireless as an ETC (the “ETC Order”) throughout the service area
6 identified therein. The Commission provided in the ETC Order that i-wireless’
7 ETC designation was subject to several explicit conditions, including that i-
8 wireless file a separate application if the Company were to seek UUSF funding in
9 the future. i-wireless now seeks the Commission’s authorization to obtain UUSF
10 support throughout the Company’s existing designated service area so that it may
11 provide an enhanced Lifeline service to qualifying low-income customers in
12 Utah—customers who either already enjoy i-wireless’ affordable wireless plans,
13 or prospective low-income customers who are otherwise unable to afford them, or
14 were previously ignored by traditional carriers, therefore expanding the
15 availability and scope of wireless services throughout the State of Utah. i-
16 wireless does not seek to amend its ETC status for the purpose of receiving
17 support from any other USF programs.

18 **Q: HOW WILL I-WIRELESS’ LIFELINE OFFERINGS DIFFER IF THE**
19 **COMMISSION GRANTS I-WIRELESS THE ABILITY TO RECEIVE**
20 **UUSF SUPPORT?**

21 **A:** i-wireless has targeted its services to provide exceptional offerings that meet the
22 needs of low-income consumers, and reimbursement from the UUSF would
23 enhance i-wireless’ ability to provide services and plans that are beneficial to this

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

13 i-wireless will continue to provide a free handset device with all Lifeline
14 plans, and access to Voicemail, Caller ID and Call Waiting custom calling
15 features at no charge. i-wireless will also continue to offer additional airtime and
16 data usage for purchase in the event that all airtime subscribed to has been
17 exhausted (calls made to i-wireless customer service and 911 do not deplete
18 available airtime and can be made regardless of availability of minutes). Lifeline
19 customers may purchase, at their option, additional credits as maintained on the
20 Company's website (www.accesswireless.com).

21 **Q: DOES I-WIRELESS SATISFY THE REQUIREMENTS TO RECEIVE**
22 **UUSF SUPPORT?**

23 **A:** Yes. As described in the UUSF Petition, i-wireless meets Utah's statutory and

1 regulatory requirements for receipt of UUSF support as outlined in Utah Code §
2 54-8b-15 and Utah Administrative Code R746-8-403.

3 **Q: IS I-WIRELESS A NON-FACILITIES-BASED ETC?**

4 **A:** Yes. i-wireless is a designated ETC in the State of Utah that provides non-
5 facilities-based wireless Lifeline service to low income Utah residents who meet
6 the requirements of the federal Lifeline program. As I mentioned previously, i-
7 wireless provides service using the underlying wireless network facilities of
8 Sprint. I understand that Utah Code § 54-8b-15 was amended effective July 1,
9 2017 to allow non-facilities-based wireless telecommunications providers to be
10 eligible for distribution of UUSF support, provided that the Lifeline service is
11 consistent with Federal Communications Commission (“FCC”) rules governing
12 the Lifeline program.

13 **Q: DOES I-WIRELESS PROVIDE LIFELINE SERVICE CONSISTENT**
14 **WITH FCC REQUIREMENTS?**

15 **A:** Yes, i-wireless provides service that is consistent with the FCC’s requirements for
16 Lifeline service. First, i-wireless operates as a common carrier in the State of
17 Utah, as defined in 47 U.S.C. § 153(11). Second, i-wireless offers all USF-
18 supported services required by the FCC’s rules, namely eligible voice telephony
19 service and broadband Internet access service (“BIAS”). Eligible voice telephony
20 services must include the following: voice grade access to the public switched
21 network; local usage; access to emergency services; and toll limitation for
22 qualifying low-income consumers. Eligible BIAS services must provide the
23 capability to transmit data and to receive data from all or substantially all Internet

1 endpoints. i-wireless also advertises the availability and rates for the supported
2 services using media of general distribution as required by 47 C.F.R. § 54.201,
3 and the Company's marketing materials comply with federal requirements.

4 Since this Commission designated i-wireless as an ETC, i-wireless has
5 provided each of the required supported services throughout its designated service
6 area in the State of Utah. i-wireless provides both BIAS and voice grade access to
7 the public switched telephone network to low income customers in its designated
8 service area through the Sprint wireless network. i-wireless offers a variety of
9 rate plans that include minutes of use for, among other things, local service, and
10 all rate plans meet the FCC's minimum service standards set forth in 47 C.F.R. §
11 54.408. i-wireless also provides access to emergency services provided by local
12 government or public safety officials, including 911 and E911, where available,
13 for free and without regard to whether a customer's service is active or has
14 available airtime. Like most wireless providers, i-wireless does not differentiate
15 domestic long-distance usage from local usage, and all usage is paid for in
16 advance; thus, toll limitation is unnecessary (per FCC rules, ETCs are not
17 required to offer toll limitation service to low-income consumers if the Lifeline
18 offering provides a set amount of minutes that do not distinguish between toll and
19 non-toll calls).

20 **Q: DOES I-WIRELESS' LIFELINE OFFERING QUALIFY FOR UUSF**
21 **SUPPORT?**

22 **A:** I understand that per Commission rules, in Utah Administrative Code R746-8-
23 403, Lifeline support of \$3.50 per Lifeline subscriber per month is available for

1 subscription to a service that, for wireless Lifeline, meets FCC broadband
2 Lifeline requirements as set forth in 47 C.F.R. 54.408 and allows, at no charge
3 beyond the basic monthly fee, unlimited texting and at least 750 voice minutes
4 per month. i-wireless' proposed UUSF enhanced offering, as described earlier in
5 my testimony and in the UUSF Petition, clearly meets these requirements.
6 Commission rules further provide that ETCs will be eligible for ongoing UUSF
7 distribution if the company is an ongoing participant in a Commission-approved
8 Lifeline program (which i-wireless is) if the Commission finds it is in the public
9 interest.

10 **Q: HOW WILL I-WIRELESS' PARTICIPATION IN THE UUSF SERVE THE**
11 **PUBLIC INTEREST?**

12 **A:** Approving i-wireless' request to participate in the UUSF will further the
13 Commission's universal service goals to the benefit of Lifeline-eligible
14 consumers by enabling i-wireless to provide an enhanced Lifeline offering, to its
15 existing Utah Lifeline subscribers as well as to eligible subscribers yet to enroll.
16 Specifically, i-wireless will be able to offer increased supported service to low-
17 income consumers (after application of all available UUSF and federal Lifeline
18 support), thereby increasing consumer choice and access to telephone and
19 broadband services for Utah residents. Increasing such customer choice spurs
20 other wireless ETC providers to compete for eligible customers by providing the
21 highest value (e.g., higher-quality handset devices, superior customer service,
22 etc.).

23 As noted in the UUSF Petition, existing data clearly demonstrates the

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

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

1 **Q: DOES I-WIRELESS AGREE TO COMPLY WITH COMMISSION RULES**
2 **REGARDING ETCS APPROVED TO RECEIVE UUSF SUPPORT?**

3 **A:** i-wireless commits to comply with the applicable requirements set forth in Utah
4 Administrative Code R746-8-403 as well as any additional requirements the
5 Commission may deem necessary for UUSF support.

6 **Q: DOES THIS CONCLUDE YOUR TESTIMONY?**

7 **A:** Yes.


VERIFICATION

VERIFICATION

State of Kentucky)
)
County of Campbell)

I, John Willis, hereby depose and state that I am the Chief Operating Officer (COO) of i-wireless, LLC, and declare under penalty of perjury that the foregoing testimony is true and correct to the best of my knowledge and belief.

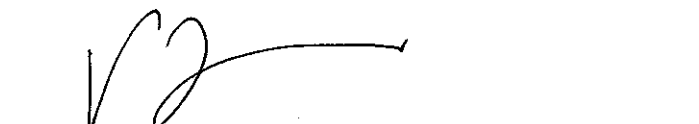
Dated: September 11, 2018



John Willis, COO

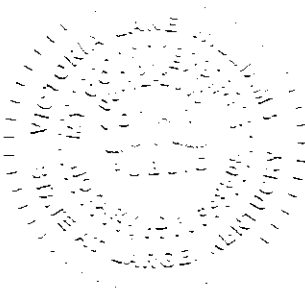
Subscribed and sworn to before me this 11th day of September 2018.

(Notary Seal)



(Signature of person authorized to administer oath)

My Commission Expires: 8/12/2019



CERTIFICATE OF SERVICE

I CERTIFY that on September 11, 2018, a true and correct copy of the foregoing was served on the following as indicated below:

By Electronic-Mail:

Patricia Schmid (pschmid@agutah.gov)
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/s/ Lance J.M. Steinhart

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