BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF UTAH

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In the Matter of

Petition to Amend Q LINK WIRELESS LLC Designation as an Eligible Telecommunications Carrier to Participate in the Utah Universal Service Fund Docket No.

Q LINK WIRELESS LLC'S PETITION TO AMEND ITS DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER TO PARTICIPATE IN THE UTAH UNIVERSAL SERVICE FUND

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Attorneys for Q LINK WIRELESS LLC

May 23, 2018

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In the Matter of

Petition to Amend Q LINK WIRELESS LLC's Designation as an Eligible Telecommunications Carrier to Participate in the Utah Universal Service Fund Docket No. _____

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Q LINK WIRELESS LLC ("Q LINK" or the "Company"), by its undersigned counsel, petitions the Public Service Commission of Utah ("Commission") to amend Q LINK Wireless LLC's designation as an eligible telecommunications carrier ("ETC") to include authorization to participate in the low-income Utah Universal Service Fund ("UUSF"). Specifically, Q LINK seeks approval from the Commission to expand its current federal-only ETC designation for the limited purpose of providing additional support to low-income households in Utah through access to support from the State of Utah universal service fund ("USF"). Q LINK does not seek to amend its ETC status for the purpose of receiving support from any other USF programs, including high-cost support or Tribal Link-Up. Q LINK proposes to increase its Lifeline offerings in Utah in the form of additional minutes and data if granted designation to participate in the UUSF to provide enhanced value to Utah Lifeline consumers.

As demonstrated by the facts stated herein, and as stated in the attached Verification, Q LINK meets all the statutory and regulatory requirements for an expansion of its designation as an ETC in the State of Utah to include participation in the UUSF program. Granting Q LINK authority to receive support from the State's universal service fund will benefit the public interest by enabling

the Company to provide enhanced services to a broad range of Utah low-income consumers. Q LINK has already demonstrated its ability to provide low-income supported Lifeline services as it has grown to serve over one million households in its existing ETC-designated service areas, including in Utah. Q LINK is one of the nation's largest providers of Lifeline-supported voice and broadband services and has a proven track record of compliance with Lifeline program rules. Because the availability of Q LINK's services so clearly serves the interests of Utah consumers, Q LINK respectfully requests that the Commission grant this Petition expeditiously.

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

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I. OVERVIEW OF THE COMPANY

Q LINK is a Delaware limited liability company ("LLC"), organized on August 25, 2011, with principal offices located at 499 East Sheridan Street, Suite 400, Dania Beach, Florida 33004. Q LINK is a provider of commercial radio service throughout the United States including in the State Utah. Q LINK provides supported services using the wireless networks from Sprint Spectrum L.P. ("Sprint"). On December 14, 2012, the Commission designated Q LINK as an ETC in the State of Utah for the limited purpose of offering Lifeline universal service offerings.¹ Q LINK is also designated as an ETC provider in the following jurisdictions: Arizona, Arkansas, Colorado, Georgia, Hawaii Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Minnesota, Missouri, Nevada, Ohio, Oklahoma, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Texas, Vermont, Washington, West Virginia, and Wisconsin. Q LINK also has petitions for ETC designation pending before the following jurisdictions: California, Illinois, Massachusetts, Mississippi, Oregon, New Jersey, and New Mexico; and Q LINK has an application for designation as an ETC provider and a national Lifeline Broadband Provider before the FCC.

Q LINK provides affordable prepaid mobile phone service, including calling, text messaging, and broadband, along with user-friendly WiFi- and hotspot-enabled handsets, tablet or hotspot devices, and high quality customer service. Q LINK's products and plans are specifically geared toward serving lower income communities, and its service models and pricing plans reflect this mission. Q LINK manages all aspects of the customer experience, including setting service pricing, handset selection, marketing materials, and live customer service. The Company's prepaid, budget-friendly pricing affords many low-income consumers the option of having mobile phone service and broadband access without the burden of hidden costs, varying monthly charges, or contractual commitments. Granting Q LINK's petition to allow Utah consumers to participate in the UUSF program to offset the cost of the Company's offerings will allow Q LINK to increase its supported offerings and improve the quality and service options it provides to low-income consumers in Utah.

¹ In the Matter of the Petition of Q LINK Wireless LLC for Designation as an Eligible *Telecommunications Carrier in the State of Utah*, Report and Order, Docket No. Dec. 14, 2012 ("ETC Designation Order").

II. Q LINK SATISFIES THE COMMISSION'S REQUIREMENTS FOR ETC DESIGNATION AND IS ELIGIBLE FOR UTAH UNIVERSAL SERVICE FUND SUPPORT

Q LINK filed its original Petition for Designation as an Eligible Telecommunications Carrier in Utah with the Commission on January 25, 2012 and at that time did not seek access to funds from the State Universal Service Fund due to business considerations. In the Order approving Q LINK's Petition to offer Lifeline-supported service in Utah, the Commission specified that the Order "does not grant Q Link authority to seek support from the Utah USF, nor has Q LINK requested such authority."² The Commission also directed that should the Company decide to pursue state USF funding at a later point, Q LINK must first receive Commission approval of an application for such funding. Q LINK now petitions the Commission seeking approval to amend its ETC designation to provide Lifeline services in Utah to include authority to receive UUSF support. Q LINK satisfies all legislative and regulatory requirements necessary for UUSF support as outlined in Utah Code § 54-8b-15 and Utah Administrative Code R746-8-403. Q LINK further commits to complying with any additional requirements the Commission may believe is necessary for UUSF support.

A. Q LINK is an NonFacilities-Based Lifeline ETC Eligible for Support

Section 54-8b-15 of the Utah Code sets out various statutory elements related to the State's universal telecommunications service support fund (i.e., UUSF). The section provides that "[a] facilities-based or nonfacilities-based wireless telecommunication provider is eligible for distributions from the Universal Telecommunications Service Support Fund under the lifeline

² ETC Designation Order at 5.

program described in Subsection (3)(b) for providing lifeline service that is consistent with the Federal Communications Commission's lifeline program for low-income consumers."³ Subsection (3)(b) states that the Support Fund should be used for, among other things, supporting "a lifeline program that covers the reasonable cost to an eligible telecommunications carrier, as determined by the commission, to offer lifeline service consistent with the Federal Communications Commission's lifeline program for low-income consumer." Q LINK is a designated ETC in Utah that provides nonfacilities-based wireless Lifeline service to low-income Utah residents that meets the requirements of the federal lifeline program. Q LINK meets the criteria as laid out in the Utah statute and is eligible to receive support from the UUSF based on the requirements detailed in the Utah rules.

Q LINK provides service that is consistent with the federal requirements for Lifeline service as discussed below. First, Q LINK operates as a common carrier in Utah, as defined in 47 U.S.C. § 153(11). Q LINK offers all of the services and functionalities required by the FCC's rules for eligible voice telephony and broadband service.⁴ Eligible voice telephony services must provide:

> voice grade access to the public switched network; local usage; access to emergency services; and toll limitation for qualifying low-income consumers.

Eligible broadband services must provide:

the capability to transmit data to and receive data from all or substantially all internet endpoints.

³ § 54-8b-15(15)(a).

⁴ 47 C.F.R. §§ 54.101(a); 54.202(a).

Since being designated as an ETC by the Commission, Q LINK has provided each of the required voice and broadband services throughout its designated service area in Utah. Q LINK provides voice grade access to the public switched telephone network through the network of Sprint mobile services to low-income customers in its designated service area. Q LINK's usage plans are different from, but comparable to, one offered by the ILEC in the same designated service area. The Company 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 for whether the customer's device is activated or has available minutes. Q LINK will not provide toll limitation service ("TLS") but, like most wireless carriers, Q LINK does not differentiate domestic long distance usage from local usage, and all usage is paid for in advance. Lastly, Q LINK provides its Lifeline customers with broadband access that has the ability to receive "the capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up Internet access service."⁵

B. Q LINK is an Ongoing Participant in a Commission-approved Lifeline Program That is Eligible for UUSF Support

The Commission has also adopted requirements for Lifeline support which are outlined in Utah Admin 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 meets FCC broadband Lifeline requirements as set forth in 47 C.F.R. 54.408; and for wireless Lifeline, allows, at no charge beyond the basic monthly fee, unlimited texting and at least 750 voice minutes per

⁵ Id. at ¶30; see also 47 CFR § 8.2(a) (defining broadband Internet access service).

month."⁶ Furthermore, the rules provide that ETCs will be eligible for ongoing Lifeline distribution if the company is an ongoing participant in an approved Lifeline program if the Commission finds it is in the public interest.⁷

As discussed above, Q LINK is currently an approved-wireless Lifeline provider in the state of Utah. Q LINK's Lifeline offerings include voice services, texting, and data to access wireless broadband Internet service. Q LINK offers a variety of Lifeline service packages within Utah that consumers can choose from. Q LINK intends to update its Lifeline offerings in Utah when granted approval for UUSF support to offer a baseline plan that will enable consumers to get more voice service and increased data compared to current offerings. Specifically, Q LINK will offer Utah Lifeline consumers the following:

Bundle Plan: 1000 Minutes & 1 GB Data (Q LINK ALWAYS ON)

1000 anytime minutes per month Unlimited text and picture messaging 1 GB data per month *Minutes & data do not rollover* Net cost to Lifeline customer: **\$0**

- Voice minutes may be used for Domestic Long Distance at no extra charge
- Data at 3G speeds or higher

Additional airtime available for purchase

Current rates published at <u>https://qlinkwireless.com/members/cart/quickpurchase.aspx</u>

Q LINK's proposed offerings plainly meet the requirements as outlined by the Commission to be eligible for UUSF support. Q LINK's proposed service offerings also comply with the 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, granting Q LINK's request for

⁶ R746-8-403(2)(a)(i).

⁷ R746-8-403(1).

expansion of its ETC designation to include support from the State USF is in the public interest. Q LINK has targeted its services to providing exceptional offerings that meet the needs of low-income consumers and reimbursement from the UUSF would only enhance the Company's ability to provide services and plans that are beneficial to this community.

III. GRANT OF THIS PETITION WILL SERVE THE PUBLIC INTEREST

Approving Q LINK's Petition to participate in the Utah universal service fund will further the Commission's universal service goals to the benefit Lifeline-eligible Utah consumers. The Company will be able to offer more supported service, prepaid low cost wireless service to lowincome consumers (after application of the Lifeline support), thereby increasing consumer choice and Utah resident's access to telephone and broadband services. Increasing customer choice will spur other wireless ETC providers to compete for eligible customers by providing the highest value (e.g., higher quality handsets, superior customer service).

Further, grant of this Petition will allow Utah consumers to have access to more quality mobile and broadband services and the related benefits. Wireless voice and broadband service offers a stable contact method where traditional landline service would be unavailable or not a viable option. Many consumers in Utah are faced with making difficult choices about how to allocate and spend their limited resources. The ability to meet their communications and broadband access needs while at the same time anticipating and controlling the associated costs is critical. Q LINK's prepaid service offerings and supplemental plans enable customers to tailor their wireless and broadband services to their needs and budgets, and the prepaid nature of the service also provides an alternative for "unbanked" consumers. As a result, Q LINK's prepaid wireless service is an especially attractive option for low-income consumers because it alleviates customer concerns regarding hidden costs, varying monthly charges and long term contract issues.

The public interest benefits to low-income Utah consumers of Q LINK's wireless service include the convenience and security afforded by mobile service and a generous amount of voice and broadband access included without cost (after application of the Lifeline support). Providing Q LINK with the authority necessary to seek reimbursement for its Lifeline services from the UUSF will only further the public interest already served by Q LINK's offerings by allowing the Company to provide a greater quantity of units of no-cost or discounted Lifeline services to those currently without access to essential telephone and broadband services, or those most in danger of losing wireless service altogether, promotes the public interest.

IV. CONCLUSION

Q LINK respectfully requests that the Commission promptly approve Q LINK's petition seeking approval to expand its ETC designation to include the right to seek support from the Utah Universal Service Fund.

Respectfully submitted,

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Attorneys for Q LINK WIRELESS LLC*

*Appearing through UAC § 746-1-107(1)(a)(ii)).

Q LINK WIRELESS LLC

VERIFICATION

STATE OF FLORIDA

County of Broward

I, Issa Asad, being first duly sworn upon oath, depose and say that I am the Chief Executive Officer of Q LINK WIRELESS LLC, as such am authorized to make this verification on its behalf that I have read the foregoing Petition to Amend Q LINK's Designation as an Eligible Telecommunications Carrier to Include Support From the Utah Universal Service Fund; that I know the contents thereof; and that the matters stated in the Petition to Amend are true and correct to the best of my knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

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Issa Asad Chief Executive Officer Q LINK WIRELESS LLC

Subscribed and sworn to before me this 18 day of May, 2018

Notary Public

My Commission Expires: DCtober 29,2021



This is to certify that a true and correct copy of Q LINK WIRELESS LLC's Petition to Amend Its Designation as An Eligible Telecommunications Carrier to Participate in the Utah Universal Service Fund was filed upon the Commission via e-mail on May 23, 2018.