

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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In the Matter of the Application
of Cricket Communications, Inc.,
for Designation as an Eligible
Telecommunications Carrier in the
State of Utah

Docket No.
12-2551-01

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HEARING PROCEEDINGS  
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TAKEN AT: Public Service Commission
 Hearing Room 451
 160 East 300 South
 Salt Lake City, Utah

DATE: Thursday, September 20, 2012

TIME: 9:08 a.m.

REPORTED BY: Scott M. Knight, RPR

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A P P E A R A N C E S

ADMINISTRATIVE LAW JUDGE: MELANIE A. REIF

FOR CRICKET COMMUNICATIONS, INC.:

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I N D E X

WITNESS	Page
JULIE BUECHLER	
DIRECT EXAMINATION BY-MR.BURNETT	4

* * *

E X H I B I T S

No.	Description	Page
1	Settlement Stipulation	9

1 PROCEEDINGS

2 MS. REIF: We'll be on the record. Good morning,
3 everyone. My name is Melanie Reif, and I'm the
4 administrative law judge for the Public Service Commission.
5 This morning we are here to hear the Docket No. 12-2551-01,
6 entitled In the Matter of the Application of Cricket
7 Communications, Inc., for Designation as an Eligible
8 Telecommunications Carrier in the State of Utah.

9 I'd like to take appearances, please.
10 Mr. Burnett, would you like to start?

11 MR. BURNETT: Brian Burnett. I'm the attorney for
12 Cricket Communications, Inc.

13 MS. REIF: And would you like to identify who's on
14 the telephone?

15 MR. BURNETT: On the telephone is Julie Buechler
16 from Cricket Communications.

17 MS. REIF: Thank you.

18 MR. JETTER: And Justin Jetter for the Division of
19 Public Utilities. With me is Casey Coleman with the
20 Division.

21 MR. ORTON: I'm Eric Orton with the Office of
22 Consumer Services. And I'm here representing the Office
23 without counsel.

24 MS. REIF: Thank you, Mr. Orton.

25 Mr. Burnett, before we continue, have the

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1 intervenors in this case been notified of the stipulation?

2 MR. BURNETT: They have. They have. They've
3 actually reviewed and had some comments on the settlement
4 stipulation, but they have represented to me that Utah Rural
5 Telecom Association, through Kira Slawson, and the Salt Lake
6 Community Action Program, through Betsy Wolf--that they--
7 although they were not--they did not want to sign the
8 settlement stipulation, that they were not going to oppose
9 the settlement stipulation.

10 MS. REIF: Okay. Thank you for that
11 clarification.

12 The Commission has received a copy of the
13 settlement stipulation, which was filed on September 13th,
14 along with the certificate of service. And, Mr. Burnett,
15 would you like to--since this is your application, would you
16 like to proceed on--on the issue of whether the Commission
17 should approve this stipulation as just and reasonable?

18 MR. BURNETT: Sure. Sure.

19 JULIE BUECHLER,
20 called as a witness for and on behalf of Cricket
21 Communications, Inc., was examined and testified as follows:

22 DIRECT EXAMINATION

23 BY-MR.BURNETT:

24 Q Julie, can you hear me?

25 A Yes, I can.

[5]

1 Q Would you state your name for the record, please.

2 A Julie Buechler, spelled B as in "boy,"
3 u-e-c-h-l-e-r.

4 Q Would you state your position, please.

5 A I'm the manager of government programs for Cricket
6 Communications.

7 Q Are you the same person who prefiled testimony in
8 this docket on June 14th of 2012?

9 A Yes, I am.

10 Q And if I asked you the questions that were set
11 forth in your prefiled testimony, would your answers be the
12 same today?

13 A Yes, they would.

14 Q And have you had an opportunity to review the
15 settlement stipulation which has been filed in this docket?

16 A Yes, I have.

17 Q And are you in agreement with the terms and
18 conditions set forth therein?

19 A Yes, I am.

20 Q At this time, I think it'd be helpful maybe if you
21 would briefly describe the--the Cricket service and how this
22 Lifeline services would work, just in a kind of a synopsis
23 form for the Commission.

24 A Cricket Communications is the sixth largest
25 wireless carrier. We are a facilities-based carrier with

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1 service in Utah. Our ETC designation would mirror that
2 facilities-based coverage.

3 Cricket, due to its product offering, reaches the
4 demographic that's ideally suited for Lifeline. We are
5 considered a low-cost provider. Our plans start at \$35 a
6 month, and those include unlimited local, long distance, and
7 texting. The Lifeline program is a \$10 discount off of any
8 of our available rate plans, so Lifeline customers can
9 choose whichever plan best suits their needs. With
10 the--we--let's see how do I say? So it gives them an
11 opportunity as--adding more Lifeline providers, it increases
12 the competition. It gives consumers more choices.

13 Cricket satisfies all the statutory requirements
14 for ETC designation. We have no activation fees, no
15 connection fees for Lifeline or for any services. We don't
16 require contracts or any credit checks. We are a pay-in-
17 advance provider, meaning consumers pay for their service
18 month in advance, so we don't have the issues of, you know,
19 past-due bills or consumers getting into trouble running up
20 calls.

21 Again, our calls are all local, long distance
22 unlimited, so there's no worry about the toll charges or
23 overages or running out of minutes. We will not be seeking
24 state USF support. Cricket does pay all the applicable
25 taxes and public interest charges. Cricket currently is an

[7]

1 ETC in 26 states and the District of Columbia. We
2 have--five of those states, the petition went through the
3 FCC under their new Lifeline reform orders, and we were
4 granted designation by the FCC.

5 Q So you're offering these services through your own
6 facilities?

7 A Correct.

8 Q And you're willing to advertise the availability
9 of those services?

10 A Yes.

11 Q Do you believe that you are--well, let me run
12 through a couple of these things that you mentioned quickly.
13 You will certify and verify the customer eligibility of the
14 people, just make sure they qualify?

15 A Yes.

16 Q And you're willing to comply with the Commission
17 decision in Docket 10-2528-01?

18 A Yes.

19 Q And--let's see here. You will ensure that only
20 one person per household receive the Lifeline discount?

21 A Yes. That's--it is one of the certifications on
22 the Lifeline petition. And additionally, we have a back
23 office staff. All--all Lifeline applications are run
24 through that staff specifically trained in that state. And
25 one of the checks they do is that there is no other Lifeline

1 benefit at that household.

2 Q Okay. And you're not seeking Utah Universal
3 Service funds?

4 A Correct, we are not.

5 Q And in the future, if you would be deemed eligible
6 for those, you would be--you'd file a separate application
7 for--with the Public Service Commission of Utah asking for
8 that?

9 A Yes.

10 Q And you mentioned that you'd pay all applicable
11 federal, state, and local regulatory fees?

12 A Correct.

13 Q Now, some--the wire centers are listed as an
14 exhibit of where you'd be requesting service. Now,
15 there's--a few of those are--pardon me--rural ILECs. Would
16 you describe for the Commission briefly what you've done
17 with your filings at the FCC regarding that?

18 A Yes. We filed for forbearance from the
19 requirements to cover a hundred percent of a rural study
20 area. That forbearance was granted contingent on Cricket
21 filing and receiving approval on a compliance plan, and that
22 was done. The compliance plan was approved in February of
23 2012.

24 Q And those orders from the FCC were attached to
25 Cricket's application in this docket; is that correct?

1 A Correct.

2 MR. BURNETT: Okay. I have given the court
3 reporter a copy of the settlement stipulation. I believe we
4 should mark it as Cricket Exhibit 1. This document has been
5 circulated to the parties. Parties have commented on it, as
6 well as the intervening parties. We've made some changes
7 based on their comments. And the Division and the Office
8 have signed the settlement stipulation. And as I mentioned,
9 the other two intervenors have told me that they do not
10 intend to oppose it.

11 Exhibit-1 marked

12 MR. BURNETT: As one of the provisions in the
13 settlement stipulation, they--they agree--they stipulate to
14 the admission into evidence in this docket of Cricket's
15 application and prefiled testimony and exhibits. That's
16 paragraph 58.

17 So with the--with this testimony, I would move for
18 the admission of Cricket Exhibit 1 in this case, and by
19 reference also, the application and the prefiled
20 testimony--testimony which we have previously submitted to
21 the Commission, and would so move the admission of that.

22 MS. REIF: Any objection?

23 MR. JETTER: No.

24 MS. REIF: Mr. Burnett, before we admit those
25 documents, just for clarification, the document that was

[10]

1 provided to the court reporter, does that include the
2 certificate of service?

3 MR. BURNETT: It does, I believe. Yes.

4 MS. REIF: And the application and the testimony
5 that you're requesting to be admitted, we'll take judicial
6 notice of that.

7 MR. BURNETT: Okay.

8 MS. REIF: Is that acceptable, or did you want to
9 have that admitted as an exhibit as well?

10 MR. BURNETT: No, as long as it's in the record--

11 MS. REIF: Okay.

12 MR. BURNETT: --it's fine.

13 MS. REIF: All right. Very good.

14 MR. BURNETT: I just wanted you to be able to
15 refer to it if you needed to as part of your draft of any
16 findings of fact or conclusions of law.

17 MS. REIF: Okay. Those documents are admitted.

18 And for clarification, I neglected to swear

19 Ms.--is it "BEWCH-ler"?

20 THE WITNESS: Yes.

21 MS. REIF: I neglected to swear her in. I'm
22 assuming you are offering her testimony today in support of
23 the application?

24 MR. BURNETT: I am, yeah.

25 MS. REIF: Okay. Ms. Buechler, do you swear that

[11]

1 the testimony that you just gave in this matter is the
2 truth?

3 THE WITNESS: Yes.

4 MS. REIF: Thank you.

5 Is there any cross-examination for Ms. Buechler?

6 MR. JETTER: No.

7 MS. REIF: Mr. Burnett, I think you did a very
8 fine job of answering, I think, most everything I was noting
9 in the settlement stipulation. I may have a question or
10 two. If we could just go off the record a second, I'll just
11 take a look at my notes.

12 MR. BURNETT: There was one question or two
13 questions, maybe, I can combine into one for her.

14 BY MR. BURNETT:

15 Q Julie, do you believe that this--that this
16 application is consistent with the public convenience and
17 necessity, is just and reasonable, and in the public
18 interest?

19 A Yes.

20 MR. BURNETT: Thank you.

21 MS. REIF: Okay. Thank you. We'll be off the
22 record for just one moment.

23 (A discussion was held off the record.)

24 MS. REIF: We'll be back on the record. And,
25 Mr. Burnett, as we were discussing off the record, there was

[12]

1 a concern in my mind about paragraph 60 inasmuch as it cites
2 to a particular Utah administrative rule, in particular,
3 Rule 746-100-10.F.5. And I was noting that the concepts
4 that are stated here aren't necessarily supported by that
5 rule, and I would like to get your thoughts on that.

6 MR. BURNETT: As I mentioned, I took this
7 particular paragraph from a recently executed stipulation
8 filed in the PacifiCorp rate case, which was--which
9 stipulation was adopted by the Commission recently this
10 week. But I have no problem with striking anything in
11 paragraph 60, except for the first sentence, which deals
12 with the negotiations are confidential.

13 MS. REIF: Okay. So is it--is it your proposal,
14 then, that the first sentence be left and the remaining
15 portion of the paragraph be--

16 MR. BURNETT: That would be fine.

17 MS. REIF: --stricken?

18 MR. BURNETT: That would be fine.

19 MS. REIF: And is there any objection to that from
20 the parties present?

21 MR. JETTER: (To Mr. Coleman) Do you want to take
22 a look at it?

23 MR. COLEMAN: I don't know that . . .

24 Can we look at that paragraph just real quick?

25 MS. REIF: We'll be off the record while

[13]

1 you're . . .

2 (A discussion was held off the record.)

3 MS. REIF: Let's go back on the record. Thank
4 you.

5 MR. JETTER: I think the Division would suggest
6 that we strike about the first ten words of the second
7 sentence up until the identification of the code section,
8 and then continue with "neither the execution."

9 MR. BURNETT: Taking out the dependent clause--

10 MR. JETTER: Yeah.

11 MR. BURNETT: --that refers to the rule?

12 MR. JETTER: Yeah.

13 MR. BURNETT: And I don't have a problem with that
14 either.

15 MR. JETTER: Keeps the concept and simply removes
16 reference to that particular administrative rule.

17 MS. REIF: Is that acceptable to the Office?

18 MR. ORTON: Yes.

19 MS. REIF: Okay. And, Mr. Burnett, is that
20 acceptable to you?

21 MR. BURNETT: Yes, that's fine.

22 MS. REIF: So just to eliminate any confusion--

23 MR. BURNETT: Sure.

24 MS. REIF: --about what that reference to the rule
25 means or applies, it's my understanding that--that paragraph

[14]

1 60--the paragraph will remain, except for the second
2 sentence, the following words will be stricken: "Except as
3 expressly provided in this stipulation, and in accordance
4 with Utah Administrative Code Rule 746-10-10"--excuse me--
5 "Rule 746-100-10.F.5."

6 Does that capture what you're hoping to capture?

7 MR. BURNETT: That's correct.

8 MS. REIF: All right. That is--that resolved my
9 question.

10 The other thing I wish to note for the record is
11 that the parties in this proceeding have requested a
12 hearing, and as such, we are holding the hearing today in
13 accordance with statute that requires us to do so.

14 Mr. Burnett, that concludes my questions.

15 Are there questions or concerns from any of the
16 parties about the stipulation? Okay. Commission will take
17 the matter under advisement and issue a decision. And this
18 matter is adjourned.

19 MR. BURNETT: Thank you so much.

20 MS. REIF: Thank you.

21 (Proceedings concluded at 9:29 a.m.)
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CERTIFICATE

This is to certify that the foregoing proceedings were taken before me, SCOTT M. KNIGHT, a Registered Professional Reporter and Notary Public in and for the State of Utah, residing at South Jordan, Utah;

That the proceedings were reported by me in stenotype and thereafter caused by me to be transcribed into typewriting, and that a full, true, and correct transcription of said proceedings so taken and transcribed is set forth in the foregoing pages, inclusive.

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action, and that I am not interested in the event thereof.

Scott M. Knight, RPR
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