

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of Cricket)
Communications, Inc. for Designation as an) DOCKET NO. 12-2551-01
Eligible Telecommunications Carrier in the) ORDER APPROVING SETTLEMENT
State of Utah) STIPULATION

ISSUED: October 2, 2012

By The Commission:

BACKGROUND

On May 8, 2012, Cricket Communications, Inc. (“Cricket”) filed an application for designation as an eligible telecommunications carrier. On June 1, 2012, the Commission held a scheduling conference and set the schedule for this docket, including an intervention deadline. The Utah Rural Telecom Association and Salt Lake City Action Program (collectively, “Intervenors”) requested and were granted permission to intervene. Thereafter, the parties held a settlement conference and, on July 25, 2012, the Commission entered an order suspending the scheduling order in this docket pending filing of a settlement agreement.

On September 13, 2012, Cricket filed an executed settlement stipulation (“Settlement Stipulation” or “Stipulation”), a copy which is attached hereto as Exhibit #1. See Exhibit #1. The Settlement Stipulation is signed by Cricket, the Division of Public Utilities (“Division”), the Office of Consumer Services (“Office”), and states: “No intervening party opposes this Stipulation.” See id. at 1, ¶ 1.

On September 20, 2012, the Commission held a duly-noticed hearing. At the hearing counsel for Cricket represented that the Intervenors had been notified of the Stipulation and they did not oppose it. See Transcript of Hearing at 4, lines 2-9; and at 9, lines 8-10. The

Stipulation was entered into evidence as “Cricket Exhibit #1” with one alteration to paragraph 60, eliminating the reference to “Utah Admin. Code R746-100-10.F.5.” Julie Buechler, manager of government programs for Cricket, testified that the Stipulation is consistent with the public convenience and necessity, is just and reasonable, and in the public interest. See id. at 11, lines 15-19. Both the Division and Office represented the Stipulation is just and reasonable in result, and they each recommended the Commission approve it. See Exhibit #1 at 1, ¶ 2. “[A]ll of the [p]arties [to the Stipulation] agree that this Stipulation as a whole is just and reasonable in result and in the public interest.” Id. at 19, ¶ 59. No one opposed the Stipulation.

FINDINGS, CONCLUSIONS AND ORDER

As set forth by statute and as previously noted by the Commission in other orders, settlements of matters before the Commission are encouraged at any stage of the proceedings.¹ The Commission may approve a settlement proposal after considering the interests of the public and other affected persons, if it finds the settlement proposal in the public interest.² With this background in mind, and based on our consideration of the evidence before us, the testimony and recommendations of the parties, and the applicable legal standards, we find approval of the Settlement Stipulation to be in the public interest. Accordingly, the Commission approves the Stipulation.

¹ See Utah Code Ann. § 54-7-1 (2010). See also *In the Matter of the Notice of Rocky Mountain Power of Intent to File a General Rate Case*, Docket No. 11-035-200 (Report and Order; Sept. 19, 2012), at 26; and *In the Matter of the Application of Questar Gas Company to Adjust Rates for Natural Gas Service in Utah*, Docket No. 04-057-04 (Report and Order; Feb. 6, 2006), at 26.

² See Utah Code Ann. § 54-7-1(2)(a). See also *Utah Dept. of Admin. Services v. Public Service Comm’n*, 658 P.2d 601, 613-14 (Utah 1983).

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DATED at Salt Lake City, Utah, this 2nd day of October, 2012.

/s/ Melanie A. Reif
Administrative Law Judge

Approved and confirmed this 2nd day of October, 2012, as the Order Approving Settlement Stipulation of the Public Service Commission of Utah.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary
D#234532

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the Commission within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 2nd day of October, 2012, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic Mail:

Brian Burnette (brianburnett@cnmlaw.com)
Callister Nebeker & McCullough
Counsel for Cricket Communications, Inc.

Kira Slawson (kiram@blackburn-stoll.com)
Counsel for URTA

Betsy Wolf (bwolf@slcap.org)
Salt Lake City Action Program

Patricia Schmid (pschmid@utah.gov)
Justin Jetter (jjetter@utah.gov)
Paul Proctor (pproctor@utah.gov)
Assistant Utah Attorneys General

By Hand-Delivery:

Division of Public Utilities
160 East 300 South, 4th Floor
Salt Lake City, Utah 84111

Office of Consumer Services
160 East 300 South, 2nd Floor
Salt Lake City, Utah 84111

Administrative Assistant

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Exhibit #1

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION)	
OF CRICKET COMMUNICATIONS, INC.)	Docket No. 12-2551-01
FOR DESIGNATION AS AN ELIGIBLE)	
TELECOMMUNICATIONS CARRIER IN)	
THE STATE OF UTAH)	

SETTLEMENT STIPULATION

This Settlement Stipulation (“Stipulation”) is entered into in this docket by and among the parties whose signatures appear on the signature pages hereof (collectively referred to herein as the “Parties” and individually as a “Party”).

1. The Parties conducted settlement discussions in a meeting on July 17, 2012, to which all intervening parties to this docket were invited. In addition, drafts of this Stipulation were circulated to all intervening parties for review and comment and there have been further discussions among various parties. This Stipulation has been entered into by the Parties after consideration of the views of all intervening parties expressed during that process. No intervening party opposes this Stipulation.

2. The Parties represent that this Stipulation is just and reasonable in result. The Parties recommend that the Public Service Commission of Utah (“Commission”) approve the Stipulation and all of its terms and conditions. The Parties request that the Commission make findings of fact and reach conclusions of law based on the evidence and on this Stipulation and issue an appropriate order thereon.

BACKGROUND

3. On May 8, 2012, Cricket Communications, Inc. (“Cricket”) filed an Application and Exhibits requesting that the Commission designate Cricket as an Eligible Telecommunications Carrier (“ETC”) pursuant to 47 U.S.C. § 214(e)(2) of the Federal Communications Act of 1934, as amended (the “Act”), 47 C.F.R. § 54.201 et seq. of the rules of the Federal Communications Commission (“FCC”), and the rules and regulations of the Commission.

4. On May 25, 2012, the Commission issued its Notice of Scheduling Conference setting a Scheduling Conference, which was held on June 1, 2012.

5. On June 4, 2012, the Commission issued its Notice of Scheduling Order and Notice of Hearing setting a procedural schedule. A hearing was scheduled for September 20, 2012.

6. On June 14, 2012, Cricket filed the Direct Testimony of Julie S. Buechler in support of Cricket’s Application.

7. On June 27, 2012, the Utah Rural Telecom Association (“URTA”) filed a Petition to Intervene in this proceeding.

8. On June 29, 2012, the Salt Lake Community Action Program (“SLCAP”) filed a Petition for Leave to Intervene in this proceeding.

9. On July 17, 2012, the Commission issued an Order Granting Intervention to URTA.

10. On July 17, 2012, the Commission issued an Order Granting Intervention to SLCAP.

11. On July 17, 2012, the parties held a Settlement Conference.

12. On July 18, 2012, the Utah Division of Public Utilities (“DPU”) filed a Memorandum with the Commission requesting that the Commission suspend the testimony filing dates in anticipation of a settlement in this proceeding.

13. On July 25, 2012, the Commission issued an Order Suspending Scheduling Order suspending the testimony filing dates in anticipation of a settlement in this proceeding.

SETTLEMENT TERMS

For purposes of this Stipulation, the Parties agree and recommend the Commission approve the following:

14. **ETC DESIGNATION.** The Parties agree that Cricket be designated as an ETC pursuant to 47 U.S.C. § 214(e)(2) of the Federal Communications Act of 1934, as amended (the “Act”), 47 C.F.R. § 54.201 et seq. of the rules of the Federal Communications Commission (“FCC”), and the rules and regulations of the Commission.

15. **CRICKET’S WIRELESS OPERATIONS IN UTAH.** Cricket is a telecommunications carrier that provides digital wireless services on a common carrier basis, offering customers unlimited calling at flat rates without requiring a fixed-term contract or a credit check. Cricket provides advance wireless service (“AWS”) using its own CDMA network in and around Salt Lake City and northern Utah pursuant to authorizations issued to it by the Federal Communications Commission, or “FCC.” Cricket has been providing service in Utah since December 2000.

16. **CRICKET’S NETWORK TO PROVIDE LIFELINE WITHIN ITS ETC DESIGNATED AREA.** Cricket will rely entirely on its own network and is only requesting ETC designation where its own actual facilities coverage exists. Although Lifeline customers

can use their phones outside of the ETC designated area, Cricket is only requesting ETC designation where it has actual coverage.

17. **THE AREA IN WHICH CRICKET WILL RECEIVE DESIGNATION AS AN ETC.** *Exhibit 1*, attached hereto, contains a map showing Cricket's Radio Frequency ("RF") actual coverage in Utah, which are the areas in which Cricket will receive ETC designation. *Exhibit 2*, attached hereto, is a list of the wire centers, listed by Common Language Location Identifier ("CLLI") codes that encompass Cricket's actual coverage area, also the area in which Cricket seeks ETC designation to provide Lifeline. Cricket will receive ETC designation in the areas where it has actual coverage within the wire centers listed in *Exhibit 2*.

18. **CRICKET WILL RECEIVE ETC DESIGNATION IN BOTH RURAL AND NON-RURAL INCUMBENT LOCAL EXCHANGE ("ILEC") STUDY AREAS.** As shown in *Exhibits 1 and 2*, most of Cricket's proposed ETC designated area falls within CenturyLink's study area, but there are also some rural ILEC study areas that are encompassed by the proposed ETC designated area.

19. **THE REQUIREMENTS FOR DESIGNATION AS AN ETC.** To become designated as an ETC, a carrier must be a common carrier, capable of and committed to offering specified supported services either through its own facilities or a combination of its own facilities and resold facilities, advertise these services, and describe in detail the geographic service area for which it seeks designation. In addition, where an applicant seeks designation in areas served by a rural ILEC the designation must be consistent with the public interest. If consistent with the public interest, convenience and necessity, the Commission shall designate additional ETCs in areas served by non-rural ILECs.

20. **CRICKET SATISFIES THE REQUIREMENTS FOR ETC DESIGNATION IN UTAH.** Cricket satisfies all of the requirements for ETC designation in Utah. Cricket's request for ETC designation complies with section 214(e)(1) of the Act because it is a common carrier that provides all of the services and functionalities supported by the universal service program as set forth in 47 C.F.R. Section 54.101, et seq.

21. **CRICKET IS A COMMON CARRIER IN THE AREAS FOR WHICH IT SEEKS DESIGNATION AS AN ETC.** Cricket is authorized by the FCC to provide AWS pursuant to the licenses described in its Application and is therefore a carrier recognized under 47 USC § 214(e) as eligible for ETC designation. Footnote 3 to Cricket's Application provides a list of Cricket's FCC licenses in Utah.

22. **CRICKET SATISFIES THE STATUTORY AND REGULATORY PREREQUISITES FOR DESIGNATION AS AN ETC IN UTAH.** Cricket satisfies each of the statutory and regulatory prerequisites set forth in the Act, the FCC's rules and the Commission's Reports and Orders:³

- (a) **Cricket Offers Voice Telephony Services Supported by the Federal Low-Income Universal Service Program [47 C.F.R. § 54.201(d)].** Cricket provides voice telephony services supported by federal universal service support mechanisms, as set forth in 47 C.F.R. § 54.101, and will offer these supported services throughout the areas in which it is designated as an ETC. Cricket's

³ See *Federal-State Joint Board on Universal Service*, Report and Order, 20 FCC Rcd 6371 (2005). See also *Lifeline and Link Up Reform and Modernization*, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("Lifeline Reform Order"). See also *In the Matter of Virgin Mobile USA, L.P., Petition for Limited Designation as an Eligible Telecommunications Carrier*, Public Service Commission of Utah, Order on Reconsideration, Docket No. 10-2521-01 (July 13, 2011).

voice telephony services include:

- (i) ***Voice Grade Access.*** “Voice grade access” permits a telecommunications user to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal that there is an incoming call. Through its interconnection agreements with local exchange carriers (“LECs”) in Utah, Cricket’s customers will be able to place and receive calls on the public switched telephone network with a minimum bandwidth of 300 to 3000 Hertz.
- (ii) ***Local Usage.*** “Local usage” is an amount of usage of exchange service provided without an additional charge to end users. The FCC has specified that a local usage plan is acceptable if it is “comparable to the one offered by the incumbent LEC in the service areas for which the applicant seeks designation.”⁴
- (iii) ***Access to Emergency Services.*** “Access to emergency services” includes access to services, such as 911 and enhanced 911 (“E-911”), provided by local governments or other public safety organizations. Cricket currently provides its voice customers in Utah with such access, is capable of delivering automatic numbering information (“ANI”) and automatic location information (“ALI”) over its existing network, and otherwise satisfies applicable Utah and federal E-911 requirements.

Further, Cricket pays all applicable E-911 fees in a timely manner.

Cricket will continue to work with local public safety answering points (“PSAPs”) within its ETC service areas to make 911 and E-911 service available to its customers.

(iv) ***Toll Limitation.*** “Toll limitation” includes the offering of either “toll control” or “toll blocking” to qualifying low-income customers, as a means of limiting or blocking the completion of outgoing toll calls.

Section 54.401(a)(2) of the FCC’s recently adopted rules provides that toll limitation service is not necessary for any Lifeline service that does not distinguish between toll and non-toll calls in the pricing of the service.⁵

Cricket’s calling plans do not distinguish between local and toll calls at the point of dialing, such that Cricket cannot offer toll limitation without blocking all service to a customer.

(b) **Cricket Will Advertise the Availability of and Charges for its Universal Service Qualifying Offerings [47 C.F.R. § 54.201(d)(2)] and Verify Eligibility.**

Cricket will advertise the availability of the supported services detailed above, and the corresponding rates and charges, in a manner designed to inform the general public within its designated ETC service areas, and verify eligibility as set forth in Paragraph 30 herein.

⁴ See *Federal-State Joint Board on Universal Service*, Report and Order, 20 FCC Rcd 6371, at ¶ 32 (2005) (“2005 ETC Order”).

⁵ See *Lifeline Reform Order* at ¶ 49.

- (c) **Cricket Will Satisfy its Additional Obligations as an ETC.** In addition to those requirements set forth in Section 54.201 of the FCC's rules, Cricket will satisfy other ETC requirements adopted by the FCC and this Commission.

23. **CRICKET WILL COMPLY WITH APPLICABLE SERVICE REQUIREMENTS AS REQUIRED BY 47 C.F.R. § 54.202(a)(1)(i).** Cricket certifies that it will provide voice telephony service using its standard customer equipment (handsets/wireless devices). This service will meet the requirements of Section 54.101, including voice grade access, local service, and access to emergency services. Because Cricket seeks only low-income support, as opposed to high-cost funding to support the construction of network facilities, it is not submitting a network improvement plan under 47 C.F.R. § 54.202(a)(1)(ii).⁶

24. **CRICKET WILL BE ABLE TO REMAIN FUNCTIONAL IN EMERGENCY SITUATIONS AS REQUIRED BY 47 C.F.R. § 54.202(a)(2).** Cricket has the ability to remain functional in an emergency.

25. **CRICKET SATISFIES THE APPLICABLE CONSUMER PROTECTION AND SERVICE QUALITY STANDARDS AS REQUIRED BY 47 C.F.R. § 54.202(a)(3).** Cricket will comply with all applicable state and federal consumer protection and service quality standards.

26. **CRICKET HAS THE FINANCIAL AND TECHNICAL CAPABILITY TO PROVIDE LIFELINE SERVICE 47 C.F.R. § 54.202(a)(4).** As a leading wireless carrier with nearly six million customers and a market capitalization of more than \$440 million, Cricket has both the financial and technical capabilities to provide Lifeline service. Cricket operates as an

ETC in 12 states, with an additional eight ETC applications approved including the District of Columbia and 11 pending.

27. **CRICKET WILL PROVIDE SERVICE PLAN TERMS AND CONDITIONS AS REQUIRED BY 47 C.F.R. §§ 54.202(a)(5), 54.401(d).** Cricket offers several all-inclusive wireless service plans to customers, starting at \$35 per month. All currently available rate plans include unlimited local and long-distance calling with nationwide coverage. Lifeline subscribers may choose any standard Cricket service plan and apply the available discount. Consumers can access plan information via the company's website at <http://www.leapwireless.com/brands/prepaid-wireless-phone-plans>. Additional information regarding service terms and conditions is provided in *Exhibit JSB -3*, attached to the Testimony of Julie S. Buechler.

28. **CRICKET DOES NOT REQUIRE SERVICE INITIATION DEPOSITS.** As required by 47 C.F.R. § 54.401(c), Cricket does not collect service deposits for its plans, and will not do so for Lifeline accounts.

29. **CRICKET WILL NOT CHARGE LIFELINE CUSTOMERS A NUMBER-PORTABILITY FEE.** None of Cricket's currently available plans charge a number-portability fee. As required by 47 C.F.R. § 54.401(e), Cricket will not charge Lifeline customers a monthly number-portability fee.

30. **CRICKET SATISFIES THE REQUIREMENTS FOR LIFELINE CERTIFICATION AND VERIFICATION AS REQUIRED BY 47 C.F.R. § 54.410.** Cricket will certify and verify consumer eligibility to participate in the Lifeline programs in accordance

⁶ The FCC has made clear that this requirement does not apply to carriers seeking designation as a

with the rules of this Commission and the FCC. Cricket will comply with the relevant laws, rules, and Commission orders governing eligibility verification, as they presently exist and as amended by Commission decision in Docket No. 10-2528-01, including bearing the costs of verification determined there.

31. **CRICKET'S PLANS TO IDENTIFY, QUALIFY AND ENROLL ELIGIBLE PARTICIPANTS IN THE LIFELINE PROGRAM.** Cricket will engage in advertising and outreach programs. Cricket will modify its USAC listing if ETC designation in this proceeding is granted, and Cricket will modify its market web-site information to reflect the addition of the low-income designation areas requested in this proceeding to our current ETC area, as well as notify our customers via text message that Cricket is a Lifeline provider. Cricket will work with government agencies that administer the qualifying assistance programs and with social service agencies to ensure that they are aware Cricket is a Lifeline provider. Cricket will provide these agencies with collateral materials outlining the Lifeline program and how to obtain Lifeline discounts. Cricket plans to expand their community outreach program in the counties where ETC designation is being sought. Community events in the areas where potential Lifeline subscribers live will be planned. Direct mailing to the zip codes in the covered areas will also provide information on the availability of the Lifeline program. Lifeline materials will be available for non-English speaking consumers. Advertising will occur through some combination of media channels, radio, newspaper, magazine and other print advertisements, outdoor advertising, direct marketing, and the Internet. Cricket stores and dealers will be furnished with promotional material visible to customers in the stores including posters and counter cards.

32. **CRICKET WILL ENSURE THAT CUSTOMERS ARE NOT OBTAINING LIFELINE SERVICE FROM MORE THAN ONE CARRIER.** Cricket will certify and verify consumer eligibility to participate in the Lifeline program in accordance with the rules of this Commission and the FCC.

33. **CRICKET WILL ENSURE THAT ONLY ONE PERSON PER HOUSEHOLD IS RECEIVING THE LIFELINE DISCOUNT.** Cricket will ensure that only one eligible customer per household is enrolled in the Lifeline program by requiring eligible customers to initial next to several legal requirements on Cricket's Lifeline application and sign under penalty of perjury that no one else in his/her household currently is enrolled in the Lifeline program. Cricket also performs a monthly reconciliation between its Lifeline database and its billing system to verify that no duplicate addresses are being used by customers receiving Lifeline support. All of Cricket's Lifeline marketing materials state that Lifeline is limited to one line per household.

34. **CRICKET DOES NOT SEEK HIGH COST SUPPORT FOR THE ADVANCED WIRELESS SERVICES IT PROVIDES IN UTAH.** Cricket is only seeking ETC designation in Utah for the limited purpose of receiving low-income support for offering Lifeline service from the federal Universal Service Fund.

35. **NO ACCESS TO UTAH USF FUNDS.** Cricket is not seeking to access Utah USF funds. If State USF funds are deemed eligible for wireless forbearance providers, Cricket will pursue a separate application requesting eligibility for the Utah USF fund.

36. **CRICKET WILL PAY ALL APPLICABLE FEDERAL, STATE AND LOCAL REGULATORY FEES.** Cricket will pay all applicable federal, state, and local

regulatory fees in a timely manner, including, but not limited to, universal service fees, “the funding of emergency services addressed in Utah Code Ann. §§ 69-2-5, 69-2-5.5 and 69-2-5.6 (911 emergency telecommunication services, the Poison Control Center, and statewide unified E-911 emergency service)” and the Telecommunications Relay Service.

37. **CRICKET WILL UTILIZE A PAY-IN-ADVANCE SYSTEM.** Cricket’s plans offer customers unlimited local and long distance calls, as well as unlimited text messages, voicemail, caller ID and caller ID blocking for a flat fee that the customer pays at the beginning of each billing cycle. Upon designation as an ETC, the Lifeline discount will be deducted from the flat fee that qualifying low-income customers pay on a monthly basis for those services. The plans that Cricket offers to their Lifeline customers are indistinguishable from the plans they offer to customers that do not qualify for the Lifeline discount.

38. **UTAH CUSTOMERS MAY PURCHASE ADDITIONAL SERVICE OFFERINGS.** Cricket offers the same plans, discounts and options to eligible Lifeline customers as it does to non-Lifeline customers. As such, Lifeline customers will be able to purchase the same additional service offerings as other Cricket customers. All of the plans include unlimited nationwide local calling, unlimited nationwide long distance,⁷ caller ID and voicemail at a minimum.

39. **GENERALLY, ROAMING IS INCLUDED IN CRICKET’S SERVICE PLANS, EXCEPT IN CERTAIN CIRCUMSTANCES.** Cricket has nationwide coverage with no additional fees, however, small pockets may not be covered by Cricket’s network. Cricket’s

⁷ This includes calling to all 50 states, Puerto Rico and Canada.

website shows areas that fall outside of Cricket's nationwide coverage and would therefore be roaming areas for Cricket's traditional wireless customers.

40. **LIFELINE CUSTOMERS ARE ELIGIBLE FOR THE SAME DISCOUNTS AS NON-LIFELINE CUSTOMERS.** Cricket offers service at a reduced rate to members of the military and to families who are purchasing service from Cricket for more than one phone. These discounts are still applicable to Lifeline customers. The \$10 Lifeline discount would be applied to the customer's monthly bill in addition to any other discounts that Cricket offers and for which they qualify.

41. **LIFELINE CUSTOMERS ARE NOT REQUIRED TO PURCHASE CRICKET'S HANDSETS.** Customers are not required to purchase Cricket handsets.

42. **CRICKET OFFERS WEB ACCESS TO LIFELINE CUSTOMERS.** Unlimited Mobile Web can be purchased for an additional \$5 on any Cricket plan if the handset allows for web access. However, web access is included in all Cricket plans starting with the \$45 monthly plan.

43. **CRICKET DOES NOT CHARGE FOR CALLS TO CUSTOMER SERVICE.** The customer gets an unlimited amount of minutes per month for a flat fee; therefore, there is no additional charge for calls to customer service.

44. **CRICKET DOES NOT CHARGE TO CLOSE A LIFELINE ACCOUNT.** Cricket will not charge to close a Lifeline account.

45. **THE TERMS AND CONDITIONS OF CRICKET'S LIFELINE SERVICE.** *Exhibit JSB-6* attached to the Direct Testimony of Julie S. Buechler contains Cricket's Terms and Conditions of service for pay-in-advance wireless services that Cricket provides to

customers when they purchase a phone from Cricket. The terms and conditions of Cricket's Lifeline service are identical to Cricket's terms and conditions of service for non-Lifeline pay-in-advance wireless customers. The terms and conditions are also available on-line.

46. **UTAH SPECIFIC FACT SHEET.** Cricket will provide new Lifeline customers with a Utah specific fact sheet, as shown as Exhibit 3 attached hereto.

47. **THE PROCESS BY WHICH A CRICKET LIFELINE CUSTOMER PURCHASES HIS/HER SERVICE FROM THE INITIATING REQUEST TO THE ACTIVATION OF THE PHONE.** Cricket's Lifeline customers commence service in exactly the same way that a non-Lifeline customer would. Although Cricket Lifeline applications can be printed off of the internet, an applicant for Lifeline must go, in person to a Cricket store to submit it. Cricket requires all Lifeline applicants to show a government issued identification in order to verify the identity of the person submitting the Lifeline application. A customer can either purchase a phone through Cricket or bring in his/her own Cricket-compatible phone to activate. The customer fills out the Lifeline application and the Cricket employee will go over the requirements with them. The application is then scanned in to Cricket's Lifeline System and reviewed by someone who is trained in that particular state. The approval process usually takes about seven to ten days. Customers are required to prepay for the first month's service, just like all subsequent months. Only after approval of the Lifeline application is the Lifeline discount applied to the customer's monthly bills. If the customer is not approved for Lifeline he/she may elect to continue to pre-pay for Cricket's service on a monthly basis without application of the Lifeline discount or he/she may choose not to pay for future service and thereby disconnect after

the 30 day hot-line status period. In the event that someone is not approved, he/she may return equipment purchased from Cricket, within Cricket's standard return policy.

48. **CUSTOMERS MUST APPLY FOR LIFELINE IN PERSON.** The only way a customer can submit an application to be eligible for Lifeline is if he/she submits the application in person at a Cricket store where they must show a government issued identification, and proof of eligibility.

49. **CRICKET'S PLAN FOR CESSATION OF SERVICE DUE TO NON-PAYMENT.** Cricket collects payment *before* providing telephone service to the customer which allows Cricket to forego credit checks and contracts when signing new customers up for service.

50. **THE SUPPORTED SERVICES WILL BE OFFERED USING CRICKET'S OWN FACILITIES.** Cricket will offer the supported services solely through its own facilities. Cricket will use its existing AWS network infrastructure, which consists of antennae, cell sites, mobile switching offices, trunking, network equipment and interconnection arrangements with other carriers to provide the supported services in the wire centers where the company seeks designation. Cricket will not resell the services of other carriers.

51. **CRICKET IS COMMITTED TO PROVIDING SERVICE TO ALL CUSTOMERS MAKING A REASONABLE REQUEST FOR SERVICE IN THE PROPOSED DESIGNATION AREA.** Cricket has received forbearance from certain requirements⁸. Cricket is committed to providing service on a timely basis to all customers in

⁸ Exhibit B of Cricket's Application contains two Orders from the FCC relating to Cricket's Petition for Forbearance. The FCC Order issued February 7, 2012 states:

the proposed ETC designated area upon receipt of a reasonable request for service. For those customers within Cricket's ETC designated area, Cricket will provide service within a reasonable period of time if service can be provided at a reasonable cost by (a) modifying or replacing the requesting customer's equipment, (b) deploying a roof mounted antenna or other equipment, (c) adjusting the nearest cell tower, (d) adjusting network or customer facilities, (e) reselling services from another carrier's facilities to provide service, or (f) employing, leasing or constructing an additional cell site, cell extender, repeater or other similar equipment. Cricket will fulfill its commitments in its Compliance Plan.

52. CRICKET WILL COMPLY WITH THE CTIA CODE OF WIRELESS SERVICE. Cricket has already adopted the CTIA Code and will continue to comply with the CTIA—The Wireless Association® Consumer Code for Wireless Service—if designated as an ETC in Utah. Cricket will comply with all applicable state and federal consumer protection and service quality standards. Cricket will use its best efforts to resolve complaints received by the Commission and designates the following contact person to work with Commission staff to resolve any complaints or other compliance matters:

Carrie Comeford
Senior Manager Customer Care
Cricket Communications, Inc.
6380 South Fiddlers Green Circle
Greenwood Village, CO 80111
(303)734-7603

Cricket is eligible to seek ETC designation without conforming its service area to that of the underlying rural telephone company for Lifeline-only support provided that it fulfills the commitments in its Compliance Plan in each state where it is designated to provide Lifeline service.

The FCC Orders in Cricket's Petition for Forbearance address the Commission's concerns discussed in the Order on Reconsideration issued in the Virgin Mobile USA, L.P. proceeding, regarding service areas served by a rural telephone company.

ccomeford@cricketcommunications.com

or

governmentinquiry@cricketcommunications.com

53. **CRICKET FULFILLS THE REQUIREMENTS THAT IT OFFER A LOCAL USAGE PLAN COMPARABLE TO ONE OFFERED BY THE ILEC.** Cricket's plan is comparable to the telephone plans offered by ILECs in the areas that Cricket serves in Utah.

54. **CRICKET'S LIFELINE TEAM WILL PROCESS APPLICATIONS FOR ITS LIFELINE SERVICES.** Cricket has a Lifeline Team which includes individuals that are trained in the state-specific requirements for each state in which Cricket has received ETC designation. Once Cricket receives ETC designation in Utah, Cricket will insure that any Lifeline Team member processing a Utah Lifeline application is trained in the requirements for ETC designation in Utah.

55. **CRICKET WILL NOT UNDULY BURDEN THE UNIVERSAL SERVICE FUND IF GRANTED ETC STATUS FOR LIFELINE PURPOSES.** Cricket's designation as an ETC solely for Lifeline purposes would not unduly burden the federal USF or otherwise reduce the amount of funding available to other carriers.

56. **THERE ARE COMPETITIVE BENEFITS ASSOCIATED WITH DESIGNATING CRICKET AS AN ETC IN UTAH.** Designation of Cricket as an ETC will promote competition and increase the pressure on other carriers to target low-income consumers with service offerings tailored to their needs, greatly benefiting low-income customers in Utah.

57. **THE DESIGNATION OF CRICKET AS A COMPETITIVE ETC PROVIDER IS CONSISTENT WITH THE PUBLIC INTEREST, CONVENIENCE AND**

NECESSITY. In addition to the benefits listed above, the following list outlines the benefits of Cricket's wireless lifeline services:

- Cricket satisfies all of the statutory requirements for ETC designation including providing specified service functionalities, and required advertising using several types of media including a combination of media channels, such as radio, newspaper, magazines and other print advertisements, outdoor advertising, direct marketing, and the internet.
- Cricket will increase competition in the Lifeline market and will increase pressure on carriers to provide service offerings tailored to the needs of consumers.
- Cricket will provide increased customer choice and improved customer access.
- Cricket will provide usage of exchange services without an additional charge to end users.
- Cricket will offer larger "local" calling areas, mobility, and unlimited local and long distance usage.
- Cricket's Lifeline service will include a variety of technological features at no additional charge including caller ID, voice mail, and E911 service.
- Cricket's service offers unlimited domestic text and picture messaging.
- Cricket's service includes premium extended coverage providing unlimited service without additional roaming fees in over 4,600 domestic cities and towns.
- Cricket's service has no activation or connection charges for the lifeline service.
- Cricket does not require contracts and does not require any credit checks.
- Cricket will utilize existing network infrastructure.

- Cricket is committed to pay all applicable taxes and public interest charges.
- Cricket does not seek state USF support.
- Cricket will work cooperatively with the Commission to establish new verification processes and to fully comply with Utah law.
- Cricket has already been granted ETC status in 26 states and has never been denied.

GENERAL TERMS AND CONDITIONS

58. The Parties stipulate to the admission into evidence in this docket of Cricket's Application and Pre-filed Testimony and exhibits. This stipulation to the admission of the testimony does not represent an agreement by the Parties as any positions taken in such testimony.

59. Not all Parties agree that each aspect of this Stipulation is warranted or supportable in isolation. Utah Code Ann. § 54-7-1 authorizes the Commission to approve a settlement so long as the settlement is just and reasonable in result. While the Parties are not able to agree that each specific component of this Stipulation is just and reasonable in isolation, all of the Parties agree that this Stipulation as a whole is just and reasonable in result and in the public interest.

60. All negotiations related to this Stipulation are confidential, and no Party shall be bound by any position asserted in negotiations. Except as expressly provided in this Stipulation, and in accordance with Utah Admin. Code R746-100-10.F.5, neither the execution of this Stipulation nor the order adopting it shall be deemed to constitute an admission or acknowledgment by any Party of the validity or invalidity of any principle; nor shall they

be construed to constitute the basis of an estoppel or waiver by any Party; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by any Party except in a proceeding to enforce this Stipulation.

61. The Parties agree that no part of this Stipulation or the formulae and methodologies used in developing the same or a Commission order approving the same shall in any manner be argued or considered as precedential in any future case except with regard to issues expressly called-out and resolved by this Stipulation. This Stipulation does not resolve and does not provide any inferences regarding, and the Parties are free to take any position with respect to any issues not specifically called-out and settled herein.

62. The Parties request that the Commission hold a hearing on this Stipulation. Cricket, the DPU, the OCS, and other Parties may, make one or more witnesses available to explain and offer further support for this Stipulation. The Parties shall support the Commission's approval of this Stipulation. As applied to the Division and the Office, the explanation and support shall be consistent with their statutory authority and responsibility.

63. The Parties agree that if any person challenges the approval of this Stipulation or requests rehearing or reconsideration of any order of the Commission approving this Stipulation, each Party will use its best efforts to support the terms and conditions of this Stipulation. As applied to the DPU and the OCS, the phrase "use its best efforts" means that they shall do so in a manner consistent with their statutory authority and responsibility. In the event any person seeks judicial review of a Commission order approving this Stipulation, no Party shall take a position in that judicial review proceeding in opposition to the Stipulation.

64. Except with regard to the obligations of the Parties under the four immediately preceding paragraphs of this Stipulation, this Stipulation shall not be final and binding on the Parties until it has been approved without material change or condition by the Commission.

65. This Stipulation is an integrated whole, and any Party may withdraw from it if it is not approved without material change or condition by the Commission or if the Commission's approval is rejected or materially conditioned by a reviewing court. If the Commission rejects any part of this Stipulation or imposes any material change or condition on approval of this Stipulation or if the Commission's approval of this Stipulation is rejected or materially conditioned by a reviewing court, the Parties agree to meet and discuss the applicable Commission or court order within five business days of its issuance and to attempt in good faith to determine if they are willing to modify the Stipulation consistent with the order. No Party shall withdraw from the Stipulation prior to complying with the foregoing sentence. If any Party withdraws from the Stipulation, any Party retains the right to seek additional procedures before the Commission, including presentation of testimony and cross-examination of witnesses, with respect to issues resolved by the Stipulation, and no party shall be bound or prejudiced by the terms and conditions of the Stipulation.

66. This Stipulation may be executed by individual Parties through two or more separate, conformed copies, the aggregate of which will be considered as an integrated instrument.

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DATED this ____ day of September 2012.

**UTAH OFFICE OF CONSUMER
SERVICES**

CRICKET COMMUNICATIONS, INC.

Michele Beck
Director
Office of Consumer Services
160 East 300 South, 2nd Floor
Salt Lake City, UT 84114

Brian W. Burnett
Callister Nebeker & McCullough
10 East South Temple, Suite 900
Salt Lake City, UT 84133
Attorney for Cricket Communications, Inc.

UTAH DIVISION OF PUBLIC UTILITIES

Chris Parker
Utah Division of Public Utilities
160 East 300 South, 4th Floor
Salt Lake City, UT 84114