

In the Matter Of:

In Re: Request of TracFone Wireless to Amend Designation as ETC

HEARING, DOCKET NO. 17-2511-01

September 12, 2018

Job Number: 494299

1 BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

2

Request of TracFone Wireless, Inc. to Docket No. 17-2511-01
3 Amend its Designation as an Eligible
Telecommunications Carrier to Receive
4 Utah Universal Service Fund Support
for Lifeline Service

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HEARING PROCEEDINGS

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TAKEN AT: Utah Public Service Commission
9 4th Floor
160 East 300 South
10 Salt Lake City, Utah

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12 DATE: Wednesday, September 12th, 2018

13 TIME: 1:00 p.m.

14 REPORTER: Mary R. Honigman, R.P.R.

15 Job No. 494299

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APPEARANCES

PRESIDING OFFICER:
Michael Hammer

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1 PROCEEDINGS

2 OFFICER HAMMER: Good afternoon,
3 everyone. This is the time and place noticed for
4 hearing in the Request of TracFone Wireless to Amend
5 its Designation as an Eligible Telecommunications
6 Carrier to Receive Utah Universal Service Fund
7 Support for Lifeline Service. That's Commission
8 Docket No. 17-2511-01. My name is Mike Hammer, and
9 I'm the Commission's designated presiding officer.
10 Let's go ahead and have appearances, please.

11 MR. BRECHER: Good afternoon, Your
12 Honor. This is Mitchell Brecher at the law firm of
13 Greenberg Traurig in Washington, D.C., representing
14 TracFone Wireless.

15 OFFICER HAMMER: Thank you,
16 Mr. Brecher.

17 MR. AVILA: Good afternoon, Your
18 Honor. My name is David Avila. I'm the associate
19 vice president for Lifeline services for TracFone
20 Wireless.

21 MS. MCGUIRE MERCER: And this is
22 Debra McGuire Mercer of Greenberg Traurig, also
23 representing TracFone Wireless.

24 MR. RUSSELL: Also representing
25 TracFone Wireless, this is Phillip Russell.

1 MR. JETTER: And I'm Justin Jetter
2 with the Utah Attorney General's Office, and I'm
3 here today representing the Utah Division of Public
4 Utilities. With me here at counsel table is
5 Casey Coleman with the Division.

6 MR. MOORE: Robert Moore with the
7 AG's Office, representing the Office of Consumer
8 Services. With me is Cheryl Murray of the Office.

9 OFFICER HAMMER: Thank you, everyone.
10 And who will be acting as lead counsel during the
11 hearing for the applicant?

12 MR. BRECHER: I will,
13 Mitchell Brecher.

14 OFFICER HAMMER: Okay, Mr. Brecher,
15 great. Are there any preliminary matters before we
16 begin the presentation of evidence?

17 MR. JETTER: Not from the Division.

18 MR. MOORE: Not from the Office.

19 MR. BRECHER: We have none.

20 OFFICER HAMMER: All right,
21 Mr. Brecher. Do you intend to call a witness?

22 MR. BRECHER: Our witness is
23 David Avila, who has already introduced himself. He
24 is an associate vice president of TracFone, and he
25 is primarily responsible for the Lifeline program.

1 He's submitted prefiled testimony in this case.

2 He's available for cross-examination.

3 OFFICER HAMMER: Is there any
4 objection to Mr. Avila testifying telephonically,
5 Counsel?

6 MR. JETTER: No.

7 MR. MOORE: No objection.

8 OFFICER HAMMER: All right. And you
9 have no direct examination for Mr. Avila,
10 Mr. Brecher?

11 MR. BRECHER: I guess I have a couple
12 of questions.

13 OFFICER HAMMER: Let me go ahead and
14 swear him in before he begins to testify.

15 DAVID AVILA,
16 having been first duly sworn to tell the truth, was
17 examined and testified as follows:

18 OFFICER HAMMER: Go ahead,
19 Mr. Brecher.

20 BY MR. BRECHER:

21 Q Mr. Avila, please state your name,
22 business address, and full title for the record?

23 A My name is David Avila, that's spelled
24 A-v-i-l-a. My position within TracFone is associate
25 vice president II for Lifeline services. My

1 business address is 9700 Northwest 112th Avenue,
2 Miami, Florida 33178.

3 Q Mr. Avila, do you have in front of you a
4 document dated April 17, 2018, captioned Direct
5 Testimony of David Avila on Behalf of TracFone
6 Wireless, Inc.?

7 A Yes, I do.

8 Q Was that document prepared by you or under
9 your immediate supervision?

10 A Yes, it was.

11 Q Mr. Avila, if I were to ask you -- let me
12 back up. Do you have any additions or corrections
13 to that testimony?

14 A There are no additions or corrections.

15 Q Mr. Avila, if I were to ask you the same
16 questions today under oath, would your answers be
17 the same?

18 A Yes, they would.

19 MR. BRECHER: I have no further
20 direct questions at this time. I move the admission
21 into evidence of David Avila's direct testimony.

22 OFFICER HAMMER: It's admitted.

23 MR. BRECHER: The witness is
24 available for cross-examination.

25 OFFICER HAMMER: Mr. Jetter?

1 MR. JETTER: I have no questions for
2 the witness. Thank you.

3 OFFICER HAMMER: Mr. Moore?

4 MR. MOORE: The Office has no
5 questions.

6 OFFICER HAMMER: Any other witnesses,
7 Mr. Brecher?

8 MR. BRECHER: I have no other
9 witnesses, Your Honor.

10 OFFICER HAMMER: Thank you.
11 Mr. Jetter.

12 MR. JETTER: Thank you. The Division
13 would like to call and have sworn in Casey Coleman.

14 CASEY COLEMAN,
15 having been first duly sworn to tell the truth, was
16 examined and testified as follows:

17 BY MR. JETTER:

18 Q Mr. Coleman, would you please state your
19 name and occupation for the record?

20 A Casey J. Coleman. I'm a utility technical
21 consultant with the Division of Public Utilities for
22 the state of Utah.

23 Q Thank you. And in the course of your
24 employment with the Division of Public Utilities,
25 have you had the opportunity to review the -- both

1 the petition filed by the applicant in this docket,
2 as well as the amended petition that came in in
3 April, and the testimony filed by Mr. Avila?

4 A Yes, I have.

5 Q Have you had an opportunity to review the
6 stipulation that was filed in this docket?

7 A Yes, I have.

8 Q Is it your recommendation that approval of
9 the stipulation, based on the evidence presented by
10 the applicant is just, reasonable, and in the public
11 interest?

12 A Yes.

13 Q Are you aware of any opposition to
14 approval of this application?

15 A No.

16 MR. JETTER: I have no further
17 questions for Mr. Coleman. He's available for
18 cross-examination.

19 OFFICER HAMMER: Mr. Brecher?

20 MR. BRECHER: I have no questions for
21 Mr. Coleman.

22 OFFICER HAMMER: Mr. Moore?

23 MR. MOORE: No questions.

24 OFFICER HAMMER: Thank you,
25 Mr. Jetter. Any other witnesses?

1 MR. JETTER: No more witnesses from
2 the Division.

3 OFFICER HAMMER: Mr. Moore.

4 MR. MOORE: The Office calls and asks
5 to be sworn in, Cheryl Murray of the Office.

6 CHERYL MURRAY,
7 having been first duly sworn to tell the truth, was
8 examined and testified as follows:

9 BY MR. MOORE:

10 Q Would you please state your name, address,
11 and title?

12 A My name is Cheryl Murray. My business
13 address is 160 East 300 South, Salt Lake City, Utah,
14 and I'm a utility analyst with the Office of
15 Consumer Services.

16 Q Have you reviewed the applicant's filing
17 and testimony presented in this docket?

18 A Yes. I have reviewed all of the documents
19 that have been filed in this docket, and in
20 addition, I issued a data request to the company and
21 reviewed TracFone's responses.

22 Q Did you participate in the discussions
23 that led to the stipulation that is before the
24 Commission today?

25 A Yes.

1 **Q Are you aware of any opposition to the**
2 **stipulation?**

3 A No, I'm not.

4 **Q Do you have any additional comments?**

5 A Yes. As a condition of signing the
6 stipulation, the Office required inclusion of
7 various elements that we assert are important to
8 achieving public interest. Some of those elements
9 are: (1), Use of a Utah-specific fact sheet that
10 provides customers information about the services
11 they will receive. The fact sheet is to be kept
12 updated and provided to new customers at enrollment
13 and existing customers upon request. It's attached
14 to the stipulation as Attachment A, I believe, (2),
15 a commitment that TracFone will comply with all
16 state service quality and consumer protection
17 requirements, (3), acknowledgment that approval of
18 the application is conditioned upon payment of all
19 applicable state and local regulatory fees to which
20 they are subject, and (4), an attestation that
21 TracFone is currently in compliance with regulatory
22 requirements governing the payment of those fees.
23 TracFone agreed to the conditions and they
24 are included in the stipulation. The Office also
25 notes that when the Commission initially granted

1 TracFone ATC designation for federal Lifeline
2 purposes, TracFone was not required to provide a
3 Utah-specific fact sheet. The Office appreciates
4 TracFone's willingness to accept this condition and
5 that TracFone updated the format and content of the
6 general fact sheet to better match current
7 circumstances.

8 In conclusion, the Office believes that
9 TracFone meets the requirements to qualify for Utah
10 Universal Funds, and that the stipulation is just
11 and reasonable in result and in the public interest,
12 and recommends that the Commission approve it.

13 MR. MOORE: The Office has no further
14 questions.

15 OFFICER HAMMER: Mr. Brecher, any
16 cross?

17 MR. BRECHER: I have no
18 cross-examination of Ms. Murray.

19 OFFICER HAMMER: Mr. Jetter?

20 MR. JETTER: No questions. Thank
21 you.

22 OFFICER HAMMER: No other witnesses,
23 Mr. Moore?

24 MR. MOORE: No other witnesses.

25 OFFICER HAMMER: I only have one

1 question for all the parties, and I believe their
2 counsel could answer it. Does everyone have a copy
3 of the stipulation in front of them? If you could
4 turn to page 5, subparagraph F reads, "Upon
5 implementing any changes to its Lifeline offerings,
6 TracFone will timely file a notice with the DPU and
7 OCS describing the changed plans." We were
8 wondering, in any order approving this stipulation,
9 if any of the parties would object to our including
10 an instruction that TracFone also filed notice with
11 the Commission.

12 MR. BRECHER: TracFone has no
13 objection.

14 OFFICER HAMMER: Thank you.

15 MR. JETTER: I think we would
16 probably support that additional order.

17 MR. MOORE: The Office would also
18 support the additional order.

19 OFFICER HAMMER: Thank you.

20 Is there anything else? Thank you,
21 everyone. We're adjourned.

22 (The hearing concluded at 1:13 p.m.)

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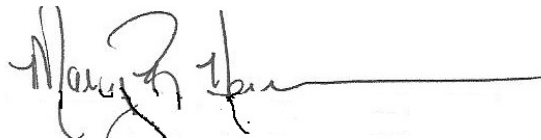
REPORTER'S CERTIFICATE

STATE OF UTAH)
COUNTY OF SUMMIT)

I, Mary R. Honigman, a Registered Professional Reporter, hereby certify:

THAT the foregoing proceedings were taken before me at the time and place set forth in the caption hereof; that the witness was placed under oath to tell the truth, the whole truth, and nothing but the truth; that the proceedings were taken down by me in shorthand and thereafter my notes were transcribed through computer-aided transcription; and the foregoing transcript constitutes a full, true, and accurate record of such testimony adduced and oral proceedings had, and of the whole thereof.

I have subscribed my name on this 17th day of September, 2018.



Mary R. Honigman
Registered Professional Reporter #972887

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