

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Virgin Mobile USA, L.P. Petition for Limited Designation as an Eligible Telecommunications Carrier

DOCKET NO. 18-2521-02
ORDER APPROVING STIPULATION AND SETTLEMENT AGREEMENT

ISSUED: October 24, 2018

On March 16, 2018, Virgin Mobile USA, L.P. (“Virgin”) filed its Petition to Amend its Designation as an Eligible Telecommunications Carrier to Receive Utah Universal Service Fund Support (“Petition”). In the Petition, Virgin seeks an amendment to its existing eligible telecommunications carrier (“ETC”) designation, authorizing it to obtain Utah Universal Service Funds (“State USF”) for its Lifeline program.

On October 3, 2018, the parties filed a Stipulation and Settlement Agreement (“Settlement”), signed by the Division of Public Utilities (“DPU”), the Office of Consumer Services (“OCS”), and Virgin (collectively, the “Parties”). The PSC held a hearing to consider the Settlement on October 22, 2018, during which Virgin, the DPU, and the OCS provided testimony.

In the Settlement, the Parties stipulate and agree Virgin’s Lifeline product offering will offer an enhanced service to Utah customers that exceeds the Federal Communications Commission’s Lifeline requirements. The Parties further agree the enhanced Lifeline offering represents a benefit for Utah customers, is in the public interest, and furthers the statutory goal that basic service be available and affordable to all citizens of Utah.

Specifically, the Settlement provides that, as a condition of receiving State USF support, Virgin will offer customers with Android smartphones a bundled mobile broadband data and voice plan that includes 750 voice minutes and 2 GB of mobile broadband data service.

(Settlement at 2.) The voice portion of the bundled plan will include unlimited text messages, voicemail, caller ID, and national long distance calling without toll charges. Additionally, all new customers will receive a free Android smartphone, making them immediately eligible for the enhanced service offering. All existing customers with Android smartphones will automatically receive the enhanced service offering. Virgin Mobile will only seek the State USF subsidy for customers with Android smartphones and will not seek the State USF subsidy for customers with feature phones.

The Parties agree Virgin will abide by additional requirements enumerated in the Settlement, including but not limited to the following: (i) Virgin will maintain a Utah-specific fact sheet that provides customers concise and complete information about the services they will receive; (ii) Virgin will receive \$3.50 per qualifying line per month, less any applicable deduction for the State USF surcharge, pursuant to Utah Admin. Code R746-8-403 and Utah Code Ann. § 54-8b-15; (iii) Virgin will pay all applicable state and local regulatory fees; (iv) upon implementing any changes to its Lifeline offerings, Virgin will timely file a notice with the PSC, the DPU, and the OCS describing the changed plans; and (v) Virgin is not presently seeking to modify its ETC service territory and if it intends, in the future, to modify the area in which it offers Lifeline services in Utah, Virgin will timely file a notice with the PSC, the DPU, and the OCS identifying the modified area and requesting approval for modification of its service area.

At hearing, the OCS testified it believed the Settlement to be just and reasonable in result and that approval of the Settlement is in the public interest. Similarly, the DPU testified it

believed approval of the Settlement to be just, reasonable, and in the public interest. No party opposed the Settlement.

FINDINGS, CONCLUSIONS AND ORDER

Settlements of matters before the PSC are statutorily encouraged. To approve a settlement, the PSC must consider the interests of the public and other affected persons and find the settlement is just and reasonable in result. Utah Code Ann. § 54-7-1.

Based on our consideration of the Petition, the submitted written testimony, the testimony at hearing, and the Settlement, the PSC finds and concludes that approval of the Settlement is in the public interest and that the terms of the Settlement are just and reasonable in result.

The PSC, therefore, approves the Settlement and grants the Petition, as conditioned and supplemented by the Settlement.

DATED at Salt Lake City, Utah, October 24, 2018.

/s/ Michael J. Hammer
Presiding Officer

Approved and confirmed October 24, 2018 as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#305188

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 PSC 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 PSC 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 PSC'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 CERTIFY that on October 24, 2018, a true and correct copy of the foregoing was served upon the following as indicated below:

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