

BEFORE THE UTAH PUBLIC SERVICE COMMISSION

In the Matter of Telrite Corporation’s Petition to)
Amend Designation as an Eligible)
Telecommunications Carrier to Participate in the) Docket No. 18-2553-01
Utah Universal Service Fund)
)

STIPULATION AND SETTLEMENT AGREEMENT

COMES NOW Telrite Corporation d/b/a Life Wireless (“Telrite”), the Utah Division of Public Utilities ("DPU"), and the Utah Office of Consumer Services ("OCS") (collectively the "Stipulating Parties" or the "Parties"), through their undersigned representatives, enter into this Stipulation and Settlement Agreement ("Stipulation") regarding the Petition filed by Telrite in this docket. The Parties submit this Stipulation for approval by the Public Service Commission of Utah (the "Commission" or the "PSC") pursuant to the Commission's Rules of Practice and Procedure, Utah Admin. Code R746-1.

INTRODUCTION

1. Telrite was designated as an Eligible Telecommunications Carrier ("ETC") in Utah in Docket No. 12-2553-01 on June 14, 2013 and has retained its ETC status in Utah.
2. On November 9, 2018, Telrite filed a Petition to amend its designation as an ETC to participate in the Utah Universal Public Telecommunications Service Support Fund (“Utah USF”) support for its Lifeline service offerings in order to provide enhanced Lifeline service to qualifying low income customers.
3. A scheduling conference was held on November 28, 2018, and a schedule was set.
4. On November 30, 2018, Telrite filed Direct Testimony of Brian Rathman on behalf of Telrite.

5. Telrite attests that it pays all state and local regulatory fees required by applicable laws of the State of Utah and that it is in compliance with all applicable legal requirements governing such fees. These include payments to the Utah Universal Service Support Fund and the Utah Prepaid Wireless 911 Service Charge.

6. The Parties to this Stipulation have now reached agreement on the issues raised in this docket, as set forth herein. The Parties agree this Stipulation should have no legal effect outside of this docket.

AGREEMENT

WHEREFORE, based on their review of the testimony and exhibits submitted and upon their settlement discussions, the Parties hereby stipulate and agree as follows:

1. Telrite seeks an amendment to its ETC designation authorizing Telrite to obtain Utah USF funds so that it may provide an enhanced Lifeline service to qualifying low-income Utah customers.

2. Telrite is a wireless telecommunications provider eligible for distributions from the Utah USF for its Lifeline program.

3. Telrite's Lifeline product offering will offer an enhanced service to Utah customers that exceeds the Federal Communications Commission's Lifeline requirements, which represents a benefit for those customers and is in the public interest.

4. Telrite's Lifeline program furthers the statutory goal that basic service be available and affordable to all citizens of the state of Utah.

5. Telrite, as a condition of receipt of Utah USF support, will offer enhanced Lifeline service to qualifying low-income Utah residents.

6. Telrite's enhanced Lifeline program offering in Utah will offer customers 750 minutes,

2 GB mobile broadband Internet access and unlimited SMS text messaging. New enrollees will receive a plan consisting of a new Android smartphone, 750 minutes, 2 GB of mobile broadband Internet access and unlimited SMS text messaging. The smartphones will be Wi-Fi capable and capable of being used as a Wi-Fi hotspot. Telrite's Lifeline plan includes custom calling features including Caller ID, Call Waiting, Call Forwarding, 3-Way Calling, Voice Mail, No Roaming charges and free access to Customer Care. All plans include domestic long-distance at no extra per-minute charge. Utah Lifeline customers may still elect to subscribe to the Company's national Lifeline plan offering,¹ which does not qualify for Utah USF support, at no net cost to the customer.

7. On and after December 1, 2019, the FCC's minimum monthly service standard will be calculated in accordance with the formula contain in FCC's Minimum Service Standard Rule, 47 C.F.R. § 54.408(c)(2)(ii)(A)-(D), (c)(2)(iii). As of the date of changes, Telrite will change the amount of mobile broadband data offered to its Lifeline customers to conform with the amount calculated pursuant to this rule. Telrite will notify parties of such changes consistent with paragraph 8.F. below.

8. The Parties stipulate and agree that Telrite shall provide its ETC Lifeline universal service offerings in Utah pursuant to this Stipulation (including attachment). Telrite's provision of its universal service offering as an ETC shall be governed by the following additional requirements:

- A. Telrite will maintain a Utah-specific fact sheet that provides customers concise and complete information about the services they will receive. Such fact sheet is attached hereto as Attachment 1. Telrite will provide the fact

¹ As of December 1, 2018, Telrite's unenhanced Lifeline plan offers current and new subscribers in Utah 500 minutes, 2 GB of data, unlimited SMS text messaging and 25 MMS.

sheet to prospective new customers, each new customer at the time of enrollment, and to existing customers upon request and will make the fact sheet publicly available for download by posting it on Telrite's website.

Telrite agrees to promptly update the fact sheet anytime it changes its Utah Lifeline program.

- B. Telrite will receive \$3.50 per qualifying line per month pursuant to Utah Admin. Code R746-8-403 and Utah Code Ann. § 54-8b-15.
- C. Customers who fail to make the monthly plan payment will be automatically moved to Telrite's national voice plan in order to avoid loss of Lifeline benefits, and Telrite will not seek Utah USF reimbursement for customers in a month where they do not pay for and receive the Utah enhanced plan benefits.
- D. Telrite will comply with all applicable state service quality and consumer protection requirements.
- E. Approval of Telrite's Petition and ongoing receipt of Utah USF funds is conditioned upon the verified payment of all applicable state and local regulatory fees, including, but not limited to, universal service fees (subject to Utah Admin. Code R746-8-403), emergency services, and relay services.
- F. Telrite agrees to adopt any changes to the Lifeline certification and verification process required by the Federal Communications Commission or by the PSC.
- G. Telrite agrees that it will not decrease its enhanced Lifeline program offering for Utah customers or increase the net cost to consumers without Commission approval. Telrite may increase its enhanced Lifeline program offering or decrease the net cost to consumers at any time.
- H. Upon implementing any changes to its Lifeline offerings, Telrite will timely file

a notice with the Commission, DPU and OCS describing the changed plans.

- I. Telrite is not seeking to modify its ETC service territory. If Telrite intends to modify the area in which it offers Lifeline services in Utah, Telrite will timely file a notice with the Commission, DPU and OCS identifying and requesting approval for modification in service area.

GENERAL PROVISIONS

1. The Parties stipulate to the admission into evidence in this docket of Telrite's Petition and pre-filed Testimony and Exhibits. This Stipulation to the admission of the Testimony does not represent an agreement by the Parties as to any positions taken in such Testimony.

2. Not all Parties agree that each aspect of this Stipulation is warranted or supportable in isolation. Utah Code Ann. § 54-7-1 (2018) authorizes the Commission to approve a settlement so long as the settlement is just and reasonable in result. While the Parties may not be 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.

3. 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, 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.

4. The Parties agree that no part of this Stipulation or the formulae and methods 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.

5. The Parties request that the Commission hold a hearing on this Stipulation. The Parties will support the Commission's approval of this Stipulation. As applied to the DPU and the OCS, the explanation and support shall be consistent with their statutory authority and responsibility.

6. 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 reasonable efforts to support the terms and conditions of this Stipulation. As applied to the DPU and the OCS, the phrase "use its best reasonable 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.

7. Except with regard to the obligations of the Parties under the four (4) 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.

8. 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 (5) 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.

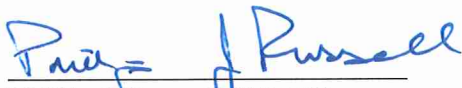
9. This Stipulation may be executed by individual Parties through two (2) or more separate, conformed copies, the aggregate of which will be considered as an integrated instrument.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.]

WHEREFORE, the Parties respectfully submit this Stipulation and Settlement Agreement for approval by the Commission and request that the Commission grant such approval.

Dated this _____ day of _____, 2019

FOR TELRITE CORPORATION


Phillip J. Russell (10445)
HATCH, JAMES & DODGE
10 West Broadway, Suite 400
Salt Lake City, UT 84101
Telephone: 801-363-6363
Facsimile: 801-363-6666
Email: prussell@hjdllaw.com
Attorneys for Telrite Corporation d/b/a Life
Wireless

PUBLIC UTILITIES

Chris Parker, Director
160 E 300 S, 4th Floor
Salt Lake City, UT 84114-6751

FOR THE UTAH OFFICE OF
CONSUMER SERVICES

Michele Beck, Director
OFFICE OF CONSUMER SERVICES
160 E 300 S, 2nd Floor
Salt Lake City, UT 84114-6782

FOR THE UTAH DIVISION OF

WHEREFORE, the Parties respectfully submit this Stipulation and Settlement Agreement for approval by the Commission and request that the Commission grant such approval.

Dated this Tuesday of MARCH, 2019

FOR TELRITE ,LLC

Phillip J. Russell (10445)
HATCH, JAMES & DODGE
10 West Broadway, Suite 400
Salt Lake City, UT 84101
Telephone: 801-363-6363
Facsimile: 801-363-6666
Email: prussell@hjdllaw.com
Attorneys for Telrite Corporation d/b/a Life
Wireless

FOR THE UTAH DIVISION OF
PUBLIC UTILITIES



Chris Parker, Director
160 E 300 S, 4th Floor
Salt Lake City, UT 84114-6751

FOR THE UTAH OFFICE OF
CONSUMER SERVICES

Michele Beck, Director
OFFICE OF CONSUMER SERVICES
160 E 300 S, 2nd Floor
Salt Lake City, UT 84114-6782

WHEREFORE, the Parties respectfully submit this Stipulation and Settlement Agreement for approval by the Commission and request that the Commission grant such approval.

Dated this 14th day of March, 2019


FOR TELRITE CORPORATION

Phillip J. Russell (10445)
HATCH, JAMES & DODGE
10 West Broadway, Suite 400
Salt Lake City, UT 84101
Telephone: 801-363-6363
Facsimile: 801-363-6666
Email: prussell@hjdllaw.com
Attorneys for Telrite Corporation d/b/a Life
Wireless

FOR THE UTAH DIVISION OF
PUBLIC UTILITIES

Chris Parker, Director
160 E 300 S, 4th Floor
Salt Lake City, UT 84114-6751

FOR THE UTAH OFFICE OF
CONSUMER SERVICES



Michele Beck, Director
OFFICE OF CONSUMER SERVICES
160 E 300 S, 2nd Floor
Salt Lake City, UT 84114-6782

Attachment 1



WHAT QUALIFIED **UTAH** CUSTOMERS RECEIVE



750 & **2GB**
FREE MINUTES & **DATA &**
EACH MONTH & **UNLIMITED TEXT***

With our Utah plan, you can get a **FREE Android Smart Phone** with **750 Free Minutes, 2 GB of Data, and Unlimited Text***.

HOW DO I QUALIFY FOR LIFELINE ASSISTANCE?

Life Wireless offers a Lifeline discount to low income families and individuals for wireless services. To obtain Life Wireless service, potential subscribers must meet certain eligibility requirements such as receiving governmental assistance or a household income that is 135% or below the federal poverty level for their state. Life Wireless service is limited to one per household, and cannot be combined with any other Lifeline offering. Lifeline is a government assistance program. Only eligible consumers may enroll in the program and documentation is necessary. Lifeline service is non-transferable.

In general, if a subscriber participates in any of the following programs, they are qualified for low-income telephone assistance.

- Food Stamps or Supplemental Nutrition Assistance Program (SNAP)
- Medicaid (not Medicare)
- Supplemental Security Income (SSI)
- Section 8 Federal Public Housing Assistance (FPHA)

ABOUT US

Life Wireless® is supported by the Federal Lifeline program and provides free cellular service each month for eligible customers.

www.LifeWireless.com
1-888-543-3620
info@lifewireless.com

NEED ADDITIONAL MINUTES OR DATA?

- Go to www.LifeWireless.com and click "Add Minutes/Data"
- If you have a smart phone, go to the MyLifeWireless app and click "Add Minutes"
- Call Customer Service at 1-888-543-

ANNUAL RE-CERTIFICATION

Lifeline rules require that you recertify every year. If you do not, you will lose your Lifeline subsidy. For more information please visit:

<https://www.lifelinesupport.org/ls/help/recertify.aspx>

* Unlimited texting doesn't include MMS picture messaging.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Joint Stipulation filed by the Utah Division of Public Utilities was emailed on 21 March 2019 to the following in Utah Docket 18-2553-01.

BY Electronic-Mail:

Phillip J. Russell

Telrite Corporation d/b/a Life Wireless

prussell@hjdllaw.com

Justin Jetter

Patricia Schmid

Chris Parker

Bill Duncan

Division of Public Utilities

jjetter@agutah.gov

pschmid@agutah.gov

chrisparker@utah.gov

wduncan@utah.gov

Steven Snarr

Robert Moore

Michele Beck

Office of Consumer Services

stevensnarr@agutah.gov

rmoore@agutah.gov

mbeck@utah.gov

/S/

Erika Tedder, Paralegal

Utah Division of Public Utilities