

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Telrite Corporation dba Life Wireless's  
Petition to Amend Designation as an Eligible  
Telecommunications Carrier to Participate in  
the Utah Universal Service Fund

DOCKET NO. 18-2553-01  
ORDER APPROVING STIPULATION AND  
SETTLEMENT AGREEMENT

ISSUED: April 12, 2019

On November 9, 2018, Telrite Corporation d/b/a Life Wireless ("Telrite") filed its Petition to Amend its Designation as an Eligible Telecommunications Carrier to Participate in the Utah Universal Service Fund ("Petition"). In the Petition, Telrite 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 March 21, 2019, the parties filed a Stipulation and Settlement Agreement ("Settlement"), signed by the Division of Public Utilities ("DPU"), the Office of Consumer Services ("OCS"), and Telrite (collectively, the "Parties"). The Public Service Commission ("PSC") held a hearing to consider the Settlement on April 9, 2019.

In the Settlement, the Parties stipulate and agree Telrite'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, as a condition of receiving State USF support, Telrite will offer customers a new Android smartphone and a bundle of services to include 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. The voice

portion of the bundled plan will include 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 Telrite's national Lifeline plan offering, which does not qualify for Utah USF support, at no net cost to the customer. Telrite will increase the mobile broadband data amounts offered to its Lifeline customers consistent with Federal Communications Commission rules.

The Parties agree Telrite will abide by additional requirements enumerated in the Settlement, including but not limited to the following: (i) Telrite will maintain a Utah-specific fact sheet that provides customers concise and complete information about the services they will receive; (ii) 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; (iii) 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; (iv) Telrite will comply with all applicable state service quality and consumer protection requirements; (v) Telrite will pay all applicable state and local regulatory fees; (vi) Telrite agrees to adopt any changes to the Lifeline certification and verification process required by the Federal Communications Commission or by the PSC; (vii) Telrite agrees it will not decrease its enhanced Lifeline program offering for Utah customers or increase the net cost to consumers without PSC approval; (viii) Telrite may increase its enhanced Lifeline program offering or decrease the net cost to consumers at any time; (ix) upon implementing any changes to its Lifeline offerings, Telrite will timely file a notice with the PSC, the DPU, and the OCS describing the changed

plans; and (x) Telrite 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, Telrite 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 DPU testified it believes approval of the Settlement to be just, reasonable, and in the public interest. Similarly, the OCS testified it believes the Settlement to be just and reasonable in result and that approval of the Settlement is in the public interest.

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, April 12, 2019.

/s/ Michael J. Hammer  
Presiding Officer

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Approved and confirmed April 12, 2019 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#307602

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 April 12, 2019, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

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