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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

)	
In the Matter of the Petition of Sage Telecom)	
Communications, LLC d/b/a TruConnect)	
)	Docket No. _____
for Designation as an Eligible Telecommunications)	
Carrier in the State of Utah)	
)	

**PETITION OF SAGE TELECOM COMMUNICATIONS, LLC D/B/A TRUCONNECT
FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER
IN THE STATE OF UTAH**

I. INTRODUCTION

Sage Telecom Communications, LLC d/b/a TruConnect (“TruConnect” or the “Company”), by its undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the “Act”)¹, Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission (“FCC”),² and the rules and regulations of the Public Service Commission of Utah (“Commission”), hereby submits this Petition for Designation as an Eligible Telecommunications Carrier (“ETC”) in the State of Utah. TruConnect seeks ETC designation solely to provide Lifeline service to qualifying Utah consumers; it will not seek access to funds from the federal Universal Service Fund (“USF”) for the purpose of participating in the Link-Up program or providing service to high cost areas.³ As demonstrated herein, and as certified in Exhibit 1 to this Petition, TruConnect meets all the statutory and regulatory requirements for designation as an ETC in the State of Utah, including

¹ 47 U.S.C. § 214(e)(2)

² 47 C.F.R. §§ 54.101-54.207.

³ The Company does not seek access to state USF in the instant petition. Given that TruConnect only seeks support from the low-income program and does not seek any high-cost support, ETC certification requirements for the high-cost program are not applicable to the Company.

the requirements outlined in the FCC's *Lifeline and Link Up Reform Order*⁴ and *Lifeline Modernization Order*.⁵ Rapid grant of TruConnect's request, moreover, would advance the public interest because it would enable the Company to commence much needed Lifeline service to low-income Utah residents as soon as possible. Accordingly, the Company respectfully requests that the Commission expeditiously approve this Petition for ETC designation.

All correspondence, communications, pleadings, notices, orders and decisions relating to this Petition should be addressed to:

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II. BACKGROUND

A. Company Overview

TruConnect is a Texas Limited Liability Company.⁶ Its principal office is located at 1149 S. Hill Street, Suite H-400, Los Angeles, California 90015. TruConnect is a reseller of commercial mobile radio service ("CMRS") throughout the United States. Sage Telecom Communications, LLC is a subsidiary of TSC Acquisition Corporation ("TSC") and was formerly known as Sage Telecom, Inc. before a corporate restructuring in 2012. TSC also owns

⁴ *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("*Lifeline and Link Up Reform Order*").

⁵ *In the Matter of Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket No. 11-42, WC Docket No. 00-197, WC Docket No. 10-90, Third Report and Order, Further Report and Order, and Order on Reconsideration, FCC 16-38 (rel. Apr. 27, 2016) (hereinafter, "*Third Report and Order*" or "*Lifeline Modernization Order*").

⁶ TruConnect was organized in the State of Texas on December 5, 2012.

TruConnect Communications, Inc., formerly Telscape Communications, Inc. TruConnect provides prepaid wireless telecommunications services to consumers by using the underlying wireless networks of Sprint Spectrum, L.P. (“Sprint”), Verizon Wireless (“Verizon”), and/or T-Mobile USA, Inc. (“T-Mobile”) (collectively, “Underlying Carriers”) on a wholesale basis to offer nationwide service. TruConnect obtains from its Underlying Carriers the network infrastructure and wireless transmission facilities to allow the Company to operate as a Mobile Virtual Network Operator (“MVNO”). TruConnect is currently designated as a wireless ETC in Arkansas, California, Colorado, Georgia, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Missouri, Nebraska, Nevada, Ohio, Oklahoma, Pennsylvania, South Carolina, Texas, and West Virginia.

TruConnect’s prepaid wireless services are affordable, easy to use, and attractive to low-income and lower-volume consumers, providing them with access to emergency services and a reliable means of communication that can be used both at home and while traveling to remain in touch with friends and family and for contacting prospective employers. TruConnect offers consumers simple and affordable prepaid calling plans, a variety of prepaid service plans, easy-to-use handsets and high-quality customer service. Given its pricing and marketing strategy and the demographics of its customers in other states, TruConnect anticipates that many of its customers will be from low-income backgrounds and will not previously have enjoyed access to wireless service because of economic constraints, poor credit history, or sporadic employment. TruConnect does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service.

By providing affordable wireless plans and quality customer service to consumers who are otherwise unable to afford them, or were previously ignored by traditional carriers, TruConnect

will expand the availability of wireless and broadband services to many more consumers, which is the principal reason that Congress created the universal service program.

B. Proposed Lifeline Offering

TruConnect has the ability to provide all services supported by the universal service program, as detailed in Section 54.101(a) of the FCC's Rules (47 C.F.R. § 54.101(a)) throughout Utah. TruConnect intends to be a leader in the prepaid marketplace by offering consumers exceptional value and competitive amounts of voice and/or broadband usage at all price points. The Company's Lifeline service offering will provide customers with the same features and functionalities enjoyed by all other TruConnect prepaid customers, with one notable exception: prepaid Lifeline services will not require payment of an out-of-pocket fee by subscribers, but instead, TruConnect will receive support from the Lifeline program as compensation for providing those services.

TruConnect commits that its Lifeline-supported services will meet or exceed the minimum service standards set forth in 47 C.F.R. § 54.408, including as they change going forward. Attached hereto as Exhibit 2 is a summary table of the Company's proposed Lifeline service offerings, showing that Lifeline customers can receive 750 voice minutes, unlimited text messages, and 1 gigabyte (GB) of data per month at a net cost of \$0.00 after application of Lifeline support, or choose from plan options with unlimited voice minutes and higher amounts of data for discounted rates between \$15.00 to \$35.00 per month. Customers will also be able to purchase additional minutes or data as needed.

In addition to wholly-supported or discounted wireless services, prepaid Lifeline customers will receive a free data-capable handset that meets the equipment requirements set forth in 47 C.F.R. § 54.408, as well as access to voice mail, caller I.D., call forwarding, 3-way calling, and call waiting features at no additional charge. Customers may use their minutes to

place domestic long-distance calls at no additional charge, and calls to the Company's customer service are free with no deduction of available minutes. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. As Exhibit 2 demonstrates, the Company's Lifeline offering will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring a variety of rate plans into the reach of eligible customers that are comparable in minutes and features to those available to post-paid wireless subscribers – but at low Lifeline rates and without a the burden of credit checks or service contracts. TruConnect's prepaid offering will be an attractive alternative for consumers who need the mobility, security, and convenience of a wireless phone, but who are concerned about usage charges or long-term contracts.

C. Plan Enrollment

Customers interested in obtaining information on the Lifeline program will be directed to a toll-free telephone number and to the Company's website, which will contain information regarding the Company's Lifeline service plans, including a detailed description of the program and eligibility criteria. Customers may then request that an enrollment form be mailed to them, or they can begin the application process online or over the phone. The certification form, a sample of which is attached hereto as Exhibit A of Exhibit 3,⁷ will explain in clear, easily understandable language that:

- (i) Lifeline is a federal benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of

⁷ The Company will utilize the universal Federal eligibility certification form once available, as required by FCC rules (*see* 47 C.F.R. § 54.410(d)).

the FCC's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and
(vi) a Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

The certification form will also require all consumers, at sign up and annually thereafter, to provide the information and certifications, under penalty of perjury, required by 47 C.F.R. § 54.410(d). See Exhibit 3, the Company's FCC-Approved Compliance Plan, for more detailed enrollment information. TruConnect will annually re-certify the continued eligibility of all of its subscribers.

D. Prevention of Waste, Fraud and Abuse

TruConnect recognizes the importance of safeguarding the USF. TruConnect complies with the requirements of the National Lifeline Accountability Database ("NLAD") and section 54.404 of the FCC's rules. As such, the Company (or Eligibility Administrator, where applicable) queries the NLAD for every enrollment to determine whether a prospective subscriber is currently receiving a Lifeline service from TruConnect or any other ETC, and whether anyone else living at the prospective subscriber's residential address is currently receiving Lifeline service. The FCC has taken steps to further curb abuse in the Lifeline program by establishing the National Lifeline Eligibility Verifier ("National Verifier"), which transfers the responsibility of eligibility determination away from Lifeline providers.⁸ TruConnect will rely on the National Verifier, once in place, to determine initial and ongoing eligibility of Utah Lifeline subscribers.

Furthermore, consistent with federal regulations, the Company will not seek USF reimbursement for inactive subscribers and will de-enroll any subscriber that has not used the Company's Lifeline service as set forth in 47 C.F.R. § 54.407(c)(2). An account will be

⁸ See *Lifeline Modernization Order*, section III.C.

considered active if the authorized subscriber establishes usage, as “usage” is defined by 47 C.F.R. § 54.407(c)(2), during the specified timeframe, currently a period of thirty (30) days, or during the notice period set forth in 47 C.F.R. § 54.405(e)(3), currently a period of fifteen (15) days. In accordance with 47 C.F.R. § 54.405(e)(3), TruConnect will provide the subscriber advanced notice, using clear, easily understood language, that the subscriber’s failure to use the Lifeline service within the notice period will result in service termination for non-usage. Customers that have been deactivated may participate in the Company’s Lifeline service in the future by reapplying and re-establishing eligibility.

To further protect the integrity of the USF, TruConnect has contracted with CGM, LLC, a Georgia-based lifeline service bureau, to edit all subsidy request data. CGM will process and validate the Company’s subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM’s systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Moreover, TruConnect has implemented an internal auditing process to review NLAD and CGM findings as a final layer of fraud prevention. Through the processes described above, TruConnect ensures that it does not over-request from support funds.

III. THE COMMISSION HAS JURISDICTION TO DESIGNATE WIRELESS ETCS

Section 214(e)(2) of the Act provides state public utility commissions with the “primary responsibility” for the designation of ETCS.⁹ Although Section 332(c)(3)(A) of the Act prohibits states from regulating the entry of or the rates charged by any provider of commercial mobile

⁹ 47 U.S.C. § 214(e)(2).

service or any private mobile service, this prohibition does not allow states to deny wireless carriers ETC status.¹⁰ Therefore, the Commission has the authority to designate TruConnect as an ETC. Pursuant to this authority, the Commission has historically participated in determining whether to grant ETC status to an applying carrier, including any requesting wireless carrier.¹¹ Under the Act, a state public utility commission with jurisdictional authority over ETC designations must designate a common carrier as an ETC if the carrier satisfies the requirements of section 214(e)(1). TruConnect recognizes that Section 214(e)(1)(A) of the Act states that ETCs shall offer services, at least in part, over their own facilities and that Section 54.201(i) of the FCC's Rules (47 C.F.R. § 54.201(i)) prohibits state commissions from designating as an ETC a telecommunications carrier that offers services exclusively through the resale of another carrier's services. However, the FCC has granted forbearance from enforcement of this facilities requirement to carriers seeking Lifeline-only ETC designation.¹² Section 10(e) of the Act (47 U.S.C. § 160(e)) provides: “[a] State commission may not continue to apply or enforce any provision of this chapter that the [Federal Communications] Commission has determined to forbear from applying under subsection (a) of this section.” As such, the Commission is required by Section 10(e) to act in accordance with the FCC's grant of forbearance, and therefore, may not apply the facilities-based requirement to TruConnect. Therefore, the Commission has the authority to act under Section 214(e)(2) of the Act and to grant TruConnect's request for designation as an ETC throughout the State of Utah.

¹⁰ *USF Order*, at 8858-59, ¶ 145.

¹¹ *See In the Matter of the Petition of WWC Holding Co., Inc., for Designation as an Eligible Telecommunications Carrier*, Report and Order, Docket No. 98-2216-01 (July 21, 2000).

¹² *See Lifeline and Link Up Reform Order* at ¶ 368.

A. The ETC Designation Request Is Consistent with Commission Precedent

TruConnect's request for ETC designation to participate in the Lifeline program is consistent with the Commission's designation of Virgin Mobile as an ETC.¹³ In its decision, the Commission determined that Virgin Mobile satisfied all of the necessary eligibility requirements and that designation of a prepaid wireless provider as an ETC would serve the public interest. TruConnect requests that the Commission expeditiously process its ETC Petition so that it can quickly commence providing qualifying low-income Utah customers with affordable USF-supported wireless services. Designation of TruConnect as an ETC would further competition for wireless Lifeline services and would offer eligible consumers an additional choice of providers for accessing telecommunications services, representing a significant step towards ensuring that all low-income consumers share in the many benefits associated with access to wireless services.

IV. TRUCONNECT SATISFIES THE REQUIREMENTS FOR DESIGNATION AS AN ETC

Section 254(e) of the Act provides that "only an eligible telecommunications carrier designated under section 214(e) shall be eligible to receive specific federal universal service support." Section 214(e)(2) of the Act authorizes state commissions, such as the Commission, to designate ETC status for federal universal service purposes and authorizes the Commission to designate wireless ETCs.¹⁴ Section 214(e)(1) of the Act and Section 54.201(d) of the FCC's rules provide that applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier's services, except where the FCC has

¹³ See *In the Matter of Virgin Mobile USA, L.P. Petition for Limited Designation as an Eligible Telecommunications Carrier*, Docket No. 10-2521-01, Report and Order (May 25, 2011).

¹⁴ See *Federal-State Joint Board on Universal Service, First Report and Order*, 12 FCC Rcd 8776, 8858-59, ¶ 145 (1997) ("USF Order").

forborne from the “own facilities” requirement. Applicants also must commit to advertise the availability and rates of such services,¹⁵ and provide additional information set forth in 47 C.F.R. § 54.202(a). As detailed below, TruConnect satisfies each of the above-listed requirements.

A. TruConnect Will Provide Service Consistent with the FCC’s Grant of Forbearance from Section 214’s Facilities Requirements

Although Section 214 requires ETCs to provide services using their facilities, at least in part, the FCC has forborne from that requirement with respect to carriers such as TruConnect. In the *Lifeline and Link Up Reform Order*, the FCC granted forbearance from the “own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:¹⁶

(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

(2) the carrier must file, and the Bureau must approve, a compliance plan providing specific information regarding the carrier’s service offerings and outlining the measures the carrier will take to implement the obligations contained in this Order as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary.”

TruConnect has availed itself of the FCC’s grant of blanket forbearance. In accordance with the *Lifeline and Link Up Reform Order*, TruConnect filed its Compliance Plan which the FCC approved on December 26, 2012.¹⁷ A copy of the approved Compliance Plan is attached hereto as Exhibit 3. TruConnect commits to providing Lifeline service in Utah in accordance with the Compliance Plan and in compliance with applicable state and federal regulations, to the extent amendments thereto may supersede commitments made in the Compliance Plan.

¹⁵ See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

¹⁶ See *Lifeline and Link Up Reform Order* at ¶¶ 368, 373 and 379.

¹⁷ See FCC Public Notice DA 12-2063, https://apps.fcc.gov/edocs_public/attachmatch/DA-12-2063A1_Rcd.pdf.

B. TruConnect Is a Common Carrier

CMRS providers like TruConnect are treated as common carriers.¹⁸

C. TruConnect Will Provide All Supported Services

Through its wholesale arrangement with underlying carriers, TruConnect is able to provide all supported services required by FCC's Rules (47 C.F.R. § 54.101(a)), as follows:

1. Voice Telephony Service

The FCC has determined that “eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in [47 C.F.R. § 54] subpart E.”¹⁹

Voice Grade Access. TruConnect provides voice grade access to the public switched network (“PSTN”) through the purchase of wholesale CMRS services from its facilities-based underlying carriers.

Local Usage. TruConnect offers a variety of rate plans that provide its customers with minutes of use for local service at no additional charge.

¹⁸ *Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services*, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1425 ¶¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory “mobile services” category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) (“mobile services” providers are common carriers); *see also PCIA Petition for Forbearance for Broadband PCS*, WT Docket No. 98-100, Memorandum Opinion and Order and Notice of Proposed Rulemaking, 13 FCC Rcd 16857, 16911 ¶¶ 111 (1998) (“We concluded [in the *Second Report and Order*] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services and resellers of such services.”)

¹⁹ *See* 47 C.F.R. § 54.101(a).

Access to Emergency Services. TruConnect provides 911 and E911 access for all of its customers to the extent the local government in its service area has implemented 911 or E911 systems. As noted, calls to 911 emergency services will always be free and will be available regardless of service activation status or availability of minutes. TruConnect also complies with the FCC's regulations governing the deployment and availability of E911 compatible handsets.

Toll Limitation. In its *Lifeline and Link Up Reform Order*, the FCC stated that toll limitation would no longer be deemed a supported service.²⁰ "ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls."²¹ Nonetheless, TruConnect's offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or pay-as-you-go, basis. TruConnect's service, moreover, is not offered on a distance-sensitive basis and local and domestic long distance minutes are treated the same. TruConnect will not seek reimbursement for toll limitation service.

2. Broadband Internet Access Service

The FCC has stated that broadband internet access service ("BIAS") consists of the ability for a user to receive "the capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up Internet access service."²² TruConnect will provide BIAS to low-income consumers via resale of its underlying carriers' mobile services.

²⁰ See *Lifeline and Link Up Reform Order* at ¶ 367.

²¹ See *Lifeline and Link Up Reform Order* at ¶ 49.

²² See 47 C.F.R. § 8.2(a).

D. TruConnect Will Advertise the Availability of Supported Services

TruConnect will advertise the availability and rates for the services described above using media of general distribution as required by 47 C.F.R § 54.201(d)(2). TruConnect's advertising will comply with the requirements set forth in the *Lifeline and Link Up Reform Order*, as outlined in the Company's Compliance Plan.²³ The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline service, using mediums for outreach such as print advertisements, direct marketing, social media and the Internet.²⁴ The Company will engage in advertising campaigns specifically targeted to reach those likely to qualify for Lifeline service, promoting the availability of cost-effective wireless services to this neglected consumer segment. TruConnect may also promote the availability of its Lifeline offering by distributing brochures at various state and local social service agencies, and may partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline service. In addition, TruConnect intends to utilize its network of retail partners, once established, to help promote the availability of its Lifeline plans, especially retail outlets that are frequented by low income consumers. TruConnect will provide retail vendors with signage to be displayed wherever Company products are sold, and with printed materials describing the Company's Lifeline program.

TruConnect will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service: (a) that the service is a Lifeline-supported service; (b) that only eligible consumers may enroll in the program; (c) what documentation is necessary for enrollment; and (d) that the benefit is limited to one per household consisting of either wireline or wireless service and is non-transferrable. TruConnect

²³ See Exhibit 3, section (4). See also *Lifeline and Link Up Reform Order* at Section VII.F.

²⁴ See attached Exhibit 4 for a sample advertisement.

will also explain that Lifeline is a government benefit program and willfully making false statements to obtain Lifeline benefits may be punished by fine or imprisonment or result in being barred from the program. Additionally, TruConnect will disclose the company name under which it does business and the details of its Lifeline service offerings in any Lifeline-related marketing and advertising.

E. TruConnect Requests Designation Throughout Its Service Area in Utah

TruConnect is not a rural telephone company as defined in Section 153(37) of the Act (47 U.S.C. § 153(37)). Accordingly, the Company is required to describe the geographic area(s) within which it requests designation as an ETC. TruConnect requests designation as an ETC that is statewide in scope, to allow the Company to provide Lifeline service wherever its underlying facilities-based providers have wireless coverage.²⁵ TruConnect understands that its service area may overlap with rural carriers in Utah, but maintains that the public interest factors described below justify its designation in these carriers' service areas, especially because it seeks ETC designation solely to utilize USF funding to provide Lifeline service to qualified low-income consumers. It is not eligible for and does not seek Link-Up or high cost support.

F. Commitment to Comply with Applicable Service Requirements

In accordance with 47 C.F.R. § 54.202(a)(1)(i), and by the attached certification, TruConnect commits to comply with the service requirements applicable to the low-income support that it receives.²⁶ Because TruConnect seeks ETC designation in order to provide supported services only under subpart E of Part 54 of the Commission's Rules, submission of a five-year plan under 47 C.F.R. § 54.202(a)(1)(ii) is not required.

²⁵ The current zip code coverage footprint is attached hereto as Exhibit 5, along with a list of covered exchanges.

²⁶ See *Lifeline and Link Up Reform Order* at page 208, revised § 54.202(a)(1)(i).

G. Ability to Remain Functional in Emergency Situations

In accordance with 47 CFR §54.202(a)(2), TruConnect has the ability to remain functional in emergency situations. Through its agreements with its Underlying Carrier(s), TruConnect provides to its customers the same ability to remain functional in emergency situations as currently provided by the Underlying Carrier(s) to their own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, the ability to reroute traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

H. Commitment to Consumer Protection and Service Quality

Under FCC guidelines, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards, and wireless applicants may satisfy this requirement with a commitment to comply with the Cellular Telecommunications and Internet Association’s (“CTIA”) Consumer Code for Wireless Service.²⁷ The Company hereby commits to comply with the CTIA Consumer Code for Wireless Service.

I. Financial and Technical Capability

In accordance with 47 CFR §54.202(a)(4), TruConnect is financially and technically capable of providing Lifeline-supported services. The Company has been offering telecommunications service since 1998 and began providing non-Lifeline wireless service in October 2012 and Lifeline-supported wireless service in May 2013. TruConnect already successfully provides wireless services nationwide, including Lifeline services in fifteen (15) states.²⁸ TruConnect has not been subject to enforcement sanctions, and has not been subject to

²⁷ See 47 C.F.R. § 54.202(a)(3).

²⁸ TruConnect is in the process, over the next few months, of launching its wireless Lifeline service in the remaining states in which it has been designated as an ETC.

ETC revocation proceedings except as explained in the footnote below.²⁹ The Company has operated as a telecommunications carrier for twenty years and has never had to file for bankruptcy protection, and is supported by the resources of its parent, TSC Acquisition Corporation. TruConnect does not, and does not intend to, offer exclusively Lifeline-supported services—and is therefore not exclusively dependent on USAC for its revenue. The result of TruConnect’s efforts is that it is a profitable, liquid company, fully capable of honoring all its service obligations to customers and regulatory obligations to state and federal regulators. Furthermore, the senior management of TruConnect has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.³⁰ TruConnect will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carriers.

J. Commitment to Comply with Certification and Verification Requirements

Section 54.410 of the FCC’s Rules requires ETCs to certify and verify a Lifeline customer’s initial and continued eligibility. TruConnect will certify and verify consumer eligibility in accordance with 47 C.F.R. § 54.410, utilizing the streamlined eligibility criteria

²⁹ In a Memorandum dated October 18, 2017 in Docket No. 3005-TI-102, Wisconsin Commission (“WI PSC”) Staff noted concerns that the Company was not providing Lifeline service in Wisconsin and may have failed to inform the WI PSC of changes to contact numbers and web sites. TruConnect acknowledges that the Company should have informed the WI PSC of changes to contact numbers and web sites, a process which was overlooked due to internal restructuring and employee turnover in 2016 and 2017. TruConnect has put measures in place to ensure consistent, timely compliance going forward by contracting with the following independent third-party compliance vendors: FAS Tek Compliance Solutions, Inc. for ongoing regulatory compliance and reporting; Expert Telecom Compliance, Inc. for ETC-specific compliance; Telecom Professionals, Inc. for ongoing sales and use tax and E-911 compliance; and Lance J.M. Steinhart, P.C. for legal and regulatory services, including maintaining current contact information with regulatory entities, as well as legal advice regarding operations, marketing and compliance, rate changes and service area expansions, advice regarding state and federal ETC Lifeline rulemakings and rule changes, and general monitoring of Lifeline notices and proceedings that could potentially affect TruConnect. These third-party vendors will provide industry expertise and add a layer of accountability and protection regardless of unforeseen internal personnel changes, although in addition, the Company has dedicated staff to work with these aforementioned compliance providers. Regrettably, as a result of TruConnect not updating its address with the WI PSC, the Company did not receive notice of the proceeding and proposed revocation of its ETC designation, and therefore the Company’s Wisconsin ETC designation was revoked effective December 19, 2017 without input from TruConnect. TruConnect is currently in the process of refile for ETC designation in Wisconsin.

³⁰ See Exhibit 6 for key management bios.

implemented by the *Lifeline Modernization Order* (see 47 C.F.R. § 54.409), and will annually recertify the continued eligibility of all of its subscribers. The Company will also comply with applicable Commission requirements, including the certification and verification process developed within Commission Docket No. 10-2528-01 to the extent such processes do not contradict FCC rules.

K. Commitment to Comply with Reporting Requirements

TruConnect will provide the Commission a copy of its annual certifications and Lifeline recertification results pursuant to 47 C.F.R. § 54.416 (i.e. FCC Form 555), as well as a copy of its annual report filed pursuant to 47 C.F.R. § 54.422 (i.e. FCC Form 481), and other reports the Commission deems necessary as a condition of ETC designation.

L. Commitment to Comply with Regulations Imposed By The Commission

By this Petition, TruConnect hereby asserts its willingness and ability to comply with all the rules and regulations that the Commission may lawfully impose upon the Company's provision of service contemplated by this Petition. TruConnect commits to pay all applicable state and local regulatory fees, including, but not limited to, universal service fees, emergency services, and relay services. Upon Commission request, the Company is prepared to answer questions or present additional testimony or other evidence about its services within the state.

V. DESIGNATION OF TRUCONNECT AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is "to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies" to all citizens, regardless of geographic location or income.³¹ Designation of TruConnect as an ETC in

³¹ *Telecommunications Act of 1996*, Pub. L. No. 104-104, 110 Stat. 56.

Utah will further the public interest by providing low-income Utah consumers with low prices and high quality services. Many low-income customers in Utah have yet to reap the full benefits of the intensely competitive wireless market. Whether because of financial constraints, poor credit history or intermittent employment, these consumers often lack the countless choices available to most consumers.

The instant request for ETC designation must be examined in light of the Act's goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers—particularly low-income consumers—receive affordable and comparable telecommunications services. Given this context, designating TruConnect as an ETC would significantly benefit low-income consumers eligible for Lifeline service in the State of Utah—the intended beneficiaries of universal service.

A. Advantages of TruConnect's Service Offering

The public interest benefits of the Company's wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted, 911 service and, where available, E911 service in accordance with current FCC requirements. The Company's Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers. TruConnect's Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring a variety of rate plans into the reach of Lifeline customers that are comparable in

minutes and features to those available to post-paid wireless subscribers – but at low Lifeline rates and without the burden of credit checks or contracts.

TruConnect’s Lifeline program will provide low-income Utah residents with the convenience and security offered by wireless services—even if their financial position deteriorates. Low-income individuals can greatly benefit from the advantages offered by the Company’s Lifeline service, thus allowing those adversely impacted by the economy or job loss to have access to wholly-supported wireless service to assist in emergency situations, facilitate job search efforts, and to maintain contact with family members. It is also a commonly accepted fact that in today’s market all consumers, including qualified Lifeline customers, view the portability and convenience of wireless service not as a luxury, but as a necessity. Mobile service allows children to reach their parents, wherever they may be, allows a person seeking employment the ability to be contacted by potential employers, and provides end users with the ability to contact emergency service providers, regardless of location. Providing TruConnect with the authority necessary to offer discounted Lifeline service to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

Moreover, grant of TruConnect’s Petition will serve the public interest in increasing the number of ETCs in Utah. By granting ETC status to TruConnect, the Commission will enable the Company to increase the number of Utah residents receiving Lifeline support, thereby increasing the amount of USF money flowing into Utah. In sum, ETC designation in the State of Utah would enable TruConnect to provide all of the public benefits cited by the FCC in its analysis in the *Virgin Mobile Order*. Namely, TruConnect would provide “increased consumer choice, high-quality service offerings, and mobility,”³² as well as the safety and security of effective 911 and

³² See *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38.

E911 services.³³

B. The Benefits of Competitive Choice

The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than three decades.³⁴ Designation of TruConnect as an ETC will promote competition and innovation, and spur other carriers to target low-income consumers with service offerings tailored to their needs, resulting in improved services to consumers. Designation of TruConnect as an ETC will help assure that quality services are available at “just, reasonable, and affordable rates” as envisioned in the Act.³⁵ Introducing TruConnect into the market as an additional wireless ETC provider will afford low income Utah residents a wider choice of providers and available services while enhancing a competitive marketplace as ETCs compete for a finite number of Lifeline-eligible customers. Increasing the competitive marketplace of providers has the potential to effectively increase the penetration rate and reduce the number of individuals not connected to the PSTN.

C. Impact on the Universal Service Fund

With Lifeline, ETCs only receive support for customers they obtain. The amount of support available to an eligible subscriber is exactly the same whether the support is given through a company such as TruConnect or the Incumbent LEC operating in the same service area. The number of persons eligible for Lifeline support is the same regardless of the number of ETCs; thus, TruConnect will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not already enrolled in another ETC’s Lifeline program. By implementing the safeguards set forth in the *Lifeline and Link Up Reform Order* and utilizing the

³³ See *Id.* at 3391 ¶ 23.

³⁴ See, e.g., *Specialized Common Carrier Services*, 29 FCC Rcd 870 (1971).

³⁵ See 47 U.S.C. § 254(b)(1).

NLAD and National Verifier (once in place), the likelihood that TruConnect’s customers are not eligible or are receiving duplicative support either individually or within their household is greatly minimized. TruConnect’s ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable wireless services to low-income consumers. According to the FCC, “the additional choice and service options of another wireless reseller offering a service for low-income consumers represents a significant benefit for consumers and is in the public interest,” and “A new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance in the context of the Lifeline program outweighs the potential costs.”³⁶

VI. ANTI-DRUG ABUSE CERTIFICATION

TruConnect certifies that no party to this Petition is subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

³⁶ See *Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A)*, Order, FCC 10-117 (rel. June 25, 2010) at ¶ 19.

VII. CONCLUSION

Based on the foregoing, designation of TruConnect as an ETC in the State of Utah accords with the requirements of Section 214(e)(2) of the Act and is in the public interest.

WHEREFORE, TruConnect respectfully requests that the Commission promptly designate TruConnect as an ETC in the State of Utah for purposes of participating in the Lifeline program.

Respectfully submitted,

s/ Lance J.M. Steinhart

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d/b/a TruConnect*

April 3, 2018

EXHIBIT 1

Certification of Company Officer

EXHIBIT 2

Proposed Lifeline Offering

Sage Telecom Communications, LLC d/b/a TruConnect

Plan	Minutes	Text	Data	Net Cost to Lifeline Customer	Net Cost to Tribal Lifeline Customer
Basic Lifeline Plan	750	Unlimited	1 GB	\$ 0.00	N/A
Bundled Plan 1	Unlimited	Unlimited	1.5 GB	\$15.00	N/A
Bundled Plan 2	Unlimited	Unlimited	3.0 GB	\$25.00	\$ 0.00
Bundled Plan 3	Unlimited	Unlimited	5.0 GB	\$35.00	\$10.00

Plans Include:

- Free data-capable device
- Free calls to Company Customer Service
- Free calls to 911 emergency services
- Free access to Voicemail, Caller-ID, Call Waiting, Call Forwarding, and 3-Way Calling
- Free Domestic Long Distance
- Data at 3G speeds or higher

Additional airtime available for purchase

Top Up Options*			
Price	Domestic Minutes**	Int'l Minutes**	Data**
\$5.00	500	Unlimited to Mexico, China, Canada & 55 more or \$5 additional international minutes	500MB
\$10.00	1000		1.0 GB
Included in all Plans		Unlimited to Mexico, China, Canada	

* All Top Up options expire after 30 days

** Top Up options are “either/or”, meaning for example, for the top up price of \$5.00, customers can purchase *either* 500 Domestic minutes *or* 500 MB of data or Unlimited to Mexico, China, Canada & 55 more or \$5 additional international minutes

EXHIBIT 3

FCC-Approved Compliance Plan

EXHIBIT 4

Sample Advertisement

EXHIBIT 5

Coverage Area

EXHIBIT 6

Key Management Bios