Dorothy Menasco

From:

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Sent:

Thursday, April 14, 2011 5:08 PM

To:

Filings@psc.state.fl.us

Subject:

New filing: i-wireless, LLC

Attachments: FL CETC filing.pdf

Attached please find i-wireless, LLC's application for ETC designation.

Regards,

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FPSC-COMMISSION CLERK

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April 13, 2011

110101-TP

VIA E-FILING (filings@psc.state.fl.us)

Bob Casey, Public Utility Supervisor Division of Competitive Markets Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399

Re:

i-wireless, LLC d/b/a K-Wireless, LLC

ETC Designation

Dear Mr. Casey:

Enclosed please find for filing one original of i-wireless, LLC d/b/a K-Wireless, LLC's Application for Designation as an Eligible Telecommunications Carrier in the State of Florida for the Limited Purpose of Offering Lifeline Service to Qualified Households.

Please acknowledge receipt of this filing via return email.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Respectfully submitted,

s/ Lance J.M. Steinhart

Lance J.M. Steinhart Attorney for i-wireless, LLC d/b/a K-Wireless, LLC

Enclosures

:: F

Pat McDonough

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC UTILITY COMMISSION

In the Matter of i-wireless, LLC d/b/a K-Wireless, LLC)))	Docket No. 110101-TP
Application for Designation as an Eligible Telecommunications Carrier in the State of Florida for the Limited Purpose of Offering Lifeline Service to Qualified Households)	

I-WIRELESS, LLC D/B/A K-WIRELESS, LLC
APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS
CARRIER IN THE STATE OF FLORIDA FOR THE LIMITED PURPOSE OF
OFFERING LIFELINE SERVICE TO QUALIFIED HOUSEHOLDS

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April 14, 2011

DOCUMENT NUMBER-DATE

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TABLE OF CONTENTS

I.	INTE	RODUC	CTION	I		
II.	I-WI	WIRELESS' UNIVERSAL SERVICE OFFERING				
	A.	Com	pany Overview	2		
	В.	Prop	osed Lifeline Plans	3		
	C.	Plan	Enrollment	7		
	D.	Prev	ention of Waste, Fraud and Abuse	7		
III.		THE COMMISSION HAS JURISDICTION TO DESIGNATE WIRELESS ETCS				
	A.		ETC Designation Request Is Consistent with Recent Commission edent	10		
IV.		I-WIRELESS SATISFIES THE REQUIREMENTS FOR DESIGNATION AS AN ETC				
	A.	i-wir	reless Will Provide Service Through Resale	11		
	B.	i-wir	reless Is a Common Carrier	12		
	C.	i-wir	reless Will Provide All Required Services and Functionalities	12		
		1.	Voice Grade Access to the Public Switched Telephone Network	13		
		2.	Local Usage	13		
		3.	Dual Tone Multi-Frequency Signaling or its Functional Equivalent	13		
		4.	Single-Party Service or its Functional Equivalent	13		
		5.	Access to 911 and E911 Emergency Services	13		
		6.	Access to Operator Services.	14		
		7.	Access to Interexchange Service.	14		
		8.	Access to Directory Assistance	14		
		9.	Toll Limitation for Qualified Low-Income Customers.	14		
	D.	i-wii	reless Will Advertise the Availability of Supported Services	15		
	E.		reless Requests Designation Throughout its Service Area in ida	16		
	F.		rice Commitment Throughout the Proposed Designated Service	17		
	G.	Five	-Year Network Improvement Plan	17		
	H.	Abil	ity to Remain Funcional in Emergency Situations	18		
	I.	Com	nmitment to Consumer Protection and Service Quality	18		

	J.	Local Usage/Rate Plans	19
	K.	Equal Access Requirement	20
	L.	i-wireless Will Comply with the Lifeline Certification and Verification Requirements in 47 C.F.R. § 54.410	20
	M.	i-wireless Will Comply With All Regulations Imposed By The Commission	20
V.		GNATION OF I-WIRELESS AS AN ETC WOULD PROMOTE THE LIC INTEREST	21
	A.	The Benefits of Competitive Choice	24
	B.	Impact on the Universal Service Fund	25
VI.	ANT	I-DRUG ABUSE CERTIFICATION	25
VII.	CON	CLUSION	26

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TABLE OF EXHIBITS

Certification of Patrick McDonough, Vice President, i-wireless, LLC	<u>Exhibit</u> 1
Proposed Lifeline Rates	
i-wireless Forbearance Order	
i-wireless, LLC's Compliance Plan	
911 Statement from Sprint	5
Sample Lifeline Advertisement & Creative Brief	6
2009 Lifeline Participation Rates by State and FCC News Release	7
Wire Centers	8

BEFORE THE FLORIDA PUBLIC UTILITY COMMISSION

In the Matter of i-wireless, LLC d/b/a K-Wireless, LLC)))	Docket No. 110101-TP
Application for Designation as an Eligible)	
Telecommunications Carrier in the State of Florida)	
for the Limited Purpose of Offering Lifeline Service)	
to Qualified Households)	

I-WIRELESS, LLC D/B/A K-WIRELESS, LLC APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF FLORIDA FOR THE LIMITED PURPOSE OF OFFERING LIFELINE SERVICE TO QUALIFIED HOUSEHOLDS

I. INTRODUCTION

i-wireless, LLC d/b/a K-Wireless, LLC ("i-wireless" 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 and Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),² and Section 364.10 of Florida Statutes, hereby applies to the Florida Public Utility Commission ("Commission") for Designation as an Eligible Telecommunications Carrier ("ETC") in the State of Florida. i-wireless seeks ETC designation solely to provide Lifeline service to qualifying Florida households; it will not seek access to funds from the federal Universal Service Fund ("USF") for the purpose of providing service to high cost areas.³ As demonstrated herein, and as certified in Exhibit 1 to this Application, i-

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¹ 47 U.S.C. § 214(e)(2)

² 47 C.F.R. §§ 54.101-54.207.

³ Given that i-wireless only seeks Lifeline 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 i-wireless. i-wireless does not seek ETC designation for the purposes of participating in the Link Up program.

wireless meets all the statutory and regulatory requirements for designation as an ETC in the State of Florida. Exhibit 1 also contains an Affidavit attesting that i-wireless will follow all Florida Statutes, Florida Administrative Rules, Florida PSC Orders, Federal Communication Commission (FCC) rules, FCC Orders, and regulations contained in the Telecommunications Act of 1996 regarding Universal Service, ETCs, and Lifeline. Rapid grant of i-wireless' request, moreover, would advance the public interest because it would enable the Company to commence much needed Lifeline services to low-income Florida residents as soon as possible. Accordingly, the Company respectfully requests that the Commission expeditiously approve this application for ETC designation.

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

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II. I-WIRELESS' UNIVERSAL SERVICE OFFERING

A. Company Overview

i-wireless is a North Carolina Limited Liability Company.⁴ Its principal office is located at 1 Levee Way, Suite 3104, Newport, Kentucky 41071. i-wireless is a reseller of commercial mobile radio service ("CMRS") throughout the United States. i-wireless provides prepaid wireless telecommunications services to consumers by using the Sprint Nextel ("Sprint") network on a wholesale basis to offer nationwide service. i-wireless obtains from Sprint the network

⁴ i-wireless was organized in the State of North Carolina on September 7, 2006.

infrastructure and wireless transmission facilities to allow i-wireless to operate as a Mobile Virtual Network Operator ("MVNO").

i-wireless' prepaid wireless services that are affordable and easy to use are 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. i-wireless 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 other, similar MVNOs' customers, i-wireless 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. i-wireless does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service. i-wireless allows customers to choose a prepaid plan in which they are charged only for the minutes they use.

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

B. i-wireless' Universal Service Offering

i-wireless has the ability to provide all services and functionalities 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 Florida. i-wireless will provide Lifeline service to qualifying customers requesting this service throughout Florida pursuant to the universal service program and in accordance with 47 C.F.R. § 54.202(a)(1).

i-wireless intends to be a leader in the prepaid marketplace by offering consumers exceptional value and competitive amounts of voice usage at all price points. The Company has branded its Lifeline offering as "Access Wireless." The Company's Lifeline service offering will provide customers with the same features and functionalities enjoyed by all other i-wireless prepaid customers, with one notable exception: prepaid Lifeline services will be free of charge. Attached hereto as Exhibit 2 is a table of i-wireless' proposed Lifeline service offering, showing that eligible customers will have three (3) Lifeline Plan choices:⁵

- 1. 150 Anytime Minutes Plan. Under the 150 Anytime Minute Plan, eligible customers enjoy a free handset, 150 anytime minutes, rollover minutes, free incoming text messages, and free customer care calls.
- 250 Anytime Minutes Plan. Under this Plan, eligible customers receive a free
 handset and 250 anytime minutes. Customers will not qualify for the perks listed
 above, forgoing these for the higher level of minutes.
- 3. \$15 Retail Discount Plan. The third option allows Lifeline eligible customers to choose from any i-wireless monthly retail plan⁶ at a \$15 discount. Under this \$15 Retail Discount Plan, a customer can, for example, pay \$10 additional per month and receive 200 anytime minutes, unlimited text messaging and 200 megabytes of data, plus all of the perks listed under the 150 minute plan.

⁵ i-wireless expects that the Company's Lifeline service offering may change as the wireless market evolves. As such, the Company requests that the Commission's grant of ETC designation provide it with the requisite authority to modify the parameters of the offering as marketplace conditions develop. i-wireless has an application pending with the FCC for ETC designation in Alabama, Connecticut, Delaware, District of Columbia, New Hampshire, New York, North Carolina, Tennessee and Virginia; and has applications for ETC designation pending in Arizona, Arkansas, California, Colorado, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Michigan, New Jersey, Ohio, Oregon, Pennsylvania, South Carolina, Utah, Washington and West Virginia; no such petitions have been denied.

⁶ Except a Text Only Plan.

Customers can change their plan on their monthly plan date, without penalty, should they determine that another plan better meets their needs or if their needs change. i-wireless does not impose burdensome credit checks, long-term service contracts, or roaming charges. Furthermore, i-wireless does not assess charges for activation or connection of service, and the 150 and 250 minute plans include all applicable taxes and fees; thus, Lifeline customers are able to receive free service with no additional charges for taxes or activation. Minutes are credited to a customer's account at the beginning of every 30-day cycle, which is initiated on their Lifeline activation date. A customer's handset does not have to be "on" to receive minutes, as i-wireless' operations are system-based, not handset-based. Customers may place calls to 911 for free, even if there are no minutes remaining on their account.

Lifeline customers will receive an E911-compliant wireless handset at no charge, and i-wireless intends that all handsets will be data-capable, high quality refurbished phones. i-wireless' market research of the Lifeline-eligible consumer suggests that they prefer a feature-rich, high-end refurbished phone to a new phone that has less to offer. These phones come with a one year manufacturer warranty, and may be replaced at no charge annually, if necessary, or upon handset malfunction. With phones that are data-capable, i-wireless customers are able to interface with online customer service and check the balance of their minutes for free at anytime, regardless of their service plan.

In addition to voice services, prepaid Lifeline customers also will have access to voice mail, caller I.D. and call waiting services at no additional charge. Customers are not bound by a local calling area requirement; all i-wireless plans come with domestic long distance at no extra charge. Customers cannot incur unexpected roaming charges because i-wireless' services are

⁷ Handsets may be replaced for a nominal fee if the customer is at fault.

available exclusively in areas covered by the Nationwide Sprint Network, which covers 275 million people. Unlike many carriers, i-wireless does not decrement minutes for incoming text messages, balance inquiries, or calls placed to customer service, and unused minutes carry over to the following month. i-wireless Lifeline customers will have access to the same exceptional customer care provided to retail customers. The Company contracts with a high quality, U.S. domestic customer care group whose hold time is among the lowest in the prepaid wireless industry. Therefore the benefits with i-wireless in regards to customer service are three-fold: service standards are high, wait times are low, and minutes of use do not count against a customer's account balance.

Furthermore, through i-wireless' partnership with The Kroger Co. ("Kroger"), the nation's largest grocery retail chain and the second largest retailer overall, low-income consumers are able to purchase additional airtime cards at local stores in neighborhoods where many Lifeline-eligible customers reside. i-wireless has existing relationships with over 2,200 such Kroger retailers across the United States and has plans to expand this reach. Currently, i-wireless has partnerships with 99 Kroger-owned stores in Florida (branded "Tom Thumb"). This innovative distribution model is more practical and convenient for potential Lifeline customers than other mechanisms, because it allows customers to obtain service and minutes without the expense and trouble of traveling to retail locations outside their neighborhoods or to having

⁸ These "perks" are not available on the 250-minute plan, as outlined in Exhibit 2. Exhibit 2 also details the amount of eligible carry over minutes for each plan.

⁹ The Kroger Co. has a 50% ownership interest in i-wireless.

¹⁰ Airtime cards are sold in denominations of \$10, \$20 and \$50. Additional airtime may also be purchased over the phone (by calling the IVR or through customer care interface) or online. i-wireless sends low and depleted balance alerts in the form of a free text message to the customer, and also alerts the customer through a free text message when minutes have been added to their account.

access to a computer to go online. i-wireless' distribution arrangement will therefore advance the Commission's goals of increasing awareness of and participation in the Lifeline program.

C. Plan Enrollment

Customers interested in obtaining information on the Lifeline program will be directed to a toll-free telephone number and to i-wireless' Access Wireless website, which will contain information regarding the Company's Lifeline service plan, including a detailed description of the program and state-specific eligibility criteria. Customers may then request that a Lifeline enrollment form be mailed to them, or they can download a form from the internet. Applicants must complete the enrollment form, which will include a place where applicants must attest and certify under penalty of perjury that they satisfy the requisite eligibility criteria (program or income based). In addition, each applicant is required to certify under penalty of perjury, at the time of application and annually thereafter, that they are head of their household and receive Lifeline-supported service only from i-wireless. The applicant must return the signed enrollment form and all supporting documentation to the address provided by i-wireless. Processing of consumers' applications, including review of all application forms and relevant documentation, will be performed under i-wireless' supervision by managers experienced in the administration of the Lifeline program.

D. Prevention of Waste, Fraud and Abuse

i-wireless recognizes the importance of safeguarding the USF. Therefore, the Company has implemented the following 60-day non-usage policy in an effort to avoid waste, fraud, and abuse of the program. If no usage appears on an i-wireless Lifeline customer's account during any continuous 60-day period, i-wireless will promptly notify the customer that the customer is no longer eligible for i-wireless Lifeline service subject to a 30-day grace period. During the 30-

day grace period, the customer's account will remain active, but i-wireless will engage in outreach efforts to determine whether the customer desires to remain on the Company's Lifeline service. If the customer's account does not show any customer-specific activity during the grace period (such as making or receiving a voice call, receiving or sending a text message, downloading data or adding money to the account), i-wireless will promptly deactivate Lifeline services and cease to seek reimbursement from the USF for that customer. Customers that have been deactivated may participate in the Company's Lifeline service in the future by reapplying and re-establishing eligibility.

i-wireless believes that the first line of defense against fraud and abuse is to partner with high quality channels and organizations. By emphasizing the social benefits of the program and partnering with those focused on the benefits to their constituents, the Company believes that it can avoid potential misuse of the program. To further protect the integrity of the USF, i-wireless has contracted with: (a) Solix, a well-known, experienced and reputable firm in the USF industry, to assist in reviewing customer applications and verifying eligibility, and to ensure that i-wireless is in compliance with federal and state regulations at all times; and (b) CGM, LLC of Roswell, Georgia, a lifeline service bureau, to edit all subsidy request data. CGM will process and validate i-wireless' subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from i-wireless 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. Through the processes described above, i-wireless 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. 11 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 service or any private mobile service, this prohibition does not allow states to deny wireless carriers ETC status. 12 Therefore, the Commission has the authority to designate iwireless 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. 13 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). i-wireless 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, on April 1, 2009, i-wireless filed with the FCC a petition requesting that the FCC exercise its forbearance authority under Section 10 of the Act (47 U.S.C. § 160) with respect to the facilities-based service requirement. ¹⁴ The FCC granted the Petition for Forbearance for the purposes of participating in the Lifeline program in an Order

^{11 47} U.S.C. § 214(e)(2).

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

¹³ See i.e., In re: Application for Designation as an Eligible Telecommunications Carrier (ETC) by TracFone Wireless, Inc. for Limited Purpose of Offering Lifeline Services to Qualified Households, Notice of Proposed Agency Action Order Granting Eligible Telecommunications Status, Order No. PSC-08-0418-PAA-TP (rel. June 23, 2008) ("TracFone ETC Order"); See also In re: Petition for Limited Designation as an Eligible Telecommunications Carrier (ETC) by Virgin Mobile U.S.A., L.P., Notice of Proposed Agency Action Order Granting Eligible Telecommunications Status, Order PSC-10-0323-PAA-TP (rel. May 19, 2010) ("Virgin Mobile ETC Order").

¹⁴ See i-wireless, LLC Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A), CC Docket No. 96-45, filed Apr. 1, 2009, ("Petition for Forbearance").

dated June 25, 2010.¹⁵ 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 *i-wireless Forbearance Order* and, therefore, may not apply the facilities-based requirement to i-wireless. Therefore, the Commission has the authority under Section 214(e)(2) of the Act to grant i-wireless' request for designation as an ETC throughout the State of Florida.

A. The ETC Designation Request Is Consistent with Recent Commission Precedent

i-wireless' request for ETC designation to participate in the Lifeline program is consistent with the Commission's recent designation of Virgin Mobile as an ETC.¹⁶ 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. i-wireless requests that the Commission expeditiously process its ETC Application so that it can quickly commence providing qualifying low-income Florida households with affordable USF-supported wireless services during these challenging economic times for all state residents. Designation of i-wireless as an ETC would further competition for wireless Lifeline services and would offer Lifeline-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.

Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A), Order, FCC 10-117 (rel. June 25, 2010) ("i-wireless Forbearance Order"). A copy of the i-wireless Forbearance Order is attached hereto as Exhibit

¹⁶ See Virgin Mobile ETC Order.

IV. I-WIRELESS 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.¹⁷ 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. Applicants also must commit to advertise the availability and rates of such services.¹⁸ As detailed below, i-wireless satisfies each of the above-listed requirements.

A. i-wireless Will Provide Service Through Resale

In the *i-wireless Forbearance Order*, The FCC conditionally granted i-wireless' *Petition* for Forbearance from the facilities requirement, "given the importance of public safety and in light of the fact that a Lifeline ETC is generally a low-income customer's only connection to the public switched telephone network." The FCC further explained that "requiring a Lifeline provider to own the facilities it uses to offer service does not necessarily further the statutory goal of the low-income program."

The FCC specifically conditioned its grant of forbearance on i-wireless as follows:

(a) i-wireless providing its Lifeline customers with basic 911 and enhanced 911 ("E911") access regardless of activation status and availability of prepaid

¹⁷ USF Order, at 8858-59, ¶ 145.

¹⁸ See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

¹⁹ i-wireless Forbearance Order ¶ 11.

²⁰ *Id.* ¶ 15.

minutes; (b) i-wireless providing its new Lifeline customers with E911-compliant handsets and replacing, at no additional charge to the customer, noncompliant handsets of existing customers who obtain Lifeline-supported service; (c) i-wireless complying with conditions (a) and (b) as of the date it provides Lifeline service; (d) i-wireless obtaining a certification from each Public Service Answering Point ("PSAP") where i-wireless seeks to provide Lifeline service confirming that i-wireless provides its customers with 911 and E911 access or self-certifying that it does so if certain conditions are met; (e) i-wireless requiring each customer to self-certify at time of service activation and annually thereafter that he or she is the head of household and receives Lifeline-supported service only from i-wireless; (f) i-wireless establishing safeguards to prevent its customers from receiving multiple i-wireless Lifeline subsidies at the same address, and (g) i-wireless dealing directly with the customer to certify and verify the customer's Lifeline eligibility. The FCC required i-wireless to submit a plan describing the measures it would take to implement each of these conditions.²¹

In accordance with the *i-wireless Forbearance Order*, i-wireless filed its compliance plan with the FCC on July 26, 2010. In that compliance plan, i-wireless described how it would comply with each of the FCC's stated conditions. A copy of its compliance plan is attached to this Application as Exhibit 4. i-wireless commits to providing Lifeline service in Florida in accordance with the compliance plan.

B. i-wireless Is a Common Carrier

CMRS resellers like i-wireless are treated as common carriers for regulatory purposes.²²

C. i-wireless Will Provide All Required Services and Functionalities

i-wireless offers, or will offer upon designation as an ETC in Florida, all of the services and functionalities required by Section 54.101(a)(1)-(9) and Section 54.202(a) of the FCC's Rules (47 C.F.R. § 54.101(a) and 47 C.F.R. § 54.202(a)) including the following:

²¹ See Id. ¶ 16.

²² 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.") (emphasis added).

1. Voice Grade Access to the Public Switched Telephone Network

i-wireless provides voice grade access to the public switched telephone network ("PSTN") through the purchase of wholesale CMRS services from Sprint. Bandwidth for this voice-grade access is at minimum between 300 and 3,000 MHz as required by FCC rules.²³

2. Local Usage

"Local usage" means an amount of minutes of use of exchange service, prescribed by the FCC, provided free of charge to end users. i-wireless offers a variety of rate plans that provide its customers with local usage capabilities included within the flat per minute or per month rate.

3. Dual Tone Multi-Frequency Signaling or its Functional Equivalent

i-wireless provides dual tone multi-frequency ("DTMF") signaling to expedite the transmission of call set up and call detail information throughout the network. All wireless handsets offered for sale by the Company are DTMF-capable.

4. Single-Party Service or its Functional Equivalent

"Single-party service" means that only one party will be served by a subscriber loop or access line during a telephone transmission. i-wireless provides single party service to its customers for the duration of each telephone call, and does not provide multi-party (or "party-line") services.

5. Access to 911 and E911 Emergency Service

i-wireless provides 911 and E911 access for all of its customers.²⁴ i-wireless also complies with the FCC's regulations governing the deployment and availability of E911 compatible handsets. In particular, the Company will fully comply with the FCC's E911

²³ See 47 U.S.C. § 54.101(a)(1).

²⁴ See attached Exhibit 5 for a statement from Sprint regarding the routing of 911 calls from i-wireless customers.

requirements applicable to wireless resellers.²⁵ As stated previously, i-wireless will provide access to emergency services consistent with the requirements set forth in the *i-wireless* Forbearance Order.²⁶

6. Access to Operator Services

i-wireless offers all of its customers access to operator services, in accordance with the FCC's requirements.

7. Access to Interexchange Service

i-wireless' service provides its customers with the ability to make interexchange, or long distance, telephone calls. In fact, interexchange calls are included in i-wireless' service with no additional charge.

8. Access to Directory Assistance

All i-wireless customers are able to dial "411" to reach directory assistance services from their wireless handsets.

9. Toll Limitation for Qualified Low-Income Customers

Toll limitation allows customers to block the completion of outgoing long distance calls to prevent them from incurring significant long distance charges and risking disconnection. As described above, i-wireless provides its wireless service on a prepaid, or pay-as-you-go, basis. i-wireless' service, moreover, is not offered on a distance-sensitive basis and minutes are not charged separately for local or domestic long distance services. Customers also must specifically authorize access for international services, for which additional charges may apply. As the FCC found in its grant of ETC designation to Virgin Mobile, "the prepaid nature of [a prepaid

²⁵ See Revision of the Commission's Rules to Ensure Compatibility With Enhanced 911Emergency Calling Systems, Report and Order- and Second Further Notice of Proposed Rulemaking, 18 FCC Rcd 25340 (2003).

²⁶ See i-wireless Forbearance Order ¶ 11.

wireless service provider's] service offering works as an effective toll control."²⁷ The nature of i-wireless' service, therefore, mitigates any concerns that low-income customers will incur significant charges for long distance calls resulting in disconnection of their service.

D. i-wireless Will Advertise the Availability of Supported Services

i-wireless will broadly advertise the availability and rates for the services described above using media of general distribution as required by Section 54.201(d)(2) of the FCC's regulations and the rules adopted by this Commission.²⁸ The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline services, promoting the availability of cost-effective wireless services to this neglected consumer segment.

i-wireless will utilize its network of Kroger-owned stores to help promote the availability of its Lifeline plans. i-wireless will make use of printed advertisements and signage in the 99 Tom Thumb convenience stores throughout the state. ²⁹ Given these existing relationships with low-income consumers, i-wireless expects to be able to inform consumers of the availability of Lifeline service in a manner that will result in significantly higher participation in the Lifeline program by qualified consumers than has been the case in the past.

Though Kroger-owned stores will be a primary point of contact with consumers and a dynamic source for advertising the Lifeline program, i-wireless will also seek to reach eligible consumers outside of its Kroger footprint. Consumers are not required to visit a Kroger-owned store – they will be made aware of a toll free number and website whereby they can apply for the Company's Lifeline program. i-wireless intends to advertise its Lifeline service using printed

²⁷ See Federal-State Joint Board on Universal Service; In the Matter of Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A); Petitions for Designation as an Eligible Telecommunications Carrier in the States of New York, North Carolina, Pennsylvania, Tennessee and Virginia, Order, FCC 09-18 (rel. March 5, 2009)("Virgin Mobile Order"), 24 FCC Rcd at 3394 ¶ 34.

²⁸ See 47 C.F.R. § 54.201.

²⁹ See attached Exhibit 6 for a sample advertisement and the Lifeline creative brief being used to develop additional advertising collateral.

advertisements, billboards and public transit signage. i-wireless will also promote the availability of its Lifeline offerings by distributing brochures at various state and local social service agencies, and intends to partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline services.

Statistics suggest that there are many eligible customers who are not yet aware of the programs. According to the best data available to the Company, as of December 31, 2009, only between 20-50% of consumers eligible for Lifeline Services in the State of Florida were being provided such services.³⁰ i-wireless believes that its advertising and outreach efforts detailed above will result in increased participation in the Lifeline program.

E. i-wireless Requests Designation Throughout Its Service Area in Florida

i-wireless is not a rural telephone company as defined in Section 153(37) of the Act (47 U.S.C. § 153(37)). Accordingly, i-wireless is required to describe the geographic area(s) within which it requests designation as an ETC. i-wireless requests designation as an ETC throughout its entire service area in Florida, which is wherever Sprint has coverage.³¹ i-wireless understands that its service area may overlap with rural carriers in Florida, 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 households. It does not seek and will not accept high cost support. Therefore, its designation as an ETC will cause no growth in the high cost portions of the USF

³⁰ See attached Exhibit 7, 2009 Lifeline Participation Rates by State, which was obtained from the Universal Service Administrative Company ("USAC"), an independent not-for-profit corporation designated as the administrator of the federal Universal Service Fund by the FCC. USAC administers Universal Service Fund (USF) programs for high cost companies serving rural areas, low-income consumers, rural health care providers, and schools and libraries. Also attached is an FCC News Release dated September 14, 2009.

³¹ See attached Exhibit 8 for a list of AT&T, Verizon, and CenturyLink wire centers in which i-wireless seeks ETC Designation. i-wireless does not seek designation below the study area level of a rural telephone company, therefore a creamskimming analysis is unnecessary.

and will not erode high cost support from any rural telephone company. In fact, the FCC has determined that "[d]esignation of competitive ETCs promotes competition and benefits consumers in rural and high-cost areas by increasing customer choice, innovative services, and new technologies." The Commission may designate i-wireless as an ETC in non-rural areas that i-wireless serves without redefining the service areas of non-rural telephone companies. The Commission may designate i-wireless as an ETC in rural telephone company service areas upon a finding that such designation would serve the public interest. 33

F. Service Commitment Throughout the Proposed Designated Service Area

i-wireless provides service in Florida by reselling service which it obtains from its underlying facilities-based provider. The provider's network is operational and largely built out. Thus, i-wireless will be able to commence offering its Lifeline service to all locations served by its underlying carrier very soon after receiving approval from the Commission. Therefore, i-wireless will be able to provide Lifeline service to all qualified customers on a timely basis or within a reasonable period of time in accordance with 47 C.F.R. § 54.202(a)(1). i-wireless further commits to provide service throughout its proposed ETC-designated service area to all customers making a reasonable request for service, as required in 47 C.F.R. § 54.202(a)(1)(i).

G. Five-Year Network Improvement Plan

Under FCC guidelines, an ETC applicant must submit a five-year plan that describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis throughout its proposed designated service area. This guideline has no application where an applicant's requested ETC serving territory would qualify it to receive no

³² See Western Wireless Corporation Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming, Memorandum Opinion and Order, 16 FCC Rcd 48, 55 (2000).

³³ See 47 C.F.R. § 54.207(c).

"high cost" USF support, but only "low income" USF support. Because i-wireless seeks ETC designation solely for purposes of reimbursement for provision of subsidized Lifeline services to eligible customers, submission of a Five-Year Network Improvement Plan is not required. Since Lifeline support is designed to reduce the monthly cost of telecommunications services for eligible consumers, is distributed on a per-household basis and is directly reflected in the price that the eligible customer pays, it is assured that all support received by the carrier is used to provide Lifeline services to consumers, thus promoting Lifeline and the availability of telephone service to low income users, which is clearly in the public interest.

H. Ability to Remain Functional in Emergency Situations

In accordance with 47 CFR §54.202(a)(2), i-wireless, through its underlying carrier, has the ability to remain functional in emergency situations. Through its agreement with Sprint, i-wireless provides to its customers the same ability to remain functional in emergency situations as currently provided by Sprint to its own customers, including access to a reasonable amount of back-up power rerouting of traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

I. 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.³⁴ The Company commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. Specifically, i-wireless commits to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service. As a reseller, i-wireless' service is of the same quality and reliability as that of its underlying carrier.

³⁴ See 47 C.F.R § 54.202(a)(3).

J. Local Usage/Rate Plans

An applicant for ETC designation must demonstrate that it offers a local usage plan that is "comparable" to the plan offered by the ILEC in the relevant service territory.³⁵ In analyzing whether an ETC applicant's plan is comparable to the underlying ILEC's, the FCC reviews all aspects of the plan on a case-by-case basis, including the nature of the supported service, the size of the local calling area, the inclusion of additional services (e.g., caller I.D., etc.) and the amount of local usage.³⁶ The FCC has determined that a carrier satisfies the local usage requirements when it offers customers rate plans containing varying amounts of local usage.³⁷

i-wireless' proposed Lifeline offering fully complies with the local usage requirements established by the FCC. i-wireless offers a variety of rate plans that provide its customers with local usage capabilities in the form of monthly plans, unlimited plans or pay-per-use plans—without the burden of contracts, activation fees or roaming charges. Similar to ILEC Lifeline offerings, i-wireless customers will have the option to apply the Lifeline discount to the Company's retail rate plans and will have the option for unlimited local calling. Not only will i-wireless' offering be comparable to the underlying ILEC plans, but it also will exceed them in several respects. i-wireless will offer customers a certain amount of service free of charge. In contrast to the ILEC plans, which contain relatively small local calling areas, i-wireless customers can use these free minutes to place calls statewide (or even nationwide) because i-wireless does not constrict customers' use by imposing a local calling area requirement. i-wireless will also provide Lifeline customers with access to voice mail, caller I.D., call waiting

^{35 47} C.F.R. § 54.202(a)(4).

³⁶ See Federal-State Joint Board on Universal Service, Report and Order, 20 FCC Rcd 6371, 6385 (2005).

³⁷ See e.g., Farmers Cellular, Inc., CC Docket No. 96-45, Memorandum Opinion and Order, 18 FCC Rcd 3848, 3852 ¶ 9 (2003); Pine Belt Cellular, Inc. and Pine Belt PCS, Inc., CC Docket No. 96-45, Memorandum Opinion and Order, 17 FCC Rcd 9589, 9593 ¶ 10 (2002); Western Wireless Corp., Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming, CC Docket No. 96-45, Memorandum Opinion and Order, 16 FCC Rcd 48, 52 ¶ 10 (2000).

services and E911 capabilities at no cost.

K. Equal Access Requirement

The FCC's Rules also require an applicant for ETC status to provide a certification that it acknowledges that the FCC may require it to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area (47 C.F.R § 54.202(a)). i-wireless acknowledges that it may be required to provide equal access to long distance carriers within its designated service area, and will abide by such a requirement.

L. i-wireless Will Comply with the Lifeline Certification and Verification Requirements in 47 C.F.R. § 54.410

Section 54.410 of the FCC's Rules requires ETCs to certify and verify a Lifeline customer's initial and continued eligibility. i-wireless will certify and verify consumer eligibility in accordance with the FCC's requirements and with applicable Commission rules governing certification and verification of Lifeline eligibility. i-wireless has contracted with Solix, a company that is very experienced in Lifeline program rules and regulations, to ensure that it is in compliance at all times.

M. i-wireless Will Comply With All Regulations Imposed By The Commission

By this Application, i-wireless hereby asserts its willingness and ability to comply with all rules and regulations that the Commission may lawfully impose upon the Company's provision of service contemplated by this Application, including Florida Statutes, Florida Administrative Rules, and Commission Orders. Upon Commission request, i-wireless is prepared to answer questions or present additional testimony or other evidence about its services within the state. To the best of i-wireless' knowledge, its account is current with the FCC in regards to regulatory fees, and its account is current with USAC in regards to universal service contributions. The Company is aware that there may be an audit of the use of universal service

funds and that the eligible telecommunications service designation is reviewed annually by state commissions. To the best of the Company's knowledge, it has no outstanding complaints at the FCC. i-wireless commits to use federal universal service support only for the provision of services for which the support is intended. i-wireless also commits to provide the following in regards to its designation as an ETC in Florida:

- Certification from all applicable PSAPs in Florida, confirming that i-wireless provides its
 customers with access to basic and E911 service (i-wireless is allowed to self certify
 compliance with the 911 and E911 availability if, within 90 days of i-wireless' request, a
 PSAP has not provided the certification nor made an affirmative finding that i-wireless
 does not provide its customers with access to 911 and E911 service within the PSAP's
 service area);
- E911 compliant handsets will be provided to i-wireless' new Lifeline customers and i-wireless will replace any non-compliant handsets at no charge for its existing customers who are approved as Lifeline customers;
- Each Lifeline customer shall receive a minimum of 150 free anytime minutes each month or the equivalent of a \$15.00 discount on i-wireless' retail plans (excluding text-only plans);
- Self-certification of i-wireless Lifeline customers under penalty of perjury once service has been activated. In addition to the Commission's annual Lifeline verification eligibility requirement, annual certification verifying that the head of household is only receiving Lifeline discounts from i-wireless;
- Tracking of Lifeline customer's primary residential address and certification that there is only one customer receiving i-wireless Lifeline at each residential address;
- i-wireless will deal directly with its customers who do not utilize the Lifeline Automatic Enrollment function, to certify and verify Lifeline eligibility;
- Submission of a quarterly report showing the number of customers who have been deactivated for not having any activity on their phone in a 60-day period, not passing annual verification, and voluntarily being deactivated; and
- If i-wireless should decide in the future to seek High Cost universal service funds, it shall file a petition and make a showing that it would be in the public interest to grant such a request.

V. DESIGNATION OF I-WIRELESS 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.³⁸ There is no question that designation of i-wireless as an ETC in Florida will further the public interest by providing Florida consumers, especially low-income consumers, with lower prices and higher quality services. Many low-income customers in Florida 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 i-wireless as an ETC would significantly benefit low-income consumers eligible for Lifeline services in the State of Florida—the intended beneficiaries of universal service.

i-wireless' 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. i-wireless' Lifeline rate plans will allow feature-rich mobile connectivity for qualifying subscribers through a variety of rate plans 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, contracts, activation fees or roaming charges. i-wireless' Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers.

³⁸ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

i-wireless' proposed Lifeline offering compares favorably with those of other competitive ETCs, but also offer the customer a novel variety of useful options. For example, i-wireless' offer of 150 free minutes is competitive with Tracfone's Safelink service of 125 or 250 minutes, given i-wireless does not charge customers for customer care calls or incoming text messages and allows minutes to rollover. Alternatively, customers can put \$25 (approximately \$27.88 with tax) towards their account and receive unlimited calling. This option compares favorably with Virgin Mobile's Assurance plan whereby customers can add \$20 (plus an undisclosed amount of tax) for 1,000 minutes and 1,000 texts. In addition, customers are offered the flexibility of taking a dollar credit of \$15, in lieu of the minutes, and applying it towards the i-wireless retail plan of their choice.

Most importantly, i-wireless' Lifeline service will provide low-income Florida residents with the convenience and security offered by wireless services—even if their financial position deteriorates. i-wireless' prepaid wireless plans enable consumers to enjoy the benefits of wireless telecommunication without being subject to extensive credit reviews and long-term service commitments, which historically have limited the availability of wireless service to many Americans, including many Floridians. ETC designation in Florida would enable i-wireless to offer appealing and affordable service offerings to low-income Florida customers to ensure that they are able to afford wireless services on a consistent and uninterrupted basis. Without question, prepaid wireless services have become essential for low-income customers, providing them with value for their money, access to emergency services on wireless devices, and a reliable means of contact for prospective employers, social service agencies or dependents. Providing i-wireless with the authority necessary to offer discounted Lifeline services to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

Moreover, grant of i-wireless' Application will serve the public interest in increasing the number of ETCs in Florida. By granting ETC status to i-wireless, the Commission will enable i-wireless to increase the number of Florida residents receiving Lifeline support, thereby increasing the amount of USF money flowing into Florida.

In sum, ETC designation in the State of Florida would enable i-wireless to provide all of the public benefits cited by the FCC in its analysis in the *Virgin Mobile Order*. Namely, i-wireless would provide "increased consumer choice, high-quality service offerings, and mobility," as well as the safety and security of effective 911 and E911 services. 40

A. 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 decades⁴¹ and by the Commission since the early 1980s. Designation of i-wireless as an ETC will promote competition and innovation, as ETCs compete for a finite number of Lifeline-eligible customers, and will spur other carriers to target low-income consumers with service offerings tailored to their needs and to improve their existing networks to remain competitive, resulting in improved services to consumers. 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. Designation of i-wireless as an ETC will help assure that quality services are available at "just, reasonable, and affordable rates" as envisioned in the Act. 42

³⁹ See Virgin Mobile Order, 24 FCC Rcd at 3395 ¶ 38.

⁴⁰ See Id. at 3391 ¶ 23.

⁴¹ See, e.g., Specialized Common Carrier Services, 29 FCC Rcd 870 (1971).

⁴² See 47 U.S.C. § 254(b)(1).

B. Impact on the Universal Service Fund

According to the Joint-Board's most recent monitoring report, Lifeline funding totaled approximately \$974 million in 2009 while high-cost program expenditures amounted to approximately \$4.3 billion—more than four times the amount of Lifeline funding. Although many parties have raised concerns over the growth in the USF's high-cost program, the Lifeline program has triggered no similar outcry. Designation of i-wireless as an ETC in the State of Florida, however, raises no similar concerns and 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. As noted in the FCC's i-wireless Forbearance Order, "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." A new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance [associated with granting i-wireless' Petition for Forbearance] in the context of the Lifeline program outweighs the potential costs."

VI. ANTI-DRUG ABUSE CERTIFICATION

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

⁴³ See Universal Service Monitoring Report, CC Docket 98-202, Tables 2.2 and 3.1 (2010).

⁴⁴ i-wireless Forbearance Order, ¶ 19.

⁴⁵ *Id*.

VII. CONCLUSION

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

WHEREFORE, i-wireless respectfully requests that the Commission promptly designate i-wireless as an ETC in the State of Florida solely for purposes of participating in the Lifeline program.

Respectfully submitted,

s/ Lance J.M. Steinhart

Lance J.M. Steinhart Lance J.M. Steinhart, P.C. 1720 Windward Concourse, Suite 115 Alpharetta, Georgia 30005 (770) 232-9200 (Phone) (770) 232-9208 (Fax)

E-Mail: <u>lsteinhart@telecomcounsel.com</u>

Attorney for i-wireless, LLC d/b/a K-Wireless, LLC

April 14, 2011

EXHIBIT 1

Certification of Patrick McDonough, Vice President, i-wireless, LLC

State of Kentucky)
County of Campbell)

Certification

Personally appeared before the undersigned, an officer duly authorized to administer oaths, Patrick McDonough, who first being duly sworn, deposes and states that he is the Vice President of i-wireless, LLC, Applicant in this application, and has read the same and knows the contents thereof, and confirms that the statements made herein are true to the best of his knowledge and belief.

Patrick McDonough, Vice President

(Notary Seal)

(Signature of person authorized to administer oath)

My Commission Expires: Quy QG. QO19

AFFIDAVIT

State of Kentucky County of Campbell

BEFORE ME, the undersigned authority, appeared Patrick McDonough, who deposed and said:

My name is Patrick McDonough, I am employed by i-wireless, LLC, located at 1 Levee Way, Suite 3104, Newport, Kentucky 41071, as its Vice President and General Manager. I am an officer of the Company and am authorized to give this affidavit on behalf of the Company. This affidavit is being given to support the Eligible Telecommunications Carrier petition filed by my Company with the Florida Public Service Commission (PSC).

Company hereby certifies the following:

- 1. Company will follow all Florida Statutes, Florida Administrative Rules, and Florida PSC Orders relating to Universal Service, Eligible Telecommunications Carriers, and the Florida Link-Up and Lifeline Program.
- 2. Company will follow all FCC rules, FCC Orders, and regulations contained in the Telecommunications Act of 1996 regarding Universal Service, ETCs, Link-Up and Lifeline, and toll limitation service.
- 3. Company agrees that the Florida PSC may revoke a carrier's ETC status for good cause after notice and opportunity for hearing, for violations of any applicable Florida Statutes, Florida Administrative Rules, Florida PSC Orders, failure to fulfill requirements of Sections 214 or 254 of the Telecommunications Act of 1996, or if the PSC determines that it is no longer in the public interest for the company to retain ETC status.
- 4. Company understands that if its petition for ETC status is approved, it will be for limited ETC status to provide Lifeline service only, and the Company will be eligible only to receive low-income support from the Universal Service Fund.
- 5. Company understands that the PSC shall have access to all books of account, records and property of all eligible telecommunications carriers.
- 6. Company agrees that upon request, it will submit to the PSC a copy of Form 497 forms filed with USAC to:

Florida Public Service Commission Division of Regulatory Compliance, Market Practices Section 2540 Shumard Oak Drive Tallahassee, Florida 32303

7. Company understands that in accordance with the Florida Lifeline program, eligible customers will receive a minimum of \$13.50 monthly discount on their phone bill, \$3.50 of

which is provided by the ETC, and \$10.00 of which is reimbursable from the Federal Universal Service Fund.

I am aware that pursuant to Section 837.06 F.S., whoever knowingly makes a false statement

be guilty of a misdemeanor of	Janik M. M. J.	m/ 4/13/2011
	Signature Patrick McDonough Printed Name	Date
	Business Address: 1 Levee Way, Suite 3104 Newport, Kentucky 4107	l
State of Kentick County of Campbell Acknowledged before President of Company who is	e me this 13th day of Apr	ril, 2011, by Patrick McDonough, as Vice produced identification and who did take an
oath.		OTARY PUBLIC
	····	/ictoria Williams
	Personally Produced Identif Type of Identification Pro	

EXHIBIT 2

Proposed Lifeline Rates

Option 1: Lifeline 150 Minutes Plan*

150 anytime minutes per month

(additional usage priced at 10 cent minutes and 10 cent text messages)

Net cost to Lifeline customer: \$0

*includes:

- Free handset
- Free Voicemail, Caller-ID, and call waiting
- Free incoming text messages
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free balance inquiries
- Up to 150 minutes can be rolled over to next month

Option 2: Lifeline 250 Minutes Plan*

250 anytime minutes per month

(additional usage priced at 10 cent minutes and 10 cent text messages)

Net cost to Lifeline customer: \$0

*includes:

- Free handset
- Free Voicemail, Caller-ID, and call waiting
- Free calls to 911 emergency services
- Free balance inquiries

**additional charges apply for:

- incoming text messages (charge per text: 10 cents)
- calls to Customer Service (minutes decrement from customers 250 minutes)

***additional restrictions:

Minutes cannot be rolled over to next month

Option 3: Lifeline \$15 Retail Discount Plan*

Lifeline eligible customers may choose any i-wireless monthly retail plan (excluding text only plans) at a \$15 discount. The following retail monthly plans are available as of February 2011:

Talk Plans (monthly)

- 200 anytime minutes, unlimited text messages, and 200 megabytes of data (web browsing and e-mail on capable phones) (additional usage priced at 10 cent minutes)

 Net cost to Lifeline customer: \$10 (plus applicable taxes and fees)
- 1,000 minutes, unlimited text messages and 500 megabytes of data (web browsing and email on capable phones) (additional usage priced at 10 cent minutes)

 Net cost to Lifeline customer: \$25 (plus applicable taxes and fees)
- Unlimited talk (10 cents per text message; data packs sold separately)

 Net cost to Lifeline customer: \$25 (plus applicable taxes and fees)
- Unlimited talk, unlimited text messages and 2.5 gigabytes of data (web browsing and email on capable phones)

Net cost to Lifeline customer: \$45 (plus applicable taxes and fees)

*includes:

- Free handset
- Free Voicemail, Caller-ID and call waiting
- Free incoming text messages
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free balance inquiries
- Up to 1500 minutes can be rolled over to next month

EXHIBIT 3

i-wireless Forbearance Order

Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of)	
Federal-State Joint Board on Universal Service) CC Docket No. 96-45	
Telecommunications Carriers Eligible for Universal Service Support) WC Docket No. 09-19	∌7
i-wireless, LLC Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A))))	

ORDER

Adopted: June 22, 2010 Released: June 25, 2010

By the Commission:

I. INTRODUCTION

1. In this order, we grant in part and deny in part a petition for forbearance filed by i-wireless, LLC (i-wireless), a prepaid wireless resale provider, requesting that the Commission forbear from the requirement that a carrier designated as an eligible telecommunications carrier (ETC) for purposes of federal universal service support provide services, at least in part, over its own facilities. As a result, i-wireless may seek ETC designation to offer discounted service to qualified low-income consumers through the universal service Lifeline program. i-wireless will be subject to the same conditions that the Commission previously applied to prepaid wireless resellers TracFone Wireless, Inc. and Virgin Mobile USA, L.P. in granting similar requests. The conditions will help to ensure that, if i-wireless is granted ETC designation for the purpose of providing Lifeline service, its low-income consumers have access to 911 and enhanced 911 services and will help to protect the universal service fund against waste, fraud and abuse. However, we deny i-wireless's petition for forbearance for the purposes of participating in the Link Up program because the company has not demonstrated that granting its request satisfies the three-prong statutory test for forbearance.²

II. BACKGROUND

2. Congress directed the Commission to establish the universal service fund to help ensure that "[q]uality services [are] available at just, reasonable, and affordable rates" for consumers throughout the nation, "including low-income consumers." The Commission's Lifeline program furthers this goal by reducing the price of monthly telephone service for low-income consumers, and the Commission's

³ 47 U.S.C. § 254(b)(3).

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¹ i-wireless, LLC Petition for Forbearance, CC Docket No. 96-45 (filed Apr. 1, 2009) (Forbearance Petition). On March 23, 2010, pursuant to section 10(c) of the Act, the Wireline Competition Bureau (Bureau) extended until June 30, 2010, the date on which the Forbearance Petition shall be deemed granted in the absence of a Commission decision that the petition fails to meet the standard for forbearance under section 10(a) of the Act. *i-wireless, LLC Petition for Forbearance*, CC Docket No. 96-45, Order, 25 FCC Rcd 2762 (Wireline Comp. Bur. 2010); 47 U.S.C. § 214(e).

² 47 U.S.C. § 160(a).

Link Up program furthers this goal by reducing the customary connection charge for commencing telephone service at a low-income consumer's principal place of residence.⁴

- 3. The Communications Act of 1934, as amended (the Act), provides that only an entity designated as an eligible telecommunications carrier shall be eligible for universal service high-cost and low-income support. To become an ETC, a common carrier must offer the services supported by the federal universal service support mechanisms "either using its own facilities or a combination of its own facilities and resale of another carrier's services" to each customer in its designated service area. Carriers designated as ETCs generally must participate in the Lifeline and Link Up programs and are reimbursed for the revenues foregone through their participation in these programs.
- 4. The Commission has granted two petitions for forbearance from the facilities requirement for ETC designation in section 214(e) of the Act. In 2005, the Commission forbore from applying the facilities requirement to TracFone Wireless, Inc. (TracFone), a wireless reseller, insofar as TracFone sought ETC designation only for the purpose of receiving Lifeline support. Similarly, in 2009, the Commission forbore from applying the facilities requirement to another wireless reseller, Virgin Mobile USA, L.P. (Virgin Mobile). In both orders, the Commission conditioned forbearance on the carriers' meeting certain obligations upon being designated as an ETC that are tailored to the concerns arising from each carrier's lack of facilities and proposed service offering.

⁴ Through the Lifeline program, low-income consumers may receive discounts of up to \$13.50 off the monthly cost of telephone service, with the federal program reimbursing the ETC up to \$10 each month. 47 C.F.R. § 54.401(a)(2). In tribal areas, the federal program reimburses ETCs up to an additional \$25 each month. 47 C.F.R. § 54.405(a)(4). Through the Link Up program, low-income consumers may receive discounts of up to \$30 off the connection charge. 47 C.F.R. § 54.411(a)(1). In tribal areas, low-income consumers may receive up to an additional \$70 off the connection charge. 47 C.F.R. § 54.411(a)(3).

⁵ 47 U.S.C. § 254(e). A carrier need not be an ETC to participate in the schools and libraries or rural health care universal service programs. 47 U.S.C. § 254(h)(1)(A) and (B)(ii); see Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Report and Order, 12 FCC Red 8776, 9015, para. 449 (1997) (Universal Service First Report and Order) (subsequent history omitted); Federal-State Joint Board on Universal Service, CC Docket No. 96-46, Fourteenth Order on Reconsideration, 14 FCC Red 20106, 20114–15, para. 19 (1999) (Fourteenth Order on Reconsideration).

⁶ 47 U.S.C. § 214(e)(1); 47 C.F.R. § 54.201(d)(1). Because a carrier need not be an ETC to participate in the schools and libraries or rural health care universal service programs, a carrier need not offer service over its own facilities to receive support from those programs. *See supra* note 5.

⁷ See 47 C.F.R. § 54.407(b)–(c). ETCs designated for the limited purpose of participating in the Lifeline program, in contrast, may only receive Lifeline support.

⁸ Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), CC Docket No. 96-45, Order, 20 FCC Rcd 15095 (2005) (TracFone Forbearance Order).

⁹ Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A); Petition for Designation as an Eligible Telecommunications Carrier in the State of New York; Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia; Petition for Limited Designation as an Eligible Telecommunications Carrier in the State of North Carolina; Petition for Limited Designation as an Eligible Telecommunications Carrier in the State of Tennessee, CC Docket No. 96-45, Order, 24 FCC Rcd 3381 (2009) (Virgin Mobile Forbearance Order).

¹⁰ Specifically, each carrier must: (1) provide its Lifeline customers with 911 and enhanced 911 (E911) access regardless of activation status and availability of prepaid minutes; (2) provide its Lifeline customers with E911-compliant handsets and replace, at no additional charge to the customer, noncompliant handsets of existing customers who obtain Lifeline-supported service; (3) comply with conditions (1) and (2) as of the date it provides Lifeline service; (4) obtain a certification from each public-safety answering point (PSAP) where the carrier provides Lifeline service confirming that the carrier provides its customers with 911 and E911 access or self-certify that it does so if certain conditions are met; (5) require each customer to self-certify at time of service activation and (continued . . .)

5. *i-wireless Forbearance Petition*. Like Tracfone and Virgin Mobile, i-wireless is a non-facilities-based commercial mobile radio service (CMRS) provider (i.e., a pure wireless reseller) that provides prepaid wireless telecommunications services. On April 1, 2009, i-wireless filed a petition seeking forbearance from the facilities requirement of section 214(e) of the Act so that it may be designated as an ETC and be eligible to receive Lifeline and Link Up low-income support. i-wireless states that its request for forbearance satisfies the statutory requirements and is in the public interest. Further, i-wireless agrees to abide by the conditions imposed on TracFone and Virgin Mobile as part of the Commission's decisions granting those carriers' requests to forbear from the ETC facilities requirement to allow them to receive Lifeline support only.

The Act requires the Commission to forbear from applying any requirement of the Act or

III. DISCUSSION

of our regulations to a telecommunications carrier if and only if the Commission determines that: (1) enforcement of the requirement is not necessary to ensure that the charges, practices, classifications, or regulations by, for, or in connection with that telecommunications carrier are just and reasonable and are not unjustly or unreasonably discriminatory; (2) enforcement of that requirement is not necessary for (continued from previous page) annually thereafter that he or she is the head of household and receives Lifeline-supported service only from that carrier; (6) establish safeguards to prevent its customers from receiving multiple Lifeline subsidies from that carrier at the same address; (7) deal directly with the customer to certify and verify the customer's Lifeline eligibility; and (8) submit to the Wireline Competition Bureau a compliance plan outlining the measures the carrier will take to implement these conditions. See id. at 3386-87, 3392, paras. 12, 26; TracFone Forbearance Order, 20 FCC Rcd at 15098-99, 15104, paras. 6, 19; Federal-State Joint Board on Universal Service; TracFone Wireless, Inc. Petition for Designation as an Eligible Telecommunications Carrier in the State of New York; Petition for Designation as an Eligible Telecommunications Carrier in the State of Florida; Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia; Petition for Designation as an Eligible Telecommunications Carrier in the State of Connecticut; Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Massachusetts; Petition for Designation as an Eligible Telecommunications Carrier in the State of Alabama; Petition for Designation as an Eligible Telecommunications Carrier in the State of North Carolina; Petition for Designation as an Eligible Telecommunications Carrier in the State of Tennessee; Petition for Designation as an Eligible Telecommunications Carrier in the State of Delaware for the Limited Purpose of Offering Lifeline Service to Qualified Households; Petition for Designation as an Eligible Telecommunications Carrier in the State of New Hampshire for the Limited Purpose of Offering Lifeline Service to Qualified Households; Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of

Modification Order).

Pennsylvania for the Limited Purpose of Offering Lifeline Service to Qualified Households; Petition for Designation as an Eligible Telecommunications Carrier in the District of Columbia for the Limited Purpose of Offering Lifeline Service to Qualified Households, CC Docket No. 96-45, Order, 24 FCC Rcd 3375 (2009) (TracFone Forbearance

¹¹ Forbearance Petition at 2.

¹² See Forbearance Petition. On June 5, 2009, the Bureau issued a public notice seeking comment on the Forbearance Petition. Comment Sought on i-wireless, LLC Petition for Forbearance from Eligible Telecommunications Carrier Facilities Requirement, CC Docket No. 96-45, Public Notice, 24 FCC Rcd 7682 (Wireline Comp. Bur. 2009). Comments on the Forbearance Petition were filed by the National Association of State Utility Consumer Advocates (NASUCA) and the National Emergency Number Association (NENA). Reply comments were filed by NASUCA, i-wireless, and the Pennsylvania Public Utility Commission (Pennsylvania Commission). We interpret i-wireless's petition to request forbearance not only from the statutory facilities requirement, 47 U.S.C. § 214(e)(1)(A), but also from our parallel regulatory requirements, 47 C.F.R. § 54.201(d)(1), (i). We have previously read these requirements to have the same scope and purpose as the statutory provision. See Virgin Mobile Forbearance Order, 24 FCC Rcd at 3386–87 n.41.

¹³ Forbearance Petition at 8–13.

¹⁴ Forbearance Petition at 13; *TracFone Forbearance Order*, 20 FCC Rcd at 15098–99, 15104, paras. 6, 19; *Virgin Mobile Forbearance Order*, 24 FCC Rcd 3386–87, 3392, paras. 12, 26.

the protection of consumers; and (3) forbearance from applying that requirement is consistent with the public interest. ¹⁵ As in the *TracFone Forbearance Order* and the *Virgin Mobile Forbearance Order*, we examine the facilities requirement from which i-wireless seeks forbearance in light of the statutory goal of providing low-income consumers with access to telecommunications services and in light of the specific programs in which i-wireless seeks to participate. Because our prior orders have laid the path for examining forbearance requests in the context of the Lifeline program, we first evaluate i-wireless's petition in that context. We then turn to the new issue of whether i-wireless has demonstrated that the statutory requirements for forbearance are met in the context of the Link Up program.

A. Forbearance for Lifeline

- 7. In this section, we evaluate whether i-wireless has met the three-prong statutory test for forbearance to receive Lifeline support. For the reasons provided below, we conditionally grant the request of i-wireless for forbearance from the facilities requirement of section 214(e) for the purpose of seeking ETC designation to provide Lifeline support only.
- 8. Just and Reasonable. As an initial matter, we note that a provision or regulation is "necessary" if there is a strong connection between the requirement and regulatory goal. ¹⁶ Section 10(a)(1) of the Act requires that we consider whether enforcement of the facilities-based requirement of section 214(e) for a pure wireless reseller that seeks ETC designation for Lifeline support only is necessary to ensure that the charges, practices, classifications or regulations are just and reasonable and not unjustly or unreasonably discriminatory. ¹⁷
- 9. As the Commission found in the *TracFone Forbearance Order* and the *Virgin Mobile Forbearance Order*, we conclude that the section 214(e) facilities requirement is not necessary to ensure that i-wireless's charges, practices, and classifications are just and reasonable and not unjustly or unreasonably discriminatory where it is providing Lifeline service only. As a reseller, i-wireless is by definition subject to competition. We expect that i-wireless's Lifeline offerings will compete, at a minimum, with the Lifeline offerings of the incumbent wireline carrier in a given geographic area, and potentially, depending on the states where i-wireless seeks ETC designation, with the offerings of TracFone and Virgin Mobile. We also expect that this competition will spur innovation amongst carriers in their Lifeline offerings, expanding the choice of Lifeline products for eligible consumers. For these reasons, we find that the first prong of section 10(a) is met. In the limited context of Lifeline support, the facilities requirement is not necessary to ensure that i-wireless's charges, practices, and classifications are just and reasonable.
- 10. Consumer Protection. Section 10(a)(2) requires that we consider whether enforcement of the facilities-based requirement of section 214(e) for a pure wireless reseller that seeks ETC designation only for Lifeline support is necessary for the protection of consumers. As in the cases of TracFone and Virgin Mobile, we find that imposing the facilities requirement on i-wireless is not necessary for the protection of consumers so long as the carrier complies with the obligations described below. Specifically, we conclude that forbearance from this provision will benefit consumers. Indeed, if i-wireless is ultimately granted limited ETC status, it would be offering Lifeline-eligible consumers an additional choice of providers for accessing telecommunications services. The prepaid feature may be an

¹⁵ 47 U.S.C. § 160(a)–(b). In making a public interest determination, section 10(b) requires the Commission to consider whether forbearance will promote competitive market conditions.

¹⁶ See CTIA v. FCC, 330 F.3d 502, 512 (D.C. Cir. 2003).

¹⁷ 47 U.S.C. § 160(a)(1); 47 U.S.C. § 214(e).

¹⁸ See TracFone Forbearance Order, 20 FCC Rcd at 15100, para. 12; Virgin Mobile Forbearance Order, 24 FCC Rcd at 3389, para. 20.

¹⁹ See 47 C.F.R. § 54.405(a) (requiring ETCs to offer Lifeline service).

attractive alternative for such consumers who need the mobility, security, and convenience of a wireless phone, but who are concerned about usage charges or long-term contracts.

- 11. Given the importance of public safety and in light of the fact that a Lifeline ETC is generally a low-income customer's only connection to the public switched telephone network, however, we condition this grant of forbearance on i-wireless's compliance with certain obligations upon being designated as an ETC, consistent with the public safety obligations previously imposed on TracFone and Virgin Mobile.²⁰ Specifically, our forbearance is conditioned on i-wireless:
 - (1) providing its Lifeline customers with 911 and enhanced 911 (E911) access regardless of activation status and availability of prepaid minutes;
 - (2) providing its Lifeline customers with E911-compliant handsets and replacing, at no additional charge to the customer, noncompliant handsets of existing customers who obtain Lifeline-supported service;
 - (3) complying with conditions (1) and (2) as of the date it provides Lifeline service; and
 - (4) obtaining a certification from each PSAP where the carrier seeks to provide Lifeline service confirming that the carrier provides its customers with 911 and E911 access or self-certifying that it does so if certain conditions are met.
- 12. The Commission has an obligation to promote "safety of life and property" and to "encourage and facilitate the prompt deployment throughout the United States of a seamless, ubiquitous, and reliable end-to-end infrastructure" for public safety. The provision of 911 and E911 services is critical to our nation's ability to respond to a host of crises, and this Commission has a longstanding and continuing commitment to a nationwide communications system that promotes the safety and welfare of all Americans, including Lifeline customers. As we have held previously, we believe these obligations are necessary to ensure that the Lifeline customers of these wireless resellers have meaningful access to emergency services.
- 13. Consistent with the obligations we have placed on TracFone and Virgin Mobile, these obligations apply in any state in which i-wireless becomes an ETC and plans to serve any customers without using its own facilities. Additionally, i-wireless must furnish to the Commission upon request copies of all certifications required by the fourth obligation.²⁴ Furthermore, if i-wireless seeks to use the self-certification option, it may do so only after complying with the following procedures. *First*, i-wireless must request certification from the PSAP and notify the PSAP that the carrier may self-certify compliance if the PSAP has neither provided certification nor made an affirmative finding that the carrier does not provide its customers with access to 911 and E911 service within the PSAP's service area within 90 days of the request. This evaluation period commences upon proper notification.²⁵ The evaluation

²⁰ See TracFone Forbearance Order, 20 FCC Rcd at 15101–02, paras. 15–16; Virgin Mobile Forbearance Order, 24 FCC Rcd at 3390–91, paras. 21–23.

²¹ Applications of Nextel Communications, Inc. and Sprint Corporation For Consent to Transfer Control of Licenses and Authorizations, WT Docket No. 05-63, Memorandum Opinion and Order, 20 FCC Rcd 13967, 14020, para. 144 (2005).

²² *Id*.

²³ See TracFone Forbearance Order, 20 FCC Rcd at 15101–02, paras. 15–16; Virgin Mobile Forbearance Order, 24 FCC Rcd at 3390–91, para. 21–23.

²⁴ See Virgin Mobile ETC Designation Order, 24 FCC Rcd at 3390, para. 22.

²⁵ Id. at 3390–91, para. 22. Consistent with the *Virgin Mobile Forbearance Order*, in providing notice that it may self-certify, i-wireless must provide a PSAP with all of the information and/or equipment requested by the PSAP in analyzing i-wireless's ability to provide 911 and E911 to its customers.

period is tolled whenever a PSAP reasonably requests information or equipment to evaluate the carrier's request until the carrier responds with that information or equipment.²⁶ If a PSAP determines that the carrier will not offer its Lifeline customers appropriate access to emergency services or has concerns regarding the carrier's ability and if the PSAP notifies the carrier of its concerns during the evaluation period, the evaluation period is extended by an additional 90 days and the carrier may not self-certify compliance until it has addressed the PSAP's concerns.²⁷ Second, before self-certifying, the carrier must obtain from its underlying carrier in that area certification that the underlying carrier routes emergency calls from the carrier's customers to the PSAP in the same manner that it routes emergency calls from its own customers.²⁸ Third, the carrier must provide the PSAP with a copy of the relevant self-certifications at the time it is effective.²⁹ Fourth, if a PSAP finds that i-wireless does not provide its customers with 911 and E911 access after the carrier has self-certified that it does, the carrier must notify the Commission of this finding upon receiving notice and must explain how it plans to meet the PSAP's concerns and provide Lifeline customers with appropriate 911 and E911 access.³⁰

- 14. Accordingly, we find that, subject to the 911 and E911 conditions and the self-certification and other conditions set out above, and consistent with the Commission's grant of forbearance to TracFone and Virgin Mobile, the ETC facilities-based requirement is not necessary for consumer protection with respect to i-wireless's receipt of Lifeline support only. We therefore conclude that the second element of section 10(a) is satisfied.
- 15. Public Interest. Section 10(a)(3) requires that we consider whether enforcement of the facilities-based requirement of section 214(e) for a pure wireless reseller that seeks ETC designation for Lifeline support only is in the public interest. In evaluating whether forbearance is in the public interest, we follow the path we laid out in the TracFone Forbearance Order and the Virgin Mobile Forbearance Order. We note first that the Commission's traditional concern with a carrier doubling its recovery by reselling facilities that are already supported by the high-cost fund does not apply in the low-income context. We also note that Lifeline support is designed to reduce the monthly cost of telecommunications service for qualifying low-income consumers and is directly reflected in the price that the low-income customer pays. Requiring a Lifeline provider to own the facilities it uses to offer service does not necessarily further the statutory goal of the low-income program. In accordance with our forbearance grants to TracFone and Virgin Mobile, we find that the public interest is served by forbearing from the facilities requirement in section 214(e) to allow i-wireless to receive Lifeline support.

²⁶ *Id.* at 3391, para. 22.

²⁷ Id. at 3390 n.67.

²⁸ *Id.* at 3391, para. 22. Like other certifications, the carrier is required to retain these underlying carrier certifications and provide them to the Commission upon request.

²⁹ Id.

 $^{^{30}}$ Id

³¹ See TracFone Forbearance Order, 20 FCC Rcd at 15100–01, para. 12; Virgin Mobile Forbearance Order, 24 FCC Rcd at 3389, para. 18.

³² 47 C.F.R. §§ 54.401, 54.504.

³³ See TracFone Forbearance Order, 20 FCC Rcd at 15104–05, para. 23; Virgin Mobile Forbearance Order, 24 FCC Rcd at 3393, para. 29.

³⁴ See Virgin Mobile Forbearance Order, 24 FCC Rcd at 3392–93, para. 27 ("[W]e do not believe that similar requests will have a detrimental impact on the fund. We note that to the extent any similarly situated prepaid wireless reseller seeks forbearance from these requirements for the purpose of providing only Lifeline support, it (continued...)

- 16. Continued growth of the universal service fund has highlighted in recent years the importance of the Commission's continued commitment to fight waste, fraud, and abuse. Accordingly, in addition to the consumer protection conditions outlined above and consistent with obligations imposed on TracFone and Virgin Mobile, we find that it is necessary to require i-wireless to assume additional obligations designed to protect against waste, fraud, and abuse. Specifically, we condition our forbearance from the facilities requirement on i-wireless:
 - (5) requiring each customer to self-certify at time of service activation and annually thereafter that he or she is the head of household and receives Lifeline-supported service only from that carrier;
 - (6) establishing safeguards to prevent its customers from receiving multiple Lifeline subsidies from that carrier at the same address;
 - (7) dealing directly with the customer to certify and verify the customer's Lifeline eligibility; and
 - (8) submitting to the Wireline Competition Bureau a compliance plan outlining the measures the carrier will take to implement the obligations contained in this order within 30 days of the effective date of this order.
- 17. As we have held previously, we believe these obligations are necessary safeguards to help deter waste, fraud, and abuse. These obligations apply in any state in which i-wireless becomes an ETC and plans to serve any customers without using its own facilities. Consistent with the obligations we have placed on TracFone and Virgin Mobile, we require i-wireless to clearly state the penalties for perjury on the self-certification form it uses to comply with the fifth obligation and to monitor compliance of its customers' self-certifications by retaining those self-certifications and providing them, as well as documentation of how the carrier obtained the certification, to the Commission upon request. The self-certification is a self-certification of the commission upon request.
- 18. We disagree with parties that argue that we should condition our forbearance on i-wireless complying with additional obligations, such as offering a particular usage package or complying with state-level 911 and E911 obligations. We believe it is appropriate to leave those assessments to whichever commissions will rule on i-wireless's petitions for designation as an ETC. A state commission is generally in a better position than we to assess whether a particular offering will benefit that state's low-income consumers and to determine whether it is necessary to condition ETC designation on compliance with state-level 911 and E911 obligations. We therefore encourage parties arguing for

³⁵ See TracFone Forbearance Order, 20 FCC Rcd at 15103–04, 15105, paras. 18, 25; Virgin Mobile Forbearance Order, 24 FCC Rcd at 3392, para. 25.

³⁶ These obligations are in addition to, and do not supplant, the certification and verification eligibility already required by our rules for federal default states and any similar state rules for the non-federal default states. *See, e.g.*, 47 C.F.R. § 54.410. On May 4, 2010, the Commission asked the Federal-State Joint Board on Universal Service to review the Commission's eligibility, verification, and outreach rules for the Lifeline and Link Up universal service programs. *See Federal-State Joint Board on Universal Service; Lifeline and Link Up*, CC Docket No. 96-45, WC Docket No. 03-109, Order, 25 FCC Rcd 5079 (2010).

³⁷ See TracFone Forbearance Order, 20 FCC Rcd at 15103–04, 15105, paras. 18, 25; Virgin Mobile Forbearance Order, 24 FCC Rcd at 3392, para. 25 & n.74.

³⁸ See, e.g., NASUCA Comments at 4–5 (arguing that forbearance is inappropriate unless i-wireless explains how it will apply the Lifeline discount to its plans); NENA Comments at 1–2 (arguing that carriers seeking forbearance should commit to complying with state-level 911 and E911 obligations as a condition of forbearance).

³⁹ Of course, if a state commission does not have jurisdiction to designate i-wireless as a limited-purpose ETC, we will consider i-wireless's application as well as whether any additional obligations are necessary for that particular designation to be in the public interest. See 47 U.S.C. § 214(e)(6).

additional obligations to redirect their arguments to ETC designation proceedings rather than this proceeding.

- 19. Similarly, we are not persuaded by comments regarding the impact on the size of the universal service fund and the associated contribution obligation if we grant the forbearance petition. Granting forbearance here would allow i-wireless to compete with TracFone and Virgin Mobile (as well as other ETCs) for the existing pool of low-income customers, and the size of that pool is determined by Lifeline program eligibility requirements, not by the number of providers competing for those customers. 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. 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. ⁴¹
- 20. In conclusion, we find that conditionally granting i-wireless forbearance for purposes of seeking ETC designation to participate in the Lifeline program only will further the statutory goal of providing low-income subscribers access to telecommunications and emergency services, while protecting the universal service fund against waste, fraud, and abuse.⁴² To the extent, however, that our predictive judgment proves incorrect and these conditions prove to be inadequate safeguards, parties may file appropriate petitions with the Commission and we have the option of reconsidering this forbearance ruling.⁴³

B. Forbearance for Link Up

21. We decline to grant the request of i-wireless for forbearance from the facilities requirement for the purpose of seeking ETC designation to receive Link Up support.⁴⁴ Petitioners seeking forbearance bear the burden of proof and must show that each of the statutory elements of forbearance is met.⁴⁵ i-wireless has not done so in the context of the Link Up program. Specifically, i-wireless does not

⁴⁰ See Pennsylvania Commission Reply at 5-6.

⁴¹ For example, Virgin Mobile (the second wireless reseller to receive forbearance) has recently increased the number of minutes it offers to low-income consumers through its Lifeline product to attract more customers. *Compare, e.g.*, Pennsylvania Commission Reply, CC Docket No. 96-45, at 6 n.16 (filed July 20, 2009) (noting that Virgin Mobile planned to offer 120 free prepaid minutes to Lifeline customers), *with* Virgin Mobile Petition for Limited Designation as an Eligible Telecommunications Carrier in the State of Alabama, WC Docket No. 09-197, at 8 (filed Jan. 15, 2010) (noting that Virgin Mobile plans to offer 200 free prepaid minutes to its Lifeline customers).

⁴² i-wireless has committed to complying with all the obligations imposed on TracFone and Virgin Mobile as conditions of forbearance. *See* Forbearance Petition at 13.

⁴³ See Petition for Forbearance of the Verizon Telephone Companies Pursuant to 47 U.S.C. § 160(c), WC Docket No. 01-338, Memorandum Opinion and Order, 19 FCC Rcd 21496, 21508–09, para. 26 & n.85 (2004); see also Petition of SBC Communications Inc. for Forbearance from Structural Separations Requirements of Section 272 of the Communications Act of 1934, As Amended, and Request for Relief to Provide International Directory Assistance Services, CC Docket No. 97-172, Memorandum Opinion and Order, 19 FCC Rcd 5211, 5223–24, para. 19 & n.66 (2004); Cellnet Communications, Inc. v. FCC, 149 F.3d 429, 442 (6th Cir. 1998).

⁴⁴ See Forbearance Petition at 8-14.

⁴⁵ See, e.g., Petition to Establish Procedural Requirements to Govern Proceedings for Forbearance under Section 10 of the Communications Act of 1934, As Amended, WC Docket No. 07-267, Report and Order, 24 FCC Rcd 9543, 9554–55, para. 20 (2009) ("We now state explicitly that the burden of proof is on forbearance petitioners at the outset and throughout the proceeding."); Petitions of Qwest Corporation for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Denver, Minneapolis-St. Paul, Phoenix, and Seattle Metropolitan Statistical Areas, WC Docket No. 07-97, Memorandum Opinion and Order, 23 FCC Rcd 11729, 11750, 11754–58, paras. 28, 36, 39 (2008) (noting that Qwest had failed to meet its burden of persuasion regarding sufficiency of market share).

address in its petition the differences between the Lifeline and Link Up programs, nor does the company explain how the obligations conditional to Lifeline participation would apply in the context of Link Up. Moreover, i-wireless does not explain how the public interest would be served by forbearing from the facilities requirement in this context. ⁴⁶ General references to the statutory goal of ensuring that low-income consumers have access to telecommunications services do not suffice to replace a particularized argument regarding the facts and policy surrounding the facilities requirement and the Link Up program. ⁴⁷ We thus conclude that i-wireless has failed to meet its burden to show that forbearing from the facilities requirement in the context of the Link Up program is in the public interest. ⁴⁸

IV. ORDERING CLAUSES

- 22. Accordingly, IT IS ORDERED that, pursuant to the authority contained in sections 4(i), 4(j), 10, 214, and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), 214, 254, the petition for forbearance filed by i-wireless Telecom, LLC IS GRANTED IN PART to the extent discussed herein and conditioned on fulfillment of the obligations set forth in this order and otherwise DENIED.
- 23. IT IS FURTHER ORDERED that, pursuant to the authority contained in sections 4(i), 4(j), 10, 214, and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), 214, 254, we forbear from applying sections 54.201(d)(1) and 54.201(i) of the Commission's rules, 47 C.F.R. § 54.201(d)(1), (i), to i-wireless Telecom, LLC to the extent discussed herein and conditioned on fulfillment of the obligations set forth in this order.
- 24. IT IS FURTHER ORDERED that, pursuant to section 1.103(a) of the Commission's rules, 47 C.F.R. § 1.103(a), this order SHALL BE effective upon release.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch Secretary

⁴⁶ See Forbearance Petition at 8–14 (discussing Link Up only in the context of its discussion of Lifeline).

⁴⁷ See Amendment of the Commission's Rules Concerning Maritime Communications, PR Docket No. 92-257, Third Report and Order and Memorandum Opinion and Order, 13 FCC Rcd 19853, 19879–80, para. 55 (1998) ("MariTEL's request cannot be granted because it is too vague, both as to the specific provisions from which we should forbear from enforcing, and as to why forbearance would be in the public interest.").

⁴⁸ Because we find that i-wireless has not met its burden of proof on the third statutory element, we do not examine whether it did so on the first or second elements.

EXHIBIT 4

i-wireless Compliance Plan

Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of the)
Federal-State Joint Board on Universal Service) CC Docket No. 96-45
Telecommunications Carriers Eligible for Universal Service Support) WC Docket No. 09-197
i-wireless, LLC Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A))))

I-WIRELESS, LLC'S COMPLIANCE PLAN

i-wireless, LLC ("i-wireless" or the "Company"), by its attorney, hereby files its plan outlining the measures it will take to implement the conditions imposed by the Federal Communications Commission ("Commission") in its recent Order, released June 25, 2010, in the above-captioned matter¹. Given the severe economic environment that is forcing many lower-income customers to forego wireless service, i-wireless respectfully requests expeditious approval of this plan so that the Company, upon designation as an Eligible Telecommunications Carrier ("ETC"), may quickly deploy much-needed Lifeline services to many low-income customers.

BACKGROUND

The Commission's *Order* conditionally granted i-wireless' request for forbearance from the Section 214(e)(1)(A) requirement that a carrier designated as an ETC for purposes of federal universal service support provide services, at least in part, over its own facilities, stating "i-wireless may seek ETC designation to offer discounted services to qualified low-income consumers through the universal service Lifeline program²." The petition for forbearance was denied for the purposes of participating in the Link Up program.

The Commission found that a conditional grant of forbearance for i-wireless from the facilities requirement of section 214(e) for the purpose of seeking ETC designation to provide Lifeline support only "will further the statutory goal of providing low-income subscribers access to

¹ See Federal-State Joint Board on Universal Service; In the Matter of i-wireless, LLC Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A), Order, FCC 10-117, released June 25, 2010 ("Order").

² Order at ¶ 1.

telecommunications and emergency services, while protecting the universal service fund against waste, fraud and abuse³." The Commission's grant of forbearance is subject to the following conditions: (a) i-wireless providing its Lifeline customers with 911 and Enhanced 911 (E911) access regardless of activation status and availability of prepaid minutes; (b) i-wireless providing its Lifeline customers with E911-compliant handsets and replacing, at no additional charge to the customer, noncompliant handsets of existing customers who obtain Lifeline-supported service; (c) iwireless complying with conditions (a) and (b) as of the date it provides Lifeline service; and (d) iwireless obtaining a certification from each PSAP where the carrier seeks to provide Lifeline service confirming that the carrier provides its customers with 911 and E911 access or selfcertifying that it does so if certain conditions are met; (e) i-wireless requiring each customer to selfcertify at time of service activation and annually thereafter that he or she is the head of household and receives Lifeline-supported service only from i-wireless; (f) i-wireless establishing safeguards to prevent its customers from receiving multiple Lifeline subsidies from i-wireless at the same address; and (g) i-wireless dealing directly with the customer to certify and verify the customer's Lifeline eligibility⁴. The Commission required i-wireless to submit a plan describing the measures it would take to implement each one of these conditions within thirty days of the release of the Order⁵.

COMPLIANCE PLAN

i-wireless commends the Commission's commitment to a nationwide communications system that promotes the safety and welfare of all Americans, including Lifeline customers⁶. i-wireless will comply with all conditions set forth in the *Order*, the provision of this Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported prepaid wireless service to customers throughout the United States.

I. Access to 911 and E911 Services

In the *Order*, the Commission required i-wireless to provide its Lifeline customers with access to 911 and E911 services immediately upon activation of service, and stated that, in order to demonstrate compliance with the condition, i-wireless must obtain certification from each PSAP

³ Order at ¶ 20.

⁴ See Order at ¶¶ 11, 16.

⁵ See id.

⁶ See Order at ¶ 12.

where it provides Lifeline service confirming that its customers receive 911 and E911 services. If within 90 days of i-wireless' request, a PSAP has neither provided the certification nor made an affirmative finding that the Company does not provide its customers with 911 and E911 services within the applicable service area, the *Order* allowed i-wireless to self-certify that it meets the requirements⁷. The Commission and consumers are hereby assured that all i-wireless customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from i-wireless handsets, even if the account associated with the handset has no minutes remaining.

i-wireless can ensure the Commission that all Lifeline customers will have meaningful access to emergency calling services at the time the customer activates Lifeline service, and that such access will continue regardless of the customer's account status of the availability of prepaid minutes. The Company's existing practices currently provide access to 911 and E911 services to the extent that these services have been deployed by its underlying carrier, Sprint Nextel ("Sprint"). i-wireless also currently enables 911 emergency calling services for all properly activated handsets regardless of whether the account associated with the handset is active, suspended or terminated. Finally, the Company transmits all 911 calls initiated from any of its handsets even if the account associated with the handset has no remaining minutes.

To satisfy the conditions of the *Order* regarding 911 and E911 services, i-wireless will implement the following measure prior to deploying Lifeline services in a given area. Initially, the Company will confirm that its underlying carrier has deployed E911 services in a specific PSAP territory. i-wireless will obtain the requisite certification from each PSAP where it provides Lifeline service confirming that its customers receive 911 and E911 services⁸. If within 90 days of receiving the Company's request, a PSAP has neither provided such certification nor made an affirmative finding that the Company does not provide its customers with 911 and E911 services within the applicable service area, i-wireless will self-certify that it meets the basic and E911 requirements.

II. E911-Compliant Handsets

The Commission also conditioned its grant of forbearance determination on i-wireless providing only E911-compliant handsets to its Lifeline customers⁹. i-wireless will ensure that all

See Order at ¶ 13.

⁸ A form of this PSAP certification request is attached hereto as Exhibit A.

See Order at ¶ 11.

handsets used in connection with the Lifeline service offering will be E911-compliant. In fact, i-wireless' phones have always been and will continue to be 911 and E911-compliant. i-wireless uses phones from Sprint that have been through a stringent certification process in Sprint's handset certification lab, which ensures that the handset models used meet all 911 and E911 requirements. In i-wireless' four year history, only one handset model has failed the E911 process during the handset lab certification, and that is a model the Company did not launch. As a result, any existing customer that qualifies for and elects Lifeline service will already have a 911/E911-compliant handset, which will be confirmed at the time of enrollment in the Lifeline program. Furthermore, in the event that an existing customer does not have an E911-compliant handset, the Company will replace it with a new 911/E911-compliant handset at no charge to the customer. Any new customer that qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911-compliant handset as well, free of charge.

III. Certification of Lifeline Customers' Eligibility

To safeguard against misuse of the Lifeline service plan, the *Order* required i-wireless to deal directly with the customer and require each customer to self-certify under penalty of perjury at time of service activation and annually thereafter that they are the head of household and receive Lifeline-supported service only from i-wireless¹⁰. The Commission also required i-wireless to establish safeguards to prohibit more than one supported i-wireless service at each residential address¹¹. i-wireless proposes the following plan to implement these certification and verification conditions:

A. Policy

i-wireless will comply with all certification and verification requirements for Lifeline eligibility established by states where it is designated as an ETC. In states where there are no state-imposed requirements, i-wireless will comply with the certification and verification procedures in effect in that state as reflected on the website of the Universal Service Administration Company. However, for any states which do not mandate Lifeline support and/or which do not have established rules of procedure in place, i-wireless will certify at the outset and will verify annually consumers' Lifeline eligibility in accordance with the Commission's requirements.

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¹⁰ See Order at 16.

¹¹ See id.

B. Certification Procedures

i-wireless will implement certification procedures that enable consumers to demonstrate their eligibility for Lifeline assistance by contacting i-wireless via telephone, facsimile, or the internet. At the point of sale, consumers will be provided with printed information describing i-wireless' Lifeline program, including eligibility requirements, and with instructions for enrolling. Consumers will be directed to a toll-free telephone number and to i-wireless' website, which will contain a link to information regarding the Company's Lifeline service plan, including a detailed description of the program and state-specific eligibility criteria. i-wireless understands and accepts the Commission's requirement that the Company have direct contact with all customers applying for participation in the Lifeline program¹². Retailers will have no role in the Lifeline application process, other than to provide customers with printed information regarding the program.

Consumers will be required to call a toll-free number to complete an application over the phone. The application will then be mailed to the customer for signature under penalty of perjury and for the submission of supporting documentation. The signed application and support documentation must be mailed to the address provided by the Company. Processing of consumers' applications, including review of all application forms and relevant documentation, will be performed under i-wireless' supervision by managers experienced in the administration of the Lifeline program.

i-wireless will insure that all required documentation is taken care of properly by using state-specific compliance checklists. In addition, the Lifeline application form will include a certification section where the applicant must attest and sign under penalty of perjury that the applicant meets the relevant eligibility criteria. For states with program-based eligibility criteria, the form will list each of the qualifying programs, and the applicant will be required to identify the program(s) in which they participate. For states with income-based eligibility criteria, the applicant will be required to certify under penalty of perjury that their household income does not exceed the relevant threshold (e.g., 135% of the Federal Poverty Guidelines for federal default states) and will be required to provide proof of income-based eligibility. Applicants will also be required to certify under penalty of perjury that they are head of their household and receive Lifeline-supported service only from i-wireless. Penalties for perjury will be clearly-stated on the certification form, as

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¹² See Order at ¶ 16.

required by the Order¹³.

Finally, the application forms will require each applicant to provide their name, primary residential address and an alternate telephone number (if any). i-wireless will incorporate this information into its customer information database. The Company will check the name and address of each Lifeline applicant against its database to determine whether or not it is associated with a customer that already receives i-wireless Lifeline service, and will then review the application to ascertain whether the applicant is attempting to receive Lifeline-supported service for more than one handset associated with the address. i-wireless will deny the Lifeline application of any such individual and advise the applicant of the basis for the denial. i-wireless shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent i-wireless customers from engaging in such abuse of the program.

C. **Verification Procedures**

As required by the Commission's Order, i-wireless will require every consumer enrolled in the Lifeline program to verify on an annual basis that they are the head of their household and only receive Lifeline service from i-wireless 14. i-wireless will notify each participating Lifeline consumer on the anniversary of their enrollment that they must confirm their continued eligibility in accordance with the applicable requirements. Such verification will be required in order for the consumer to continue to purchase prepaid airtime from i-wireless at the discounted rate only available to those customers who are enrolled in its Lifeline program.

See Order at ¶ 17.
 See Order at ¶ 16.

CONCLUSION

i-wireless submits that its Compliance Plan fully satisfies the conditions set forth in the Commission's *Order* granting forbearance to the Company. Implementation of the procedures described herein will promote public safety and should ensure that Lifeline customers have access to 911 and E911 services while safeguarding against misuse of the Company's Lifeline services. Accordingly, i-wireless respectfully requests that the Commission expeditiously approve its Compliance Plan so that i-wireless may begin providing the benefits of much-needed Lifeline service to qualifying low-income consumers as quickly as possible.

Respectfully submitted,

I-WIRELESS, LLC

Lance J.M. Steinhart Lance J.M. Steinhart, P.C. 1720 Windward Concourse Suite 115 Alpharetta, Georgia 30005 (770) 232-9200

Its Counsel

Dated July 26, 2010

EXHIBIT A

PSAP CERTIFICATION REQUEST

[Date]				
Public Safety Answering Point Coordinator [Address]				
Re: Request for PSAP Certification for Lifeline Participation				
Dear PSAP Coordinator:				
This is to inform you that i-wireless, LLC ("i-wireless"), has been designated an Eligible Telecommunications Carrier ("ETC") by the Federal Communications Commission ("FCC") for the purpose of offering reduced-cost service to low-income customers in the state of [State] under the federal Lifeline program. (See attached FCC Orderreleased)				
Lifeline ensures that low-income customers have access to quality telephone service at a reasonable, affordable rate, and i-wireless is pleased to be among the wireless carriers offering Lifeline service to low-income customers, particularly during this difficult economic environment.				
The FCC's approval for i-wireless to offer Lifeline service was conditional upon the following requirements: (1) offer 911 and enhanced 911 (E911) access immediately upon activation of service, and (2) provide its new Lifeline customers with E911-compliant handsets and replace, at no additional charge to the customer, noncompliant handsets of existing customers who subscribe to Lifeline service. The FCC further required that i-wireless seek certification from each Public Safety Answering Point ("PSAP") where i-wireless intends to offer Lifeline service confirming that i-wireless provides its customers with 911 and E911 access. i-wireless is seeking this certification from your PSAP based on the information provided in this letter and any additional information you may request.				
i-wireless' wireless services operate on the Sprint Nextel ("Sprint") network. As you may be aware, Sprint has completed the deployment of facilities necessary to offer Phase I and/or II E911 services in your service area, providing Sprint and i-wireless customers with 911 and E911 access. i-wireless' Lifeline customers will enjoy this same access to 911 and E911 service once activated for service, regardless of activation status or availability of prepaid airtime. As required by the FCC, all i-wireless handsets will comply with applicable federal requirements governing the provision of 911 and E911 service. i-wireless will provide new Lifeline customers with E911-compliant handsets and, for existing customers who subscribe to Lifeline service, will verify that their handsets are E911-compliant or replace the handset at no charge to the customer.				
For your convenience, enclosed is a certification form for your review and signature as PSAP Coordinator. Please return the signed certification form in the self-addressed stamped envelope. As required by the FCC, i-wireless will keep the certification on file in the event the FCC seeks to review this documentation. If within 90 days of receipt of this letter, you do not provide the certification or make an affirmative				

finding that i-wireless does not provide its customers with 911 and E911 service in your area, i-wireless is permitted to self-certify compliance with the requirements for 911 and E911 access for this PSAP.

(See FCC Order _____ at para. ___.)

Should you have any questions about the foregoing, please contact us at pat.mcdonough@iwirelesshome.com. Please be sure to include your name and address in the email.

Thank you in advance for your cooperation and for enabling i-wireless to offer Lifeline service to low-income customers in your PSAP jurisdiction.

Sincerely,

i-wireless, LLC

i-wireless Lifeline Program PSAP Certification Form



	State of	
PSAP Name:		
PSAP Coordinator Name:		
Business Address:		
-		
PSAP Jurisdiction Description: _		
responsible for the implementatio	r for the Public Safety Answering Point ("PSAP") on of 911 and Enhanced 911 ("E911") service in accal Communications Commission ("FCC").	
has designated i-wireless as an El 214(e)(6) of the Communications purpose of providing Lifeline serv FCC's designation of i-wireless as wireless must obtain certification	igible Telecommunications Carrier ("ETC") pursual Act of 1934, as amended (47 U.S.C. § 214(e)(6)), vice in [State], among other states. I have further be an ETC is subject to certain conditions, including from each PSAP where it will offer Lifeline service access immediately upon activation of service.	for the limited een informed that the ga condition that i-
have been informed by i-wireless network. i-wireless has indicated service as the retail customers of	certification by the PSAP, i-wireless has provided that its wireless service operates on the Sprint Nex that its Lifeline customers will have the same accessprint. In addition, i-wireless has represented that requiring that the handsets be capable of accessing availability of prepaid airtime.	est to 911 and E911 its Lifeline handsets
provided evidence that it is compl	ny capacity as PSAP Coordinator, I hereby certify the lying with the FCC requirement that it provide cust also upon activation of Lifeline service.	
Dated:	Signature of PSAP	Coordinator

EXHIBIT 5

911 Statement from Sprint



Sprint – Wholesale Wireless Solutions Mailstop: VARESQ0603 –E6005 12000 Sunrise Valley Drive Reston, VA 20191

VIA FACSIMILE: (859) 261-6639

January 19, 2011

Mr. Pat McDonough i-Wireless, LLC One Levee Way, Suite 3104 Newport, KY 41071

Re: Private Label PCS Services Agreement between Sprint Spectrum L.P. ("Sprint")

and i-Wireless, LLC ("Purchaser") with an Effective Date of May 22, 2006, as

amended (the "Agreement") - 911 and E911 Service

Dear Mr. McDonough:

As requested by Purchaser, this letter sets forth details regarding Sprint's routing of E911 (as defined below) calls from Purchaser's End Users (as defined in the Agreement). As set forth in the Agreement, Sprint provides wireless services to Purchaser on Sprint's network and Purchaser resells such wireless services to its End Users under Purchaser's brand ("Private Label Service").

Sprint currently routes 911 calls from customers to the Public Safety Answering Points (PSAPs) in each state. Purchaser's End Users that receive the Private Label Service will have access to 911 and enhanced 911 ("E911") service. In this regard, Sprint hereby confirms that it routes 911 and E911 calls from Purchaser's End Users utilizing the Private Label Service to PSAPs in the same manner as Sprint routes 911 and E911 calls from its own customers.

In accordance with the applicable Federal Communications Commission ("FCC") requirements, Sprint has engaged in 911 testing with PSAPs to confirm access to 911 and E911 service. Thus, as a wholesale customer of Sprint, Purchaser's End Users utilizing the Private Label Service will have the same access to 911 and E911 service as Sprint's own customers.

Sincerely,

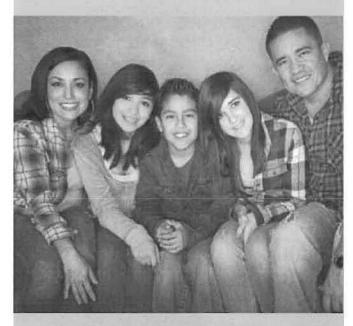
Andy Greig Director - Sales

Emerging Markets and Embedded Devices

EXHIBIT 6

Sample Lifeline Advertisement & Creative Brief

What is Access Wireless?



When times are tough, it's important to be accessible. Access Wireless is a government-supported program that ensures anyone can get a mobile phone. If you qualify, you'll receive a free wireless phone and a monthly allot ment of minutes so you can stay in contact with friends and family members, be reachable to potential employers and have a means of communicating in case of emergency.

Free Access Wireless phones vary by handset manufacturer and model and are dependent or inventory availability. Pricing listed includes damestic calling only.

Access Wireless is not available in all areas.

To determine if Access Wireless is available where you live, please visit www.accesswireless.com or call 1-800-464-6010.

Access Wireless is brought to you by i-wireless IC and is a Lifeline Assistance program supported by the Universal Service Fund. Lifeline Assistance is only available on one wireless phone per household and is available in limited geographic areas. Access Wireless users are subject to the Access Wireless Terms and Conditions found at www.accesswireless.com. Access Wireless is a registered trademark of I-wireless, LIC.

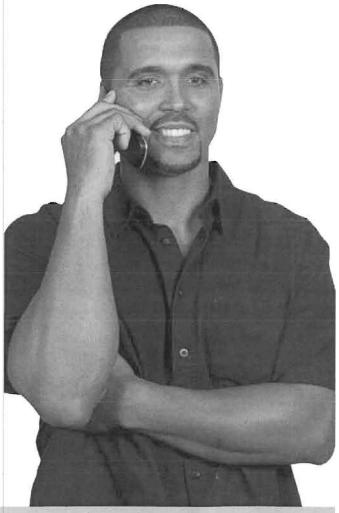
access WIRELESS

Call 1-800-464-6010 to apply for service today.

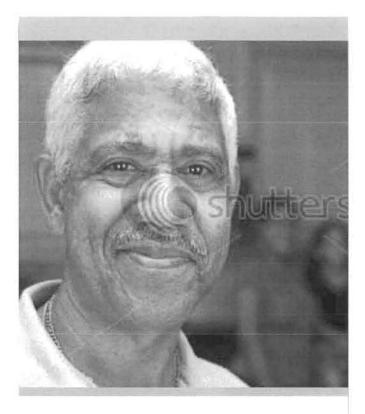
access WiRELESS

Stay connected when it matters most

Call 1-800-464-6010 or visit www.accesswireless.com for more information.



0 government autest/led prot/cm indi-



How do I qualify for Access Wireless?

You automatically qualify for Access Wireless service if you are enrolled in any of the following government programs:

- Medicaid
- Food Stamps/SNAP
- Supplemental Security Income (SSI) (Not the same as Social Security benefits)
- Temporary Assistance to Needy Families (TANF)
- Federal Public Housing Assistance (Section 8)
- Low-Income Housing Energy Assistance Program (LIHEAP)
- National School's Free Lunch Program

You may also qualify for Access Wireless service based on your household income. For details call 1-800-464-6010.

What do I get with Access Wireless?

Once you've been approved for the program, you'll receive:

- A FREE Access Wireless phone
- FREE voicemall, domestic long distance, call waiting and caller ID
- 91 Access

AND-

Choose from the following free rate plans:

	Minutes/Texts Included	Free Calls to Care & IVR	Free Incoming Taxts		Loyalty Program Eligible
Plan Option #1	150	Yes	Yes	^v es	Yes
Plan Option #2	250	No	No	No	No

(OR) Add money to your account and upgrade to one of the following plans:

Plan Option #3

How do I apply for Access Wireless?



Call 1-800-464-6010 to apply for service today.

Once you become an Access Wireless user, you can add money to your account to upgrade your plan by using a debit/credil card or by purchasing an i-wireless airtime cord at any of the following Kroger family of stores.

















Lifeline Creative Brief

About Access Wireless

Access Wireless is brought to you by i-wireless, LLC and is a Lifeline Assistance program supported by the federal Universal Service Fund for income eligible households. In order to qualify to receive an Access Wireless phone, persons must meet certain eligibility criteria determined by each individual State where the service is to be provided. These requirements are based on a person's participation in a state or Federal support programs or by meeting the Income Poverty Guidelines as defined by the United States government. Lifeline Assistance may only be provided to one phone line per household.

Program Overview

By qualifying to receive an Access Wireless phone, you will receive:

-A free phone with 911 access.

Offer:

<u>Option 1</u> – Receive 150 Anytime Minutes per month for free. These minutes can be used to make/receive voice calls and send text messages. Calls to customer care are free. All incoming text messages are free. Unused minutes can carry over to the following month.

<u>Option 2</u>—Receive 250 Anytime Minutes per month for free. These minutes can be used to make/receive voice calls and send text messages. Calls to customer care are not free. Incoming text messages are not free. Minutes cannot carry over to the following month.

Option 3 – Apply a \$15 credit toward any current i-wireless monthly rate plan, excluding text only plans. A \$15 credit will be applied to a customer's account every 30 days. Calls to customer care are free. All incoming text messages are free. Unused minutes can carry over to the following month.

Additional Payment Options

Access Wireless users can add value to their account by purchasing i-wireless airtime cards available using a debit or credit card over the phone or online.

How to Qualify for an Access Wireless Phone

Eligibility to participate in the Lifeline Assistance program varies by state.

You may qualify for an Access Wireless phone in Florida if you currently participate in any of government-sponsored programs below:

- -Medicaid
- -Supplemental Nutrition Assistance Program (SNAP)
- -Supplemental Security Income
- -Temporary Assistance for Needy Families (TANF)
- -Federal Public Housing Assistance (FPHA) or Section 8
- -Low Income High Energy Assistance Program (LIHEAP)
- -National School Lunch Program
- -Temporary Cash Assistance (TCA)

or

-Your household income is at or below 150% of the federal poverty guidelines.

EXHIBIT 7

2009 Lifeline Participation Rates by State and FCC News Release

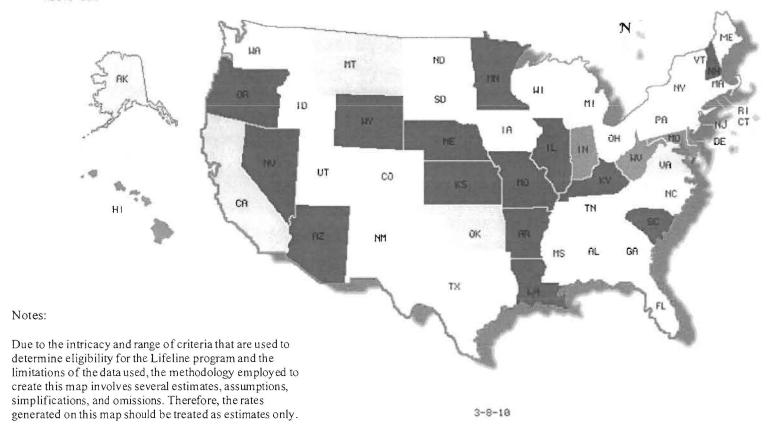
2009 Lifeline Participation Rates by State



- 102 - 202

- 20% - 50%

- Above 50%



District of Columbia = 10% - 20%

Federal Communications Commission 445 12th Street, S.W. Washington, D. C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC. 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE: September 14, 2009

NEWS MEDIA CONTACT: Rosemary Kimball (202) 418-0511 Email: rosemary.kimball@fcc.gov

FCC SUPPORTS "NATIONAL LIFELINE AND LINK UP TELEPHONE DISCOUNT AWARENESS WEEK" - SEPTEMBER 14 – 20, 2009

WASHINGTON, DC -- Today, the Federal Communications Commission (FCC) joined the effort to call attention to the "National Lifeline and Link Up Telephone Discount Awareness Week," which takes place September 14 – 20, 2009. Various state and local agencies throughout the country will be participating with outreach activities and events. The "Lifeline" and "Link Up" programs provide financial assistance to low-income consumers in connecting a residential phone line and paying their monthly bill. The programs have been active for years and are administered by the FCC and state public utility commissions, but at least half of eligible consumers nationwide do not take advantage of this assistance.

"Lifeline" involves discounts on monthly charges for a primary residential telephone line, including wireless service. "Link Up" involves a discount on the cost of initiating the primary telephone service for a residence, including the activation of a wireless phone that serves as the primary residential telephone. The discounts are available throughout the country, including an enhanced discount on Tribal lands. In general, consumers at or below 135% of the federal poverty guidelines, or who participate in one or more of a number of other assistance programs, are eligible for Lifeline and Link Up.

To help call attention to the availability of these programs, the FCC joins the National Association of Regulatory Utility Commissioners (NARUC) and the National Association of State Utility Consumer Advocates (NASUCA), and urges government agencies and non-profit organizations to help disseminate information on Lifeline and Link Up to their constituents. More information about the programs and how to apply is available at www.lifeline.gov or https://www.usac.org/li/low-income/apply-for-support.aspx.

EXHIBIT 8

Wire Centers

ABDLFLXA	BYSHFLXA	DRBHFLMA
ALCHFLXA	CCBHFLAF	DUNDFLXA
ALFAFLXA	CCBHFLMA	DWPKFLXA
ALFRFLXA	CDKYFLMA	DYBHFLFN
ALSPFLXA	CFLDFLMA	DYBHFLMA
ALTRFLXA	CFVLFLXA	DYBHFLOB
ALVAFLXA	CHLKFLXA	DYBHFLOS
ANMRFLXA	CHPLFLJA	DYBHFLPO
APPKFLXA	CHSWFLXA	EGLLFLBG
ARCDFLXA	CHTHFLXA	EGLLFLIH
ARCHFLMA	CITRFLXA	ENWDFLXA
ASTRFLXA	CLHNFLXA	EORNFLMA
AVPKFLXA	CLMTFLXA	ESTSFLXA
BAKRFLXA	CLTNFLXA	EVRGFLXA
BARTFLXA	CLWRFLXA	FHSDFLXA
BAYUFLXA	CNSDFLXA	FLBHFLMA
BBPKFLXA	CNTMFLLE	FLRHFLXA
BCGRFLXA	COCOFLMA	FRBHFLFP
BCRTFLBT	COCOFLME	FRPTFLXA
BCRTFLMA	CPCRFLXA	FRSTFLXA
BCRTFLSA	CPCRFLXB	FTGRFLMA
BGPIFLMA	CPHZFLXA	FTLDFLCR
BHPKFLXA	CRCYFLXA	FTLDFLCY
BKVLFLJF	CRRVFLXA	FTLDFLJA
BLDWFLMA	CRVWFLXA	FTLDFLMR
BLGLFLMA	CRWDFLXA	FTLDFLOA
BLTWFLXA	CSCYFLBA	FTLDFLPL
BLVWFLXA	CSLBFLXA	FTLDFLSG
BNFYFLXA	CTDLFLXA	FTLDFLSU
BNNLFLMA	CYGRFLXA	FTLDFLWN
BNSPFLXA	CYLKFLXA	FTMBFLXA
BORAFLXA	CYLKFLXB	FTMDFLXA
BRBAFLXA	DBRYFLDL	FTMYFLXA
BRFRFLXA	DBRYFLMA	FTMYFLXB
BRJTFLXA	DDCYFLXA	FTMYFLXC
BRKRFLXA	DELDFLMA	FTPRFLMA
BRNDFLXA	DESTFLXA	FTWBFLXA
BRSNFLMA	DFSPFLXA	FTWBFLXB
BRTNFLXX	DLBHFLKP	FTWBFLXC
BSHNFLXA	DLBHFLMA	FTWHFLXA
BVHLFLXA	DLSPFLMA	GCSPFLCN
BWLGFLXA	DNDNFLXA	GCVLFLMA
BYBHFLMA	DNLNFLWM	GDRGFLXA
GENVFLMA	JCBHFLMA	LKWLFLXE
GLBRFLMC	JCBHFLSP	LLMNFLXA

GLDLFLXA	JCVLFLAR	LNLKFLXA
GLGCFLXA	JCVLFLBW	LRGOFLXA
GLRDFLXA	JCVLFLCL	LRVLFLXA
GNBOFLXA	JCVLFLFC	LSBGFLXA
GNDYFLXA	JCVLFLIA	LUTZFLXA
GNVLFLXA	JCVLFLJT	LVOKFLXA
GNWDFLXA	JCVLFLLF	LWTYFLXA
GRETFLXA	JCVLFLNO	LYHNFLOH
GSVLFLMA	JCVLFLOW	MALNFLXA
GSVLFLNW	JCVLFLRV	MAYOFLXA
GVLDFLXA	JCVLFLSJ	MCINFLXA
HAVNFLMA	JCVLFLSM	MCLNFLXA
HBSDFLMA	JCVLFLWC	MCNPFLMA
HDSNFLXA	JNGSFLXA	MDBGFLPM
HGLDFLXA	JPTRFLMA	MDSNFLXA
HGSPFLXA	JSPRFLXA	MIAMFLAE
HLNVFLMA	KGLKFLXA	MIAMFLAL
HLRDFLXA	KNVLFLXA	MIAMFLAP
HLWDFLHA	KSSMFLXA	MIAMFLBA
HLWDFLMA	KSSMFLXB	MIAMFLBC
HLWDFLPE	KSSMFLXD	MIAMFLBR
HLWDFLWH	KYHGFLMA	MIAMFLCA
HMSPFLXA	KYLRFLLS	MIAMFLDB
HMSTFLEA	KYLRFLMA	MIAMFLFL
HMSTFLHM	KYSTFLXA	MIAMFLGR
HMSTFLNA	KYWSFLMA	MIAMFLHL
HNCYFLXA	LBLLFLXA	MIAMFLIC
HNCYFLXN	LDLKFLXA	MIAMFLKE
HOWYFLXA	LEE FLXA	MIAMFLME
HSNGFLXA	LGBKFLXA	MIAMFLNM
HTISFLMA	LHACFLXA	MIAMFLNS
HWTHFLMA	LKALFLXA	MIAMFLOL
HYPKFLXA	LKBNFLXB	MIAMFLPB
IMKLFLXA	LKBRFLXA	MIAMFLPL
INLKFLXA	LKBTFLXA	MIAMFLRR
INRKFLXX	LKCYFLMA	MIAMFLSH
INTRFLXA	LKHLFLXA	MIAMFLSO
INTWFLXA	LKLDFLXA	MIAMFLWD
INVRFLXA	LKLDFLXE	MIAMFLWM
IONAFLXA	LKLDFLXN	MICCFLBB
ISLMFLMA	LKMRFLHE	MLBRFLMA
JAY FLMA	LKPCFLXA	MLBYFLXA
JCBHFLAB	LKWLFLXA	MLRSFLXA
MLTNFLRA	ORCYFLXC	PSDNFLXA
MNDRFLAV	ORLDFLAP	PTCTFLXA
MNDRFLLO	ORLDFLCL	PTCYFLXA
		-

MNDRFLLW	ORLDFLMA	PTSJFLXA
MNLKFLXA	ORLDFLPC	PTSLFLMA
MNSNFLMA	ORLDFLPH	PTSLFLSO
MNTIFLXA	ORLDFLSA	QNCYFLXA
MOISFLXA	ORPKFLMA	RAFRFLXA
MOLNFLXA	ORPKFLRW	RSKNFLXA
MRDCFLXA	ORSPFLXA	RYHLFLXA
MRHNFLXA	OSPRFLXA	SARKFLXA
MRNNFLXA	OVIDFLCA	SBNGFLXA
MRTHFLVE	PACEFLPV	SBSTFLFE
MTDRFLXA	PAHKFLMA	SBSTFLMA
MTLDFLXA	PANCFLXA	SCPKFLXA
MTVRFLXA	PCBHFLNT	SEKYFLXA
MXVLFLMA	PKCYFLXA	SGBEFLXA
MYCYFLXA	PLCSFLMA	SGBHFLXA
NDADFLAC	PLMTFLXA	SGKYFLMA
NDADFLBR	PLSLFLXA	SHLMFLXA
NDADFLGG	PLTKFLMA	SKWYFLXA
NDADFLOL	PMBHFLCS	SLHLFLXA
NFMYFLXA	PMBHFLFE	SLSPFLXA
NFMYFLXB	PMBHFLMA	SMNLFLXA
NGBHFLXA	PMBHFLNP	SNANFLXA
NKLRFLMA	PMBHFLTA	SNDSFLXA
NNPLFLXA	PMPKFLMA	SNFRFLMA
NPLSFLXC	PNCRFLXA	SNISFLXA
NPLSFLXD	PNCYFLCA	SNRSFLXA
NPRCFLXA	PNCYFLMA	SNSNFLXA
NRPTFLXA	PNGRFLXA	SNSPFLXA
NRSDFLXA	PNISFLXA	SPBGFLXA
NSBHFLMA	PNLNFLXA	SPBGFLXS
NWBYFLMA	PNLSFLXA	SPCPFLXA
OCALFLXA	PNSCFLBL	SPRGFLXA
OCALFLXB	PNSCFLFP	SRSTFLXA
OCALFLXC	PNSCFLHC	SSDSFLXA
OCALFLXJ	PNSCFLPB	SSPRFLXA
OCNFFLXA	PNSCFLWA	STAGFLBS
OKCBFLXA	PNVDFLMA	STAGFLMA
OKHLFLMA	POINFLXA	STAGFLSH
OKLWFLXA	PRRNFLMA	STAGFLWG
OLDSFLXA	PRRYFLXA	STCDFLXA
OLTWFLLN	PRSHFLXA	STGRFLXA
ORCYFLXA	PRSNFLFD	STMKFLXA
STRKFLXA	WNGRFLXA	SVSSFLXA
STRTFLMA	WNHNFLXC	SWTHFLXA
SVSPFLXA	WNPKFLXA	SYHSFLCC
TAFBFLXA	WPBHFLHH	

TAMPFLXE WPBHFLLE TAMPFLXX WPBHFLRB THNTFLXA WPBHFLRP TLCHFLXA WSSDFLXA TLHSFLXA WSTVFLXA TLHSFLXB WWSPFLHI TLHSFLXC WWSPFLSH TLHSFLXD YBCTFLXA TLHSFLXE YNFNFLMA TLHSFLXF YNTWFLMA TLHSFLXG YULEFLMA **ZLSPFLXA ZPHYFLXA**

TLHSFLXH TMTRFLXA TRENFLMA TRSPFLXA TTVLFLMA TVRSFLXA UMTLFLXA UNVRFLXA VENCFLXA VENCFLXS VERNFLMA VLPRFLXA VLPRFLXB VRBHFLBE VRBHFLMA WALDFLXA WCHLFLXA WELKFLMA WHSPFLXA WIMMFLXA WLBRFLXA WLCHFLXA WLCRFLXA WLHLFLXA WLSTFLXA **WLWDFLXA WNDRFLXA WPBHFLAN**

WPBHFLGA WPBHFLGR