

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF TRUCONNECT)	CASE NO. TCC-T-24-01
COMMUNICATIONS, INC.'S APPLICATION)	
FOR DESIGNATION AS AN ELIGIBLE)	ORDER NO. 36738
TELECOMMUNICATIONS CARRIER IN)	
THE STATE OF IDAHO)	

On March 4, 2024, TruConnect Communications, Inc. (“TCC”) applied to the Idaho Public Utilities Commission (“Commission”) for designation as an Eligible Telecommunications Carrier (“ETC”) in the State of Idaho. The Company requested designation as an ETC for the sole purpose of providing Lifeline services. The Company asked that it be allowed to participate and receive reimbursement from the Idaho Telephone Service Assistance Program (“ITSAP”) accordingly.

On June 20, 2024, the Commission issued a Notice of Application and set deadlines for public comments and the Company’s reply. Order No. 36227. The Company submitted materials supplementing its Application on July 9, 2024.

On July 11, 2024, Staff submitted comments, arguing that the Company’s request for ETC status should be denied. Among other things, Staff asserted that the Company failed to meet the necessary requirements for an ETC to remain functional in an emergency and promote the public interest.

On July 18, 2024, the Company submitted reply comments, arguing that the items of non-compliance referred to by Staff were not actually requirements for obtaining ETC status. Therefore, the Company contended it should not be denied ETC status for not submitting these non-mandatory items. After reviewing the reply comments, Staff recommended that the Commission issue a Notice of Supplemental Comment and Reply Deadlines to allow the parties to submit additional documentation and analysis for consideration by the Commission. The Commission adopted Staff’s recommendation and ordered a supplemental comment and reply period accordingly. Order No. 36284.

On August 15, 2024, the Company moved to stay this case for six months. The Company explained that this would give its corporate parent time to decide on the future of TCC and Sage Telecom Communications, LLC dba TruConnect (“Sage”)—an affiliate telephone company operating in Idaho. Staff did not oppose this request. On August 16, 2024, Staff filed supplemental

comments. In these comments, Staff explained that they believed TCC’s corporate parent did not intend for both TCC and Sage to provide the same services in the same area while operating under separate ETC designations. Instead, the companies were to have different owners or be sufficiently distinct to justify separate designations. Because the Company had yet to decide which path to take, Staff recommended that the Commission stay the case for up to six months so the Company could finalize its plan. The Commission directed Staff to recommend the appropriate course of action once the six-month stay elapsed or TCC and Sage’s futures became clear.

On October 4, 2024, the Commission stayed this case for six months to give the Company time to determine its path forward.

On June 11, 2025, the Commission issued a Notice of Second Supplemental Comment and Reply Deadlines, establishing deadlines for Staff and the Company to address the impact of a certification Sage would file regarding its plans in relation to TCC’s application for ETC designation. Order No. 36634.

On May 30, 2025, prior to the issuance of Order No. 36634, a representative of TCC’s corporate parent filed a document certifying that it would either within one year of TCC obtaining ETC status in Idaho, it will either 1) enter an agreement to sell Sage; or 2) Sage will begin offering at least one different service plan than TCC. Alternatively, if neither occurs, it will voluntarily give up Sage’s ETC status without prejudice. Subsequently, Staff filed supplemental comments to which the Company replied on June 25, 2025 and June 26, 2025, respectively.

With this Order, we approve the Company’s Application and grant it limited designation as an ETC to provide Lifeline services.

BACKGROUND

Under the federal Telecommunications Act of 1996 (“Federal Act”), a carrier designated as an ETC is eligible to receive federal support from the federal Universal Service Fund (“USF”).¹ 47 U.S.C. § 214(e). This Commission has the authority, under the Federal Act, to grant ETC

¹ The Federal Communications Commission established the federal USF with the intent to make adequate, efficient communications available nationwide, at reasonable charges. In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training (“Lifeline and Link Up Reform Order”) 27 F.C.C.R. 6656, at 6660-62 (Feb. 6, 2012); 47 U.S.C. § 254(b). Lifeline is a program supported by the USF that provides monthly discounts to eligible low-income subscribers to maintain access to communications networks. Lifeline and Link Up Reform Order, 27 F.C.C.R. 6656 at 6662-63. Idaho has an analogous state USF program, established in *Idaho Code* §§ 62-610 and 62-610A-610F, and a Lifeline program known as the Idaho Telecommunications Service Assistance Program (“ITSAP”). *Idaho Code* § 56-901.

designations within Idaho. 47 U.S.C. § 214(e)(2). Authority for the Commission to grant ETC designation is also provided in Idaho law—the Idaho Telecommunications Act of 1988 (“Idaho Act”)—and expounded upon in Commission orders. *See Idaho Code* §§ 62-610D(1), 62-615(1); Order No. 29841. Under this authority, this Commission has granted ETC designations to numerous carriers in Idaho, including wireless carriers. *See, e.g.,* Order Nos. 32586, 32645, and 34163.

To qualify as an ETC, an applicant must satisfy several requirements established in federal and state law. *See* 47 U.S.C. § 214(e); Order No. 29841. The Federal Act requires the applicant to be a “common carrier,” offering services supported under Section 254(c) of the Federal Act “using its own facilities or a combination of its own facilities and resale of another carrier’s services,” unless otherwise granted Federal Communications Commission (“FCC”) forbearance. 47 U.S.C. §§ 153(11), 214(e)(1)(A), 160(a)(3) (FCC has regulatory flexibility to forbear the application where consistent with the public interest). The Federal Act also requires the applicant “advertise the availability of such services and the charges therefor using media of general distribution.” 47 U.S.C. § 214(e)(1)(B).

Under the Federal Act, state commissions shall determine whether ETC designation is “consistent with the public interest, convenience, and necessity.” 47 U.S.C. § 214(e)(2). In evaluating this public interest element, the Commission has generally considered two factors. *See* Order No. 33002 at 2-3; Order No. 33226 at 3. First, the Commission evaluates whether the carrier contributes to state assistance programs such as the Idaho Telephone Service Assistance Program (“ITSAP”) and the Idaho Telecommunications Relay Services (“TRS”) program consistent with *Idaho Code* § 61-1301. *Id.* Second, the Commission considers if the designation is sought for only part of a rural telephone company’s study area, thus leaving some (perhaps less profitable) customers without service. *Id.* Such practice, known as “cream skimming,” has been determined by the Commission to be contrary to the public interest. *Id.*

Federal regulations include the following additional requirements, which the Commission has adopted by reference, in evaluating applications for ETC designation: (1) compliance with service requirements applicable to support received; (2) submission of a plan for proposed improvements or upgrades to the network (where applicable); (3) demonstrated ability to remain functional in emergencies without an external power source; (4) demonstrated willingness to satisfy consumer protection and service quality standards; (5) financial and technical capability to

provide Lifeline service; and (6) notice to affected Tribes where designation is sought for any part of Tribal lands. *See* 47 C.F.R. § 54.202; Order No. 29841 at 5, 16.

For applicants seeking Lifeline-only ETCs, the FCC has waived the requirement to submit a network improvement and upgrade plan, noting that such ETCs do not receive funds to improve or extend their networks. *Lifeline and Link Up Reform Order*, 27 F.C.C.R. 6656, ¶ 386. The Commission—which requires a two-year network improvement plan and progress report (Order No. 29841 at 18) where applicable—has also waived the requirement where a Lifeline-only ETC is requested. Order No. 35126 at 3.

THE APPLICATION

TCC seeks statewide ETC designation to offer Lifeline service anywhere its network partners, T-Mobile and Verizon, provide wireless coverage, including on federally recognized tribal lands. While its service area overlaps with rural carriers in Idaho, the Company argues that it should still receive ETC status because it only intends to use federal Universal Service Fund support to provide Lifeline service to eligible low-income consumers. TCC asserts it meets all federal and state requirements for designation as an ETC, including the requirements for ETCs participating in the Lifeline program, and that being designated as an ETC is in the public interest.

COMMISSION FINDINGS AND DECISION

The Commission has authority to grant ETC designation to a telecommunications carrier under federal and state law. 47 U.S.C. § 214(e); *Idaho Code* §§ 62-610D and 62-615(1). The Commission has considered the record, including the Company’s Application and Staff Comments. We now make these findings.

A. Common Carrier, Own Facilities, and Advertising

We first address requirements listed in § 214(e)(1) of the Federal Act. That provision requires an applicant to be a “common carrier” offering services “using its own facilities or a combination of its own facilities and resale of another carrier’s services,” unless otherwise granted FCC forbearance. 47 U.S.C. §§ 153(11), 214(e)(1)(A) and 160(a)(3). The FCC has granted forbearance from the “own-facilities” requirement to Lifeline-only ETCs provided they comply with certain 911 requirements and file a compliance plan. *See Lifeline and Link Up Reform Order*, 27 F.C.C.R. 6656, ¶ 386. The Company represented that, as a Lifeline-only ETC, it complied with the Federal Act with the filing of its December 2012 FCC-approved Compliance Plan. The Company stated its intention to follow 911 requirements governing Lifeline subscribers in

accordance with its FCC-approved Compliance Plan. We find the Company properly complied with the FCC forbearance regarding the “own facilities” requirement. On the record before us, we find the Company is also a “common carrier.” *See* 47 U.S.C. § 153(11).

An applicant seeking ETC designation must also “advertise the availability of such services and the charges therefor using media of general distribution.” 47 U.S.C. § 214(e)(1)(B). Based on the record and the Company’s assurances, we find this requirement to also be satisfied.

B. Public Interest and Related ETC Designation Requirements

Under the Federal Act, state commissions shall determine whether granting the requested ETC designation is “consistent with the public interest, convenience, and necessity.” 47 U.S.C. § 214(e)(2). Whether granting ETC status to TCC aligned with the public interest was a matter of significant concern for Staff. Although TCC committed to offering Lifeline services to a wide array of low-income and unserved and underserved Idaho residents, Staff was not concerned with clientele TCC intended to target. Rather, Staff believed that granting ETC status to affiliated entities operating within the same service area, offering indistinguishable telecommunications services at identical prices, was not consistent with the public interest. However, the certification submitted by a representative of Sage addresses and alleviates this concern. According to that certification, TCC’s parent does not intend to operate identical affiliated ETCs within the same Idaho service territory over the long term. Instead, over the next year, Sage’s existing Idaho customers will be transferred to TCC, after which Sage will either be sold, introduce at least one new service plan distinct from those offered by TCC, or relinquish its ETC designation. We find that TCC’s commitment to serving low-income Idahoans—without an identical affiliated ETC operating in the same territory—advances the public interest. To ensure that TCC’s corporate parent fulfills the commitments outlined in the certification filed in this proceeding, we find it reasonable to require the submission of quarterly reports detailing the status of the customer transfer and the plans for Sage. These reports shall be filed as compliance filings in this docket.

We also consider whether TCC would contribute to the appropriate Idaho funds. Order No. 33002 at 2-3; Order No. 33226 at 3. Staff confirmed that the Company would participate in the appropriate Idaho programs and comply with the Commission’s annual reporting requirements. We find that the Company’s commitment to participating in the appropriate Idaho programs advances the public interest. Next, we consider whether the Company is engaged in “cream skimming,” which we have found to be contrary to the public interest. Order No. 33002 at 2-3;

Order No. 33226 at 3. Because the Company requested limited ETC designation for the entire state, no cream-skimming analysis is required. We therefore find that granting TCC limited designation as an ETC in its requested service area—the State of Idaho—satisfies the public interest requirements.

C. Remaining Requirements

We next address the six remaining requirements from federal regulations and Order No. 29841. *See* 47 C.F.R. § 54.202.

(1) Service Requirements for Support Received. We find that TCC has sufficiently committed to meeting these requirements.

(2) Plan for Proposed Improvements or Upgrades to the Network. The FCC and this Commission have waived the requirement for Lifeline-only ETCs who seek only low-income USF support to submit a network improvement plan. *See* Order No. 32501 at 3-4; 47 C.F.R. § 54.202(a)(1)(ii). We find that that TCC is not required to submit a network improvement plan.

(3) Ability to Remain Functional in Emergencies. We find that TCC has demonstrated sufficient compliance with this requirement.

(4) Willingness to Satisfy Consumer Protection and Service Quality Standards. We are satisfied with TCC's assurances as to this requirement.

(5) Financial and Technical Capability. Based on TCC's assurances and description of its financial and technical qualifications, as well as how it interacts and partners with its parent company, we also find this requirement to be satisfied.

(6) Notice to Affected Tribes. We find that TCC has sufficiently notified and engaged Tribal authorities. 47 C.F.R. § 54.202(c); Order No. 29841 at 16 (superseded in part by Order No. 35126 at 6).

Based on the above findings, we conclude that TCC has satisfied the federal and state requirements for limited designation as an ETC carrier. We therefore designate TCC an ETC in the State of Idaho for the purpose of providing Lifeline service to qualifying Idaho consumers and to participate in and receive reimbursement from the ITSAP.

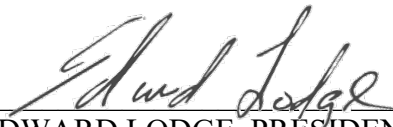
ORDER


IT IS HEREBY ORDERED that TCC's Application for limited designation as an ETC in the State of Idaho is approved.

IT IS FURTHER ORDERED that Sage shall submit as a compliance filing in this case quarterly reports in this docket for the next 12 months following the service date of this Order detailing the status of the customer transfer and the plans for Sage.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order about any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* §§ 61-626 and 62-619.


DONE by order of the Idaho Public Utilities Commission at Boise, Idaho this 22nd day of August 2025.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND, JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary

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