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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF TELRITE)	
CORPORATION'S d/b/a LIFE WIRELESS)	CASE NO. TEC-T-22-01
APPLICATION FOR DESIGNATION AS AN)	
ELIGIBLE TELECOMMUNICATIONS)	
CARRIER)	COMMENTS OF THE
)	COMMISSION STAFF
)	

STAFF OF the Idaho Public Utilities Commission, by and through its Attorney of record, Riley Newton, Deputy Attorney General, submits the following comments.

BACKGROUND

On June 14, 2022, Telrite Corporation d/b/a Life Wireless ("Telrite" or "Company") applied for designation as an Eligible Telecommunications Carrier ("ETC") in Idaho. On July 1, 2022, the Company supplemented its Application to comply with the Tribal notification requirements of Order No. 35126. The Company further supplemented its Application on August 25, 2022, to notify the Commission that it provided a copy of its Application and Supplement to the five federally recognized tribes in Idaho.

The Company states that it submits this Application for designation as an ETC in the State of Idaho "for the limited purpose of receiving universal service support to provide wireless services to low-income Idaho households as part of the Lifeline program." Application at 4. The

Company “does not seek access to funds from other federal Universal Service Fund (“USF”) programs such as high-cost support or Tribal Link-Up.” *Id.* Additionally, the Company “requests that its designation as an ETC include the authority to participate in and receive reimbursement from the Idaho Telecommunications Service Assistance Program (ITSAP).” *Id.* The Lifeline program is intended to provide more affordable telecommunications service benefits to eligible low-income customers through the federal USF and ITSAP. Idaho participates in the residential Lifeline program pursuant to *Idaho Code* § 56-901. *See* Order No. 21713.

The Company asserts that 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. The Company asks that the Commission grant it ETC status “expeditiously.” Application . at 6.

The Application

Telrite is an established Georgia corporation with its principal offices located at 4113 Monticello Street, Covington, Georgia 30014. It is authorized to do business in Idaho as a foreign corporation. Telrite is an established provider of both wireline and wireless telecommunications services. For its Lifeline services, Telrite operates as a reseller and uses the networks of its underlying service providers, T-Mobile, and AT&T Mobility, to provide services to its subscribers. The Company offers Lifeline services using the d/b/a Life Wireless.

Telrite requests an ETC designation that is statewide in scope to allow the Company to provide basic Lifeline service wherever its underlying, facilities-based providers have wireless coverage. The Company asserts that it meets the requirements of Section 214(e)(1) of the Federal Telecommunications Act to be designated as an ETC. *Id.* at 7.

Telrite states that it is entitled to ETC designation under 47 U.S.C. § 214(e)(2), which authorizes state commissions to grant ETC designations. *Id.* at 7-8. The Company, asserts that it: (1) is a common carrier; (2) commits and can provide services supported by federal universal support mechanisms; (3) will advertise the availability of supported services in a manner reasonably designed to reach those likely to qualify; (4) is committed to consumer protection and service quality standards; (5) is capable of remaining functional in emergencies; (6) has the

financial and technical capability to provide Lifeline service; and (7) will comply with requirements imposed by this Commission. *Id.* at 10-17.

The Company represents that being granted the ETC designation “will benefit the public interest by making the Company’s services available to a broad range of low-income consumers”¹ in Idaho. *Id.* 6. The Company notes that “today, robust levels of broadband service must be offered to eligible subscribers, as a means of effectively bridging the ‘Digital Divide’ that separates Idaho residents based on income.” *Id.* at 17.

The Company affirms that it seeks the ETC designation “solely to utilize USF funding to provide Lifeline service to qualified low-income consumers” in Idaho. *Id.* at 13. The Company also seeks Commission authorization to participate in and receive reimbursement from ITSAP. *Id.* at 4.

Telrite’s Lifeline Service Offerings

Telrite intends to initially offer the following Idaho service plan: 500 voice minutes and 5 Gigabytes (“GB”) of data per month with unlimited texting and multimedia messaging service at no cost to the subscriber.² This plan includes a smartphone³ and custom calling features such as caller ID, Call Waiting, Call Forwarding, 3-way Calling, and Voicemail. Additionally, in any month, subscribers to the plan will be able to add more services from the list of the currently offered services, as follows: a 100 GB Data PIN for \$5.00, 100 additional minutes for \$5.00, 250 additional minutes for \$10.00, one day of unlimited minutes for \$4.95, three days of unlimited minutes for \$7.95, one week of unlimited minutes for \$12.95, two weeks of unlimited minutes \$19.95, and one month of unlimited minutes \$29.95. *Id.* at 15.

STAFF ANALYSIS

Staff reviewed Telrite’s Application. Staff analyzed the Company’s fulfillment of the Federal Telecommunications Act of 1996 (“Act”), the Federal Communications Commission (“FCC”) regulations, and Idaho Public Utilities Commission Order No. 29841 and Order

¹ The Lifeline program does ensure that low-income consumers have access to and can afford essential voice and broadband communications services. Given the expansion of technology today, thus making broadband an increasingly essential part of everyday living, the Lifeline program has now become even more crucial.

² 5 GB is contingent upon receipt of \$2.50 monthly support from ITSAP. Without this support, the Lifeline plan would only include 4.5 GB. Application at 15, fn. 21.

³ This is free to eligible consumers.

No. 35126. Specific state and federal requirements for ETC designation are discussed in more detail below.

Public Interest Considerations

Staff applies a two-prong test when analyzing whether a Company's ETC Application is in the public interest. First, Staff determines whether the Company contributes to Idaho funds. Second, Staff analyzes whether the Company's Application raises "cream skimming" concerns. In the Application, Telrite confirmed that upon approval as an ETC in Idaho, it would participate in the appropriate Idaho programs, specifically the ITSAP program. Application at 4. The Company requests ETC designation statewide. *Id.* at 7. Therefore, no cream skimming analysis⁴ is required. Staff believes that Telrite satisfies the public interest considerations.

Network Improvement Plan

The Commission requires a two-year network improvement and progress report from all ETCs receiving high-cost support. *See* Order No. 29841 at 18. However, the Commission determined in Case No. CRI-T-11-01 that ETC Applications for Lifeline-only ETC designations do not require a two-year network improvement plan. Order No. 32501.

In the USF/ICC Transformation Order, the FCC amended 47 C.F.R. § 54.202 to clarify that a common carrier seeking designation as a Lifeline-only ETC is not required to submit a five-year network improvement plan as part of its application for designation as an ETC. Lifeline-only ETCs do not receive high-cost funds to improve or extend networks, therefore the FCC "saw little purpose in requiring such plans as part of the ETC designation process."⁵ Telrite's Application seeks only low-income USF support as a Lifeline-only ETC. Thus, Staff believes that Telrite need not submit a network improvement plan with its Application.

⁴ Cream skimming analysis is the examination of the perceived business practice of a company providing a product or a service to only the high-value or low-cost customers of that product or service, while disregarding clients that are less profitable for the company.

⁵ *See* Lifeline and Link up Reform and Modernization et al, WC Dkt No. 11-41 et al. Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 at para 386.

Tribal Notification

Pursuant to Commission Order No. 35126, an ETC applicant seeking ETC designation for any part of tribal lands in Idaho shall provide a copy of its application to the affected tribal government or tribal regulatory authority, as applicable, at the time it files its application with the Commission. Evidence of such notification shall be provided to the Commission. Telrite provided copies of the USPS-certified mail that the Company sent to the tribal authorities. Staff believes these documents comply with Commission Order No. 35126.

Ability to Remain Functional in Emergencies

Telrite represents that it can remain functional in emergencies per Commission Order Nos. 29841, 35126, and FCC regulation, 47 C.F.R. § 54.202(a)(2). Application at 13-14. Telrite asserts that because it resells wireless services, it can provide the same ability to remain functional in emergencies as the two underlying carriers, T-Mobile, and AT&T Mobility, provide to their customers. *Id.* Telrite asserts that it “has access to these extensive and well-established networks and facilities and believes that they are capable of managing traffic spikes that may occur during emergencies and can reroute traffic in the event of damaged facilities. *Id.* at 13-14. Additionally, “Telrite also has reason to believe that these network operators have sufficient back-up power to ensure functionality if its external power supply is unavailable.” *Id.* at 14. Therefore, Staff accepts that Telrite fully satisfies this requirement.

Other ETC Designation Requirements

Additional requirements for ETC designation are detailed in Appendix 1 of Order No. 29841 and Order No. 35126 and are discussed in more detail below.

1. Common Carrier Status.

Telrite is a common carrier as defined by Title 47 U.S.C. § 153(10) and section 332(c)(1)(A) of the Act. *Id.* at 10.

2. Provide Universal Services.

Telrite states that it will provide all required services and functionalities as set forth in Section 54.101(a) of the FCC’s Rules (47 C.F.R. § 54.101(a)). *Id.* at 10-11.

3. Advertising.

Telrite will advertise the availability and rates for its services described in the Application through media of general distribution as required by 47 U.S.C. § 214(e)(1)(B); and section 54.405(c) of the FCC's rules. *Id.* at 12.

4. A Commitment to Consumer Protection and Service.

Telrite commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards, including compliance with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service as required by 47 C.F.R. § 54.202(a)(3). *Id.* at 14.


5. Description of the Local Usage Plan.

Telrite will offer a Lifeline service plan as outlined in Exhibit C.

STAFF RECOMMENDATION

Based on its review of the Company's Application, Staff believes that the Application demonstrates the Company's commitment to fulfilling the obligations of a Lifeline-only ETC in Idaho. The Company will provide all universal services supported by the federal USF throughout its service territory. It has addressed the public interest questions that accompany an ETC Application. Telrite will provide multiple pricing plans, which will increase consumer choice for low-income telephone services in Idaho. The Commission has granted seven wireless ETCs access to participate in the State's ITSAP program, so Staff supports allowing Telrite to participate in the ITSAP program. Thus, Staff believes Telrite's Application for designation as an ETC is in the public interest and should be approved for the entire State of Idaho as a service area.

Respectfully submitted this 17th day of October 2022.



Riley Newton
Deputy Attorney General

Technical Staff: Johan Kalala-Kasanda

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 17th DAY OF OCTOBER 2022, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. TEC-T-22-01, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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