## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 11<sup>th</sup> day of June, 2014.

In the Matter of the Application of	)	
TAG Mobile, LLC, for Designation as an	)	File No. RA-2012-0296
Eligible Telecommunications Carrier	)	

# ORDER GRANTING APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

Issue Date: June 11, 2014 Effective Date: June 21, 2014

Congress created the Universal Service Fund ("USF") to ensure that telephone customers in rural and high-cost areas, as well as low-income customers, have access to quality telecommunications services at reasonable and affordable rates. Here, TAG Mobile, LLC ("TAG Mobile") asks the Commission to designate it as an eligible telecommunications carrier ("ETC"), thus allowing TAG Mobile to receive funds from the USF. The Commission will grant TAG Mobile's request.

#### **Procedural History**

On March 14, 2012, TAG Mobile asked the Commission to designate it as an ETC.

TAG Mobile limited its request to receive only low-income federal USF support for Lifeline.

Lifeline gives qualifying low-income customers discounts on monthly rates.

The Commission notified the public about the application on March 15, 2012, giving potentially interested parties until April 4, 2012 to ask to intervene. The Commission received no intervention requests.

Staff filed its Preliminary Recommendation on May 9, 2012, requesting that the Commission deny TAG Mobile ETC status. On January 9, 2014, Staff and TAG Mobile filed a Stipulation and Agreement ("Stipulation").

The Stipulation states that in File No. CO-2010-0054, the Commission gave TAG Mobile's affiliate, dPi Teleconnect, LLC ("dPi"), wireless ETC status. dPi told the Commission that TAG Mobile applied to become a wireless ETC. dPi agreed to relinquish its wireless ETC status once the Commission approved TAG Mobile's request.

Further, the Stipulation says that dPi did not change its name to TAG Mobile. Also, TAG Mobile did not indicate that it was formerly known as dPi. Yet, Staff received ETC enrollment forms from dPi. Staff randomly reviewed some of those forms, finding that dPi used a form the Missouri USF board had not approved. In addition, all the forms used the name TAG Mobile for the provider, even though TAG Mobile had yet to become an ETC.

Under the Stipulation, TAG Mobile agreed to give written notice to all existing customers that the service they receive is from dPi, not TAG Mobile. TAG Mobile agreed to pay \$50,000 to the School Fund. The Commission approved the Stipulation on February 5, 2014.

Staff filed its Recommendation on May 12, 2014. In the Recommendation, Staff states that TAG Mobile has paid the School Fund the agreed upon amount from the Stipulation. Staff recommends that the Commission grant TAG Mobile ETC status on the condition that TAG Mobile continues to adhere to the compliance plan in the Stipulation.

Commission Rule 4 CSR 240-2.080(13) allows parties ten days to respond to pleadings unless otherwise ordered. The Commission issued no order to the contrary, ten days have elapsed, and no party has responded to Staff's Recommendation.

### **Discussion**

The application is within the Commission's jurisdiction to decide.<sup>1</sup> Because no party objects to the application, the Commission need not hold an evidentiary hearing.<sup>2</sup> Thus, the Commission deems the hearing waived<sup>3</sup>, bases its findings on the verified filings, and makes its conclusions as follows.

Congress established the USF in the Telecommunications Act of 1996. The stated purpose of the USF is to ensure that telephone customers in rural and high cost areas, as well as low-income customers, have access to quality telecommunications services at reasonable and affordable rates.<sup>4</sup>

To meet that goal, the USF gives money to telecommunications service providers who serve rural and high cost parts of the country. But before a provider can receive those funds, the Commission must designate the provider as an ETC.

The Telecommunications Act established two criteria for determining whether an applicant may be an ETC. First, the applicant must offer the services that the USF supports in the service area for which the designation is received.<sup>5</sup> Second, the applicant must advertise the services and their charges using media of general distribution.<sup>6</sup>

The Commission finds the allegations in the Application and Staff's Recommendation to be true. The Commission finds that TAG Mobile meets the

<sup>&</sup>lt;sup>1</sup> 47 U.S.C. § 214(e)(2).

<sup>&</sup>lt;sup>2</sup> State ex rel. Rex Deffenderfer Ent., Inc. v. Public Serv. Com'n, 776 S.W.2d 494 (Mo.App. 1989).

<sup>&</sup>lt;sup>3</sup> Section 536.060, RSMo 2000.

<sup>&</sup>lt;sup>4</sup> 47 U.S.C. 254(b).

<sup>&</sup>lt;sup>5</sup> 47 CFR 54.101(a) (which requires ETCs to offer (1) Voice grade access to the public switched network; (2) Local usage; (3) Dual tone multi-frequency signaling or its functional equivalent; (4) Single-party service or its functional equivalent; (5) Access to emergency services; (6) Access to operator services; (7) Access to interexchange service; (8) Access to directory assistance; (9) Toll limitation for qualifying low-income consumers; and (10) Access to telecommunications relay services by dialing 711.

<sup>&</sup>lt;sup>6</sup> 47 U.S.C. 214(e)(1).

requirements to become an ETC. Thus, the Commission will designate TAG Mobile as an ETC.

#### THE COMMISSION ORDERS THAT:

- 1. TAG Mobile, LLC is designated as an eligible telecommunications carrier solely for the purpose of receiving federal Lifeline support throughout the Southwestern Bell Telephone Company, L.P. d/b/a AT&T Missouri exchanges in Missouri, under the provisions of 47 U.S.C. §§ 214 and 254.
- 2. TAG Mobile, LLC shall advertise the availability of Lifeline services using media of general distribution, in compliance with 47 U.S.C § 214(e)(1).
- 3. TAG Mobile, LLC shall continue to adhere to the compliance plan in the Stipulation and Agreement that the Commission approved on February 5, 2014.
  - 4. This order shall become effective on June 21, 2014.
  - 5. This case shall be closed on June 22, 2014.

BY THE COMMISSION

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Morris L. Woodruff Secretary

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R. Kenney, Chm., Stoll, W. Kenney, Hall, and Rupp, CC., concur.

Pridgin, Deputy Chief Regulatory Law Judge