

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of)
dPi Teleconnect, LLC for Designation as)
an Eligible Telecommunications Carrier.)
File No. CO-2010-0054

STAFF RECOMMENDATION ON AMENDED APPLICATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through the undersigned attorney, and for its recommendation states the following to the Commission:

1. On October 8, 2010¹, dPi Teleconnect, LLC (dPi or Company) filed an application to amend its Eligible Telecommunications Carrier (ETC) status that the Commission granted the Company on June 2. dPi currently receives federal universal service fund low income support for providing certain wireline services in AT&T Missouri service territories, but seeks to amend its status to include the provision of wireless services.

2. The proposed service will provide essentially a free wireless handset to qualifying consumers with no monthly fee, and 68 minutes of usage per month of local and long distance service with additional usage available for additional fees.

3. On December 15, dPi supplemented its October 8 application with the additional information requested by the Staff to allow a review of the Company’s application and make a determination as to whether it complied with the Commission’s verification procedures for customer eligibility and what process the Company intended to use to protect any supporting customer eligibility documentation received.

4. Section 214(e)(2) of the Telecommunications Act of 1996 provides that a state

¹ All dates hereafter refer to the calendar year 2010, unless indicated otherwise.

commission shall designate a common carrier as an eligible telecommunications carrier (ETC) provided that the carrier meets the requirements of Section (e)(1), which requires a carrier designated as an ETC to offer the services that are supported by the Federal universal service support mechanisms, using either its own facilities or a combination of its own facilities and resale of another carrier's services, and to advertise the availability of such services and the related charges using media of general distribution.

5. 4 CSR 240-3.570 contains the filing requirements for an applicant seeking designation from the Commission as an ETC, and the service and filing requirements of an ETC once so designated.

6. The Staff has reviewed dPi's application and supplemental information and determined that the Company is in compliance with the requirements for ETC designation to provide wireless services. The Staff's *Memorandum* is attached hereto, which includes a summary of the Company's compliance with the ETC requirements as Attachment A.

7. The Staff recommends that the Commission grant dPi's application to amend its ETC status to include the provision of wireless services and waive CSR 240-3.570 (2)(A)1-3, 4 CSR 240-3.570 (2)(C), and 4 CSR 240-3.570 (3)(C)3, or in the alternative, state these requirements only apply to telecommunications companies seeking high-cost Universal Service Fund (USF) support.

8. Further, the Staff recommends that the Commission include in its order the requirement for dPi to update its current on-file tariff to include the rules and regulations governing the Company's provision of wireless service.

9. Finally, paragraph five (5) of dPi's October 8 application requests that "should at some point in the future Missouri law be revised so as to allow wireless carriers to receive

support from the Missouri Universal Service Fund, dPi will then also become eligible to receive such support by Commission approval of this Application.” The Staff recommends that the Commission not allow the current application to serve as future approval for Missouri USF funds, so as to allow the Staff to review a Company application at that time to determine the Company’s eligibility for such support and any other relevant factors in the provision of its services.

10. The Company is current with the filing/funding requirements for the Missouri USF Assessment, Commission Assessment, Relay Missouri and Annual Reports.

WHEREFORE, the Staff respectfully requests that the Commission issue an order (1) granting dPi Teleconnect, LLC, Eligible Telecommunications Carrier status to include the provision of wireless services; (2) direct the Company to file prior to the provision of any wireless services an updated tariff with an effective date thirty days from the date of issuance stating the rules and regulations governing the Company’s provision of such services; and (3) deny dPi’s request for approval of this application to serve as future eligibility for Missouri USF support, so as to allow the Staff to review a Company application at that time to determine eligibility.

Respectfully submitted,

/s/ Jennifer Hernandez

Jennifer Hernandez
Associate Staff Counsel
Missouri Bar No. 59814

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Missouri Public Service Commission
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail on Mark P. Johnson and Lisa Gilbreath, Sonnenschein Nath & Rosenthal LLP, Attorneys for dPi Teleconnect, LLC, at mark.johnson@snrdenton.com and lisa.gilbreath@snrdenton.com; and The Office of Public Counsel at opcservice@ded.mo.gov this 29th day of December, 2010.

/s/ Jennifer Hernandez

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. CO-2010-0054
Company Name: DPI Teleconnect, LLC

From: Dana Parish
Telecommunications Department

/s/ John Van Eschen (12/29/10) /s/ Jennifer Hernandez (12/29/10)
Utility Operations Division Chief Staff Counsel's Office

Subject: Staff Recommendation Regarding DPI Teleconnect's Application for ETC Status
on a Wireless Basis

Date: December 29, 2010

On October 8, 2010 DPI Teleconnect, LLC (DPI or Company), a competitive local exchange carrier (CLEC) certificated in Case No. CO-2010-0054, filed an application to amend its designation as an Eligible Telecommunications Carrier (ETC) with the Missouri Public Service Commission (PSC) asking that its designation as an ETC be amended to include its provision of prepaid wireless services in the exchanges served by ATT for which DPI has already been granted ETC status, and only for purpose of receiving federal universal service fund support for low income customers exclusively. DPI is requesting waivers of 4 CSR 240-3.570(2)(A)1-3, 4 CSR 240-3.570(2)(C), and 4 CSR 240-3.570(3)(C)3.

A company must receive ETC designation in order to receive either high-cost support and/or low-income funding from the federal USF. Low-income funding is associated with the federal Lifeline and LinkUp programs. These programs provide funding to companies in offering discounts to monthly charges and installation charges for local voice service subscribed to by consumers meeting certain criteria. The Missouri USF can also provide funding support to low-income consumers as well as qualifying disabled consumers, but ETC status is only necessary for federal USF funding.¹ In this regard DPI's pending ETC request is limited to receiving federal low-income support.

DPI proposes to offer a wireless service for qualifying low-income consumers. The proposed service will provide essentially a free wireless handset to qualifying consumers with no monthly fees. The proposed service will provide 68 minutes of usage per month of local and long distance with additional usage available for additional fees. The company does not intend to seek Missouri USF funding for this service. The company will require applicants to submit proof of eligibility.

ETC application requirements are identified in rules established by the FCC and the Missouri PSC. Attachment A identifies Staff's interpretation of the ETC application requirements for companies only seeking low-income support.

¹ Missouri PSC rule 4 CSR 240-31.050(1) identifies the separate process used by carriers seeking Missouri USF funding.

In Staff's opinion, DPI meets all requirements for ETC designation in order to receive low-income support. In response to DPI's waiver requests, Staff recommends the Commission either grant the waivers, or in the alternative, state that these requirements only apply to telecommunications companies seeking high-cost USF support.

Staff has inserted citations within Attachment A showing citations for why Staff concludes the company meets the requirement.

DPI Teleconnect, LLC

Compliance with ETC Application Requirements
(Lifeline/LinkUp Assistance)

Requirement (rule citation)		Description	Comply? (Paragraph)
FCC	MoPSC		
54.201	-	Defines ETC as a carrier providing service using at least a portion of its own facilities. <i>(Note: a carrier solely providing service via UNEs is OK but a carrier solely providing service via resale is not.)</i>	Sufficient Amended Application pg. 3, sect. 9 & 10, pg. 4, sect. 11
54.101	3.570 (3)(C)1	Ensures certain service features are provided (touchtone, single-party, access to 911, IX service, relay (711), DA, operators, toll limitation)	Sufficient Amended Application pg. 3, sect. 10, pg. 5, sect. 15, pg. 6, sect. 18, pg. 7, sect. 19, pg. 10 & 11, sect. 28-34, see also footnote 6 on pg. 6
-	3.570 (3)(D)	<i>Wireless providers: Within 30 days of receiving ETC status will make an informational filing describing all service offerings.</i>	Sufficient Amended Application pg. 5, sect. 13, pg. 10, sect. 26
54.202(a)(1)	-	Commit to provide service throughout proposed service area	Sufficient Amended Application pg. 4, sect. 10, pg. 6, sect. 17, Ex. B
54.202(a)(1)(B)	-	Commit to provide service in a timely manner.	Sufficient Amended Application pg. 4, sect. 10
54.202(a)(2)	3.570 (2) (A)4	Commit to remain functional in emergencies.	Sufficient Amended Application pg. 4, sect. 10
-	3.570 (2)(A)9	Statement it will provide equal access if all other ETCs in that service area relinquish their ETC designations.	Sufficient Amended Application pg. 14, sect. 45
54.202(a)(3)	3.570 (2)(B)	Commit to satisfy consumer protection & quality of service standards. <i>(Wireless ETCs commit to CTIA code of conduct + attach copy of current CTIA code)</i>	Sufficient Amended Application pg. 19, sect. 60
54.202(a)(4)	3.570 (2)(A)10	Commit to offering a comparable usage plan as ILEC.	Sufficient Amended Application pg. 15, sect. 46

54.202(c)	3.570 (2)(A)5	Demonstrates granting ETC status is in public interest.	Sufficient Amended Application pgs. 12-16
-	3.570 (3)(A)	Clear bill design.	Sufficient Amended Application pg. 11, sect. 35
-	3.570 (3)(B)	Customer service contact information online and on billing statements.	Sufficient Amended Application pg. 11, sect. 36
-	3.570 (3)(E)	Commit to maintain record of customer complaints.	Sufficient Amended Application pg. 12, sect. 37
54.401(c)	-	Not collect a deposit from a Lifeline subscriber if consumer voluntarily elects toll limitation service.	Sufficient Amended Application pg. 10, sect. 25
54.401(e)	-	Not charge a Lifeline subscriber a monthly number portability charge.	Sufficient Amended Application pg. 10, sect. 25
54.403	3.570 (2)(A)7	Discounts consistent with federal plan: Tier 1: \$1.75 (fed discount) Tier 2: \$6.50 (waive subscriber line charge)* Tier 3: \$1.75 (half of a state's or carrier's contribution) - \$3.50 state MoUSF - \$13.50 max. * Limited to ILEC's subscriber line charge amount.	Sufficient Amended Application pg. 10, sect. 27
54.405 (b)	3.570 (2)(A)6	Publicize Lifeline.	Sufficient Amended Application pg. 12, sect. 38
54.409 54.410	31.050	FCC rules state ETC must comply with state verification procedures in states that mandate state Lifeline support. MoPSC rules require a company to verify customer's eligibility; develop a process for documentation received; plus verify a customer's continued eligibility.	Sufficient Amended Application pg. 17, sect. 55 See also Dec. 15 th Supplement to Application Filing.
-	3.570 (2)(A)8	Statement will satisfy consumer privacy protection standards.	Sufficient Amended Application pg. 19, sect. 61
-	3.570 (3)(F)	Notify PSC of any changes to contact info.	Sufficient Amended Application pg. 5, sect. 14

Compliance with Other Funding/Filing Requirements		
Item	Yes	No
Missouri USF Assessment	X	
PSC Assessment	X	
Relay Missouri	X	
Annual Report	X	

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OF THE STATE OF MISSOURI**

In the Matter of the Application of dPi)
Teleconnect, LLC for Designation as an)
Eligible Telecommunications Carrier) Case No. CO-2010-0054

AFFIDAVIT OF DANA PARISH

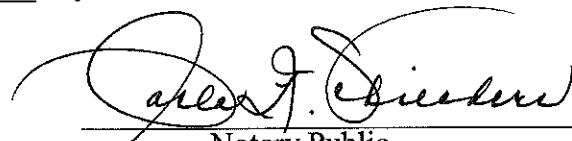
STATE OF MISSOURI)
)
COUNTY OF COLE) ss

Dana Parish, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that she has participated in preparing the accompanying Staff Recommendation in Memorandum form, and that the facts therein are true and correct to the best of her knowledge and belief.



Dana Parish

Subscribed and sworn to before me this 29th day of December, 2010.



Notary Public

CARLA K. SCHNIEDERS
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: August 25, 2012
Commission Number: 08533187