

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

In the Matter of the Application of Virgin Mobile USA, L.P.)
Branded Assurance Wireless Brought to You by Virgin)
Mobile for Limited Designation as an Eligible) **File No. RA-2012-0264**
Telecommunications Carrier in the State of Missouri)

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its Response, states as follows:

1. On February 1, 2012, Virgin Mobile USA, L.P. d/b/a Assurance Wireless brought to you by Virgin Mobile (“the Company”) requested designation by the Missouri Public Service Commission (“Commission”) as an eligible telecommunications carrier (“ETC”) for the purpose of providing prepaid wireless services in Missouri supported by the federal Universal Service Fund’s Lifeline program.

2. The Staff believes it appropriate to condition the ETC designation by the Commission, as follows:

A. The Company shall notify the Staff within 30 days of any event that falls within the following:

Please provide the details of any matter brought in the last ten years by any state or federal regulatory or law enforcement agency against the ETC, any person or entity that holds more than a 10% ownership interest in the ETC, any affiliated company (any company under common management ownership or control or that, by contract or other agreement performs any of the functions necessary to the ETC’s Lifeline Service) that involves any aspect of the provision of Lifeline Service or any aspect of state or federal Universal Service funds, or any matter involving fraud, deceit, perjury, stealing or the omission or misstatement of material fact in connection with a commercial transaction. Such matters include formal or informal notices of investigation, indictment, the filing of a complaint, a civil lawsuit, revocation or suspension proceeding, action for penalties or damages, or criminal charges. Such details include, but are not limited to, copies of complaints or other such pleadings and the filed responses thereto, as well as any

orders, decisions or other determinations of culpability, including those that exonerate the subject of any wrongdoing.

The Staff plans to include this disclosure requirement for new and renewing ETC applicants in its proposed comprehensive amendments to the Commission's ETC rules.

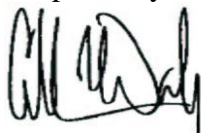
B. The Company may only use the MoUSF Board-approved form when enrolling Lifeline subscribers in Missouri.

C. The Company will use either its full name or the "d/b/a" (Assurance Wireless brought to you by Virgin Mobile), which is registered with the Missouri Secretary of State when enrolling Lifeline subscribers in Missouri.

3. The Company has an obligation to update its application with new information when any statement therein becomes untrue or could mislead the reader to an inference that is untrue.

WHEREFORE, the Staff recommends that the Company be granted ETC designation, on the condition that it adheres to the above-listed conditions, as well as any other conditions in the Commission's rules concerning the provision of wireless Lifeline Service to low-income customers.

Respectfully submitted,



Colleen M. Dale
Senior Counsel
Missouri Bar No. 31624
Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-4255 (Telephone)
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 29th day of January, 2013.

A handwritten signature in black ink, appearing to be "Allan D. [unclear]", written in a cursive style.

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. RA-2012-0264
Company Name: Virgin Mobile USA, L.P. d/b/a Assurance Wireless
brought to you by Virgin Mobile

From: Dana Parish
Telecommunications Department

John Van Eschen (1/28/13) Cully Dale (1/28/13)
Utility Operations Division General Counsel's Office

Subject: Staff Recommendation Regarding Assurance Wireless brought to you by
Virgin Mobile's Application for ETC Status on a Wireless Basis

Date: January 28, 2013

On February 1, 2012 Virgin Mobile USA, L.P. d/b/a Assurance Wireless brought to you by Virgin Mobile (Assurance Wireless or company) filed an application with the Missouri Public Service Commission seeking designation as an Eligible Telecommunications Carrier (ETC). The application is for the sole purpose of receiving federal universal service fund Lifeline support. The company will not seek any MoUSF funding.

Assurance Wireless proposes to offer a wireless Lifeline service whereby the basic package is 250 free minutes each month with additional usage priced at \$0.10/minute and \$0.10/message. Additional packages are available to the customer for an additional fee. Eligible customers can select any option on a month-to-month basis without subscribing to a long-term contract or incurring activation charges or connection fees. The company intends to offer such services in AT&T Missouri and CenturyLink exchanges. The company's service will be provided through facilities of its subsidiary Sprint Nextel Corporation. In a decision issued on December 29, 2010 in WC Docket 09-197 the FCC specifically determined the company's affiliation with the Sprint Nextel Corporation allows the company to meet ETC requirement to be a facility-based carrier.

The Commission Staff (Staff) has reviewed the ETC application and company responses to Staff data requests. The data requests attempt to gain a more thorough understanding about the company, its owners/managers and anticipated compliance with Lifeline program requirements. Attachment A identifies the information related to ETC applications reviewed by Staff. Staff's review suggests no current issues with granting ETC status to the company.

Staff recommends the Commission grant ETC status to Virgin Mobile USA, L.P. d/b/a Assurance Wireless. The Commission's order should specify the company's ETC designation is solely for the purpose of receiving federal Lifeline support and Lifeline service is limited to the exchanges of AT&T Missouri and CenturyLink.

Attachment A

Yes	No	N/A	ETC Application Requirement Check List	DR
X			Application complies with application requirements in 4 CSR 240-2.060?	App
X			Application describes service?	App
X			Identifies proposed service area?	DR1
X			Does the applicant intend to provide service using its own facilities?	DR1 & Ex 1
X			If yes, has the applicant adequately described its own facilities?	DR1
X			If no, applicant has provided statement confirming subscribers will have 911 & E911 access.	DR1
X			If no, provided a copy of FCC-approved compliance plan.	DR1 & Ex 1
X			Statement certifying will advertise the availability of its supported service?	DR1
X			Acceptable explanation of how the applicant will advertise?	DR1
X			Has applicant provided examples of proposed advertising? (if available)	DR1
X			If yes, advertising looks acceptable?	DR4
	X		Does applicant intend to advertise by direct mail?	DR1
		X	If yes, direct mailing explanation appears reasonable in terms of reaching consumers likely to qualify for Lifeline?	DR1
X			Certifies the applicant will comply with applicable service requirements in 47 CFR 54.201(d)(2)?	App
X			Demonstrates can remain functional in emergency situations?	DR1
X			Statement will satisfy applicable consumer protection, consumer privacy and service quality standards? <i>If wireless, comply with Cellular and Internet Assoc.'s Consumer Code for Wireless Service?</i>	DR1 & App
X			Provides acceptable list of applicable standards (<i>Wireless Code</i>) in above statement?	DR1
X			Describes all rates, terms, conditions and provisions applicable to the proposed voice telephony service to be supported, including any overage or additional minute charge?	DR4
X			Statement the applicant will maintain this information in a tariff or wireless informational filing with the commission or on a publically available website?	DR4
X			Explanation how the applicant intends to provide service throughout the proposed service area, including whereby the applicant lacks facilities or network coverage?	DR1
X			Describes how the applicant will ensure service will be provided in a timely manner to requesting customers?	DR1
X			Commits to maintain a record of complaints, including an agreement to make such records available upon request to the commission staff?	DR5
X			Commits to remit required, collected 911 revenues to local authorities?	App
X			Demonstrates the applicant is financially viable and technically capable of providing voice telephony service?	DR4
X			Describes how, if at all, the applicant will provide access to directory assistance services, operator services and interexchange services?	DR4
X			Identifies any individual or entity having a 10% or more ownership interest in the applicant, and all managers, officers and directors or any person exerting managerial control over applicant's day-to-day operations, policies, service offerings and rates?	DR1
X			Identifies any companies sharing common ownership or management with the applicant?	DR1
	X		For any identified company, does the applicant indicate whether the company has or is currently offering telecommunications, IVoIP and/or wireless services, or has ever	DR4

Attachment A

			received funds from the FUSF or any state universal service fund?	
X			Identifies any matters brought forth within the last ten years by any state, federal regulatory or law enforcement agency against the applicant, any person or entity that holds more than 10% ownership interest in the applicant?	DR2
X			Provides a description or copy of the safeguards the applicant has in place to ensure that no USF funds are diverted to use for attorney's fees, back taxes, rescissions, penalties, judgments or settlements?	DR2
X			Commits to solely conduct business using the name or "DBA" under which the commission granted ETC designation and no additional service or brands?	DR4
X			Commits to comply with all requirements associated with the Lifeline program contained in 47 CFR Part 54 Subpart E?	DR4
X			Commits to comply with all requirements established by MoPSC regardless of whether funded solely through the FUSF or through the FUSF and the MoUSF?	DR4
	X		Statement indicating whether the applicant intends to seek support from the MoUSF?	App
		X	If yes, states whether it intends to participate in the Disabled program?	App
X			Demonstrates how the applicant will ensure that the full amount of Lifeline or Disabled support will be passed through to the qualifying low-income consumer?	DR4
X			Commits to use only a board approved Lifeline or Disabled application form?	DR4
X			Explanation how the applicant will initiate Lifeline or Disabled service to a subscriber?	DR1
X			Explanation includes: how subscriber will meet eligibility requirements, how it will determine a subscriber's identity and primary address are correct and how it will ensure that only one Lifeline or Disabled discount is received per household?	DR1,D R4
	X		Applicant assesses or collects a monthly fee for Lifeline service?	DR1
X			If no, applicant explains how it will not receive universal service support until the subscriber activates service and explains how it will ensure it only receives support for a subscriber using support within the last 60 days (including a description of its process to monitor and de-enroll a subscriber that fails to use the service for 60 consecutive days?	DR1
X			Explanation how the applicant intends to annually verify a customer's continued eligibility for the Lifeline or Disabled program, including what action will be taken if a subscriber fails to adequately respond or is no longer eligible for support?	DR1
X			Intend to use independent contractors to sign-up Lifeline or Disabled Subscribers?	DR4
X			If yes, commits to take full responsibility for the independent contractor?	DR4
X			Demonstrates how it will monitor its employees, agents or contractor to ensure they comply with all applicable laws and rules concerning Lifeline or Disabled Programs?	DR4
X			Commits to notify the commission of any changes to company contact information?	App
X			Statement the applicant complies with all reporting and assessment requirements (if certificated or registered with the commission)?	DR4
X			Statement the applicant is compliant with contribution obligations to the FUSF	DR4
X			Has the applicant sought and obtained a waiver of any ETC requirement from the FCC?	DR1
X			If yes, have they provided a copy of the FCC's decision?	DR1

Attachment A

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

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

In the Matter of the Application of Virgin)
Mobile USA, L.P., Branded Assurance)
Wireless Brought To You by Virgin Mobile,)
for Limited Designation as an Eligible)
Telecommunications Carrier in the State of)
Missouri)

Case No. RA-2012-0264

AFFIDAVIT OF DANA PARISH

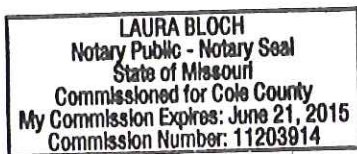
STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Dana Parish of lawful age, on oath states: that she participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to her; that she has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of her knowledge and belief.



Dana Parish

Subscribed and sworn to before me this 24th day of January, 2013.



Notary Public