

MEMORANDUM

To: Official Case File
 Case No. CO-2012-0043
 Company Name: Budget PrePay, Inc. d/b/a Budget Mobile

From: Dana Parish
 Telecommunications Unit

John Van Eschen (3/26/13) Cully Dale (3/26/13)
 Telecommunications Unit Staff Counsel's Office

Subject: Staff's Recommendation to Grant ETC Status

Date: 3/26/13

Date ETC application was filed:	8/8/11
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Full name of Applicant:	Budget PrePay, Inc. d/b/a Budget Mobile
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Purpose for Receiving ETC Status	<i>(check "X" as appropriate)</i>
Solely for the purpose of receiving Lifeline support.	X
Purpose of receiving Lifeline and high-cost support.	

Proposed Service Area	
State-wide	
Other <i>(describe)</i>	SWB and AT&T

Basic Information Regarding Applicant <i>(check as appropriate)</i>				
Applicant's technology is:	Landline		Wireless	X
Applicant meets facility-based requirements?	Facility-Based		Reseller	X
If reseller, FCC has approved Lifeline compliance plan?	Yes	X	Not applicable	
Applicant's Lifeline service fees:	Monthly Fee	X	Free	X

If ETC status is granted should applicant be authorized to receive MoUSF support?	Yes		No	X
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The Commission Staff (Staff) has reviewed the Company's ETC application and responses to Staff data requests. In Staff's opinion the Company has adequately met all ETC application requirements identified in Attachment A. Staff recommends the Commission grant ETC status to the Company using the full name of the applicant as indicated above. The Commission's order should also indicate the following information as indicated above:

- a.) The purpose for receiving ETC status.
- b.) The proposed service area.
- c.) Whether ETC status also authorizes the company to receive Missouri USF funding.

Checklist Items		Citation				
Basic Application Requirements	<p>Complies with application requirements in 4 CSR 240-2.060 specifically:</p> <ul style="list-style-type: none"> • Proper authorization from Missouri Secretary of State. • Contact information. • Provides statement indicating whether applicant has any pending action of final unsatisfied judgments against them by a state or federal agency or court involving customer service or rates within past 3 years. • Signed affidavit that verifies all information is true, accurate & correct in the application. 	ETC Application & EFIS 12/15/11				
	<p>Is the applicant already certificated or registered by the Missouri PSC to provide local voice service in Missouri? (check "X" in appropriate box below)</p> <table border="1"> <tr> <td style="text-align: center;">X</td> <td> <p>Yes. If yes, the applicant must be compliant in:</p> <ul style="list-style-type: none"> • Paying MoUSF assessment. • Paying MoPSC assessment. • Paying Relay MO assessment. • Annual report submissions. </td> </tr> <tr> <td></td> <td>No, the applicant is not certificated or registered by the Missouri PSC.</td> </tr> </table>	X	<p>Yes. If yes, the applicant must be compliant in:</p> <ul style="list-style-type: none"> • Paying MoUSF assessment. • Paying MoPSC assessment. • Paying Relay MO assessment. • Annual report submissions. 		No, the applicant is not certificated or registered by the Missouri PSC.	DR 004, #15 & EFIS/ PSC Intranet
	X	<p>Yes. If yes, the applicant must be compliant in:</p> <ul style="list-style-type: none"> • Paying MoUSF assessment. • Paying MoPSC assessment. • Paying Relay MO assessment. • Annual report submissions. 				
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<p>Has the Missouri PSC already granted ETC status to the company?</p> <table border="1"> <tr> <td style="text-align: center;">X</td> <td> <p>Yes. If yes, cite the case and in space below explain the current ETC status of the company:</p> </td> </tr> <tr> <td></td> <td>No, the applicant is not previously received ETC status from the Missouri PSC.</td> </tr> </table>	X	<p>Yes. If yes, cite the case and in space below explain the current ETC status of the company:</p>		No, the applicant is not previously received ETC status from the Missouri PSC.	TA-10-0146	
X	<p>Yes. If yes, cite the case and in space below explain the current ETC status of the company:</p>					
	No, the applicant is not previously received ETC status from the Missouri PSC.					
Disciplinary History	<p>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.</p>	DR 001, #1 & #2				
	<p>Does the Applicant share common ownership or management with other companies? (check appropriate box below)</p> <table border="1"> <tr> <td style="text-align: center;">X</td> <td>Yes</td> </tr> <tr> <td></td> <td>No</td> </tr> </table>	X	Yes		No	DR 001, #3
	X	Yes				
	No					
<p>If yes, provide the following information:</p> <table border="1"> <thead> <tr> <th>Companies with common ownership or management:</th> <th>Indicate if identified company has ever received federal or state USF funding.</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> • Silver Creek Long Distance • Blue Bird Wireless • MyMinutes.com </td> <td> <ul style="list-style-type: none"> • No • No • No </td> </tr> </tbody> </table>	Companies with common ownership or management:	Indicate if identified company has ever received federal or state USF funding.	<ul style="list-style-type: none"> • Silver Creek Long Distance • Blue Bird Wireless • MyMinutes.com 	<ul style="list-style-type: none"> • No • No • No 		
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	<p>Have any matters been brought forth within the last ten years by any state, federal regulatory or law enforcement agency against the applicant or against any person or entity that holds more than 10% ownership interest in the applicant? (<i>check appropriate box below</i>)</p> <table border="1" data-bbox="159 317 1323 617"> <tr> <td data-bbox="159 317 302 394"></td> <td data-bbox="302 317 1323 394">No.</td> </tr> <tr> <td data-bbox="159 394 302 617">X</td> <td data-bbox="302 394 1323 617"> Yes. If yes, provide below the following information for each matter (date, agency and general description of the matter): <ul style="list-style-type: none"> • USAC performed an audit of Budget’s wireline service in Oklahoma for June 2009. Budget paid over \$7,000 to address any short fall in the amount. The matter was successfully concluded. </td> </tr> </table>		No.	X	Yes. If yes, provide below the following information for each matter (date, agency and general description of the matter): <ul style="list-style-type: none"> • USAC performed an audit of Budget’s wireline service in Oklahoma for June 2009. Budget paid over \$7,000 to address any short fall in the amount. The matter was successfully concluded. 	DR 001, #4					
	No.										
X	Yes. If yes, provide below the following information for each matter (date, agency and general description of the matter): <ul style="list-style-type: none"> • USAC performed an audit of Budget’s wireline service in Oklahoma for June 2009. Budget paid over \$7,000 to address any short fall in the amount. The matter was successfully concluded. 										
Service Provisioning	<p>Adequately explains the applicant’s proposed service. Basic service characteristics:</p> <table border="1" data-bbox="289 764 1055 915"> <tr> <td data-bbox="289 764 613 842"><i>(check applicable boxes)</i></td> <td data-bbox="613 764 841 842">Wireless</td> <td data-bbox="841 764 1055 842">Landline</td> </tr> <tr> <td data-bbox="289 842 613 877">No charge</td> <td data-bbox="613 842 841 877">X</td> <td data-bbox="841 842 1055 877"></td> </tr> <tr> <td data-bbox="289 877 613 915">Monthly Fee</td> <td data-bbox="613 877 841 915">X</td> <td data-bbox="841 877 1055 915"></td> </tr> </table> <p>If applicant intends to offer a free wireless Lifeline service the applicant has adequately explained:</p> <ul style="list-style-type: none"> • How the company will ensure USF is not received until the subscriber activates the service. • How the company will ensure support will only be received if the subscriber has used the service sometime during a 60 consecutive day time period. • Subscriber will be de-enrolled if fails to use the service for 60 consecutive days. 	<i>(check applicable boxes)</i>	Wireless	Landline	No charge	X		Monthly Fee	X		DR 001, #13 & #26 & ETC Application
	<i>(check applicable boxes)</i>	Wireless	Landline								
	No charge	X									
	Monthly Fee	X									
<p>Applicant’s proposed service area is adequately described.</p>	ETC Application										
<p>Does the applicant qualify as a facility-based provider?</p> <table border="1" data-bbox="159 1400 1323 1591"> <tr> <td data-bbox="159 1400 302 1478"></td> <td data-bbox="302 1400 1323 1478">Yes. If yes, describe general facilities:</td> </tr> <tr> <td data-bbox="159 1478 302 1591">X</td> <td data-bbox="302 1478 1323 1591"> No. If no then ensure: <ul style="list-style-type: none"> • FCC has <u>approved</u> company’s compliance plan. • Applicant has ensured customers will have access to 911 services. </td> </tr> </table>		Yes. If yes, describe general facilities:	X	No. If no then ensure: <ul style="list-style-type: none"> • FCC has <u>approved</u> company’s compliance plan. • Applicant has ensured customers will have access to 911 services. 	FCC Approved CP filed in EFIS/ Docket DR 004, #8						
	Yes. If yes, describe general facilities:										
X	No. If no then ensure: <ul style="list-style-type: none"> • FCC has <u>approved</u> company’s compliance plan. • Applicant has ensured customers will have access to 911 services. 										
<p>Advertising commitments appear OK.</p> <ul style="list-style-type: none"> • Provides a statement certifying the company will advertise the availability of its supported service. • Provides reasonable explanation of how the applicant will advertise. • If advertising by direct mail the company has provided a reasonable explanation of how it will target these mailings. 	DR 002, #2, Att. 2A & 2B DR 006, # 1 & #2										

	<ul style="list-style-type: none"> • Were Missouri-specific advertising examples provided? <table border="1"> <tr> <td>X</td> <td>Yes</td> </tr> <tr> <td></td> <td>No</td> </tr> </table>	X	Yes		No			
X	Yes							
	No							
	Certifies compliance with service requirements in 47 CFR 54.201(d)(2) (owns facilities, advertising, financial/technically capable)	DR 004, #10						
	Demonstrates can remain functional in emergency situations.	DR 001, #9						
	Provides statement will satisfy applicable consumer protection, consumer privacy and service quality standards and provides a reasonable list of applicable standards. (<i>Wireless applicants must agree to comply with Cellular and Internet Assoc.'s Consumer Code for Wireless Service.</i>)	ETC Application						
	Will applicant maintain information about service provisioning and rates in a (check appropriate box below): <table border="1"> <tr> <td>Tariff</td> <td></td> </tr> <tr> <td>Informational Filing</td> <td>X</td> </tr> <tr> <td>Website (indicate website)</td> <td>X www.budgetmobile.com</td> </tr> </table>	Tariff		Informational Filing	X	Website (indicate website)	X www.budgetmobile.com	DR 004, #6
Tariff								
Informational Filing	X							
Website (indicate website)	X www.budgetmobile.com							
	Provides a reasonable explanation of: <ul style="list-style-type: none"> • How the applicant intends to provide service throughout the proposed service area, including whereby the applicant lacks facilities or network coverage. • How service will be provided in a timely manner to requesting customers. 	DR 001, #7 & #8						
	Commits to maintain a record of complaints, including an agreement to make such records available upon request to the commission staff.	DR 004, #7						
	Commits to remit required, collected 911 revenues to local authorities.	DR 004, #8						
	Provides a reasonable demonstration the applicant is financially viable and technically capable of providing voice telephony service.	DR 001, #10						
	Does the applicant intend to provide access to directory assistance services, operator services and interexchange services? <table border="1"> <tr> <td>X</td> <td>Yes</td> </tr> <tr> <td></td> <td>No</td> </tr> </table>	X	Yes		No	DR 004, #9		
X	Yes							
	No							
Lifeline/Disabled Program Compliance	Certifies all Lifeline funding will flow through to the subscriber.	DR 006, #3						
	Commits to conduct business only through the name identified in the application and will not use any additional service or brand names. (<i>If company's name includes a d/b/a name then the company can either use the company's full name and/or the d/b/a name. For instance "ABC Company d/b/a Company W" can use that full name or simply "Company W". The company cannot solely use the parent name "ABC Company" or a name different from d/b/a name.</i>)	DR 004, #2 & #4						
	Commits to comply with all requirements associated with the Lifeline program contained in 47 CFR Part 54 Subpart E.	DR 004, #10						
	Commits to comply with all Lifeline requirements established by the Missouri PSC even if solely funded by federal USF.	DR 004, #10						
	Will the applicant seek support from the MoUSF? (check appropriate box below)	DR 001, #13						

	Yes. If yes, ensure applicant only seeks MoUSF for landline service.	
X	No.	
Does applicant intend to participate in the Disabled program? <i>(check appropriate box below)</i>		
	Yes. If yes, ensure applicant only seeks MoUSF for landline service.	DR 001, #13
X	No.	
Adequately 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.		DR 001, #13
Commits to use only a board approved Lifeline or Disabled application form.		DR 004, #1
Adequately explains how the applicant will initiate Lifeline or Disabled service to a subscriber. Explanation should include how company will ensure: <ul style="list-style-type: none"> • The subscriber meets eligibility requirements. • The subscriber's identity and address are correct. • Only one Lifeline or Disabled discount is provided to a household. 		DR 001, #23
Adequately explains 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.		DR 004, #11
Use of independent contractors to sign-up Lifeline subscribers <i>(check appropriate box below):</i>		
Intends to use independent contractors to sign-up Lifeline subscribers. If so then applicant also commits to take full responsibility for these contractors.	X	DR 004, #12
Does not intend to use independent contractors.		
Adequately 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.		DR 004, #13
Commits to notify the commission of any changes to company contact information.		ETC Application
Provides statement the applicant complies with all reporting and assessment requirements (if certificated or registered with the commission).		DR 004, #14
Provides statement the applicant is compliant with contribution obligations to the FUSF.		DR 004, #15
FCC waivers <i>(check appropriate box below):</i>		
Applicant has obtained waivers from FCC of certain ETC requirements and provided a copy of the FCC's decision.		DR 001, #15
Applicant has not sought any waivers from the FCC regarding ETC requirements.	X	