# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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| In the Matter of the Application of        | ) |                       |
| T-Mobile Central LLC for Designation as an | ) | Case No. RA-2012-0195 |
| Eligible Telecommunications Carrier        | ) |                       |
| For Purposes of Low Income Support Only    | ) |                       |
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## **AMENDMENT TO APPLICATION**

COMES NOW T-Mobile Central LLC, a wholly-owned subsidiary of T-Mobile USA, Inc. (collectively "T-Mobile" or "Company"), pursuant to 4 CSR 240-2.080(18), and hereby requests leave of the Missouri Public Service Commission ("Commission") to submit this Amendment to its Application for Designation as an Eligible Telecommunications Carrier. In support of its Amendment, T-Mobile states as follows:

1. On December 22, 2011, T-Mobile filed its Application for Designation as an Eligible Telecommunications Carrier ("Application") with the Commission. Since the time of that filing, the Federal Communications Commission ("FCC") has issued a number of orders and modified its rules governing the Lifeline and Link Up programs in such a way as to affect the Company's proposed low-income service offerings in the State of Missouri. Consequently, T-Mobile files this amendment to its December 22, 2011 Application in order to explain and remain consistent with those modifications made by the FCC.

#### A. Scope of Requested Designation Narrowed.

2. The FCC, in its recent <u>Lifeline Reform Order</u>, has eliminated certain components

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<sup>&</sup>lt;sup>1</sup> <u>In the Matter of Lifeline and Link Up Reform and Modernization</u>, WC Docket No. 11-42, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11, (rel. Feb. 6, 2012) ("Lifeline Reform Order").

of the Low Income Universal Service Program and has narrowed the focus of the program on the Lifeline component. T-Mobile, consistent with the FCC's Order, has narrowed the scope of its requested designation. T-Mobile requests ETC designation for the limited purpose of receiving Lifeline support from the Federal Universal Service Fund ("FUSF") for providing Lifeline services to qualified low-income consumers within its service area in Missouri.

## B. <u>Updated ETC Designations.</u>

- 3. Since the filing of its original application in December of 2011, T-Mobile has been designated in one additional state and has applied for ETC designation in several other states.
- 4. T-Mobile's corporate affiliates have been designated as ETCs in ten jurisdictions
   nine states and Puerto Rico.<sup>2</sup> The nine states in which T-Mobile has been designated as an
  ETC include Florida, Georgia, Hawaii, Idaho, Kentucky, Louisiana, Minnesota, North Carolina,
  and Washington. T-Mobile also has seventeen pending requests for ETC designation in

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Order Granting Eligible Telecommunications Carrier Designation, In Re: Petition for designation as eligible telecommunications carrier by T-Mobile South LLC, Docket No. 090507-TP, Order No. PSC-IO-0475-PAA-TP (Florida Public Service Commission, July 28, 2010); Application of T-Mobile South LLC for designation as an Eligible Telecommunications Carrier pursuant to Section 214(e)(2) of the Communications Act of 1934, Docket No. 32967 (Ga. Pub. Serv. Comm'n, decided Feb. 10, 2012, adopted Nov 17, 2011); Decision and Order, In Re the Application of T-Mobile West Corporation For Designation as an Eligible Telecommunications Carrier in the State of Hawaii, Docket No. 2010-0119 (Hawaii Public Utilities Commission, Mar. 14, 2011); Order, In Re the Application of T-Mobile West Corp. For Designation as an Eligible Telecommunications Carrier, Case No. TMW-T-10-01, Order No. 32319 (Idaho Public Utilities Commission, Aug. 9, 2011); Order, In Re Petition of T-Mobile Central LLC and Powertel/Memphis, Inc. for Designation as Eligible Telecommunications Carriers Pursuant to Section 214(E)(2) of the Communications Act of 1934 (Kentucky Public Service Commission, July 14, 2010); Public Decision, T-Mobile Central, LLC, ex parte. In Re Application for Designation as an Eligible Telecommunications Carrier (ETC) for the purposes of receiving Universal Service Support for low income and rural service, S-31865 (Louisiana Public Service Commission, Minutes from Open Session, Oct. 12, 2011 (corrected), Ex. 31, p. 7); Order Granting Petition for ETC Designation, Setting Conditions, and Requiring Compliance Filings, In Re T-Mobile Central LLC's Petition for Designation as an Eligible Telecommunications Carrier (ETC) in Minnesota, Docket No. P-6856/M-11-123 (Minnesota Public Utilities Commission, Sept. 27, 2011); Order, High -Cost Universal Service Support; Federal-State Joint Board on Universal Service, WC Docket No. 05-337, CC Docket No. 96-45, Order, 23 FCC Rcd 8834, 8837-50, ¶ 42 (2008); Order Granting Designation as an Eligible Telecommunications Carrier, In Re the Petition of T-Mobile West Corporation for Designation as an Eligible Telecommunications Carrier, Docket No. UT-101060 (Washington Utilities and Transportation Commission, Oct. 14, 2010); Resolution and Order, Telecorp Communications, Inc., d/b/a AT&T Wireless, Case No. JRT-2003-SU-0003 (Puerto Rico Telecommunications Regulatory Board, Sept. 10, 2003).

Alabama, Arizona, Connecticut, Delaware, District of Columbia, Indiana, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Tennessee, and Virginia.

#### C. Link Up.

5. In its <u>Lifeline Reform Order</u>, the FCC eliminated the non-tribal Link Up component of the Low Income Universal Service Program, and the accompanying non-tribal Link Up discount. In accordance with the FCC's Order, the non-tribal Link Up program is no longer available and therefore T-Mobile amends its application by removing all references to Link Up.

#### D. Revised Supported Services.

- 6. The FCC's <u>USF/ICC Transformation Order</u><sup>3</sup> amended Section 54.101(a) of the FCC's rules and reduced the list of supported services from nine to three. T-Mobile provides each of the three services supported by federal universal service support mechanisms and will provide access to telecommunications relay services by dialing 711 and toll-limitation service for qualifying low-income consumers upon designation as an ETC as set forth below.<sup>4</sup>
  - 1. <u>Voice Grade Access To The Public Switched Telephone Network</u> T-Mobile meets this requirement through its provision of mobile voice communications service and interconnection to the public switched telephone network.

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<sup>&</sup>lt;sup>3</sup> <u>See In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) ("USF/ICC Transformation Order").</u>

<sup>&</sup>lt;sup>4</sup> 47 C.F.R. § 54.101(a) and 4 CSR 240-3.570(3)(C).

- 2. <u>Local Usage</u> an amount of minutes of use provided free of charge to end users. T-Mobile meets this requirement by providing an amount of local usage free of charge in each universal service rate plan.
- 3. <u>Access To Emergency Services</u> access to emergency services includes access to both 911 and E911 services to the extent the local government has implemented such services. T-Mobile meets this requirement by providing 911 service and meeting all requests for E911 service from local public service answering points ("PSAPs").
- 4. <u>Toll Limitation For Qualifying Low-Income Consumers</u> toll limitation means both toll blocking and toll control, or, if a carrier is not capable of providing both toll blocking and toll control, then toll limitation is defined as either toll blocking or toll control.<sup>5</sup> Upon implementing any Lifeline service offering that distinguishes between toll and non-toll calls, T-Mobile will offer toll limitation to qualifying low-income consumers at no additional charge. However, T-Mobile's typical service offerings do not distinguish between toll and non-toll calls and, therefore, toll limitation service is not applicable.<sup>6</sup>
- 7. T-Mobile commits to comply with the service provisioning requirements as amended by the FCC. However, to the extent the Commission maintains the requirement that ETCs provide the list of supported services in Subpart 1 of 4 CSR 240-3.570(3)(C), T-Mobile will comply.

#### E. Additional Requirements for Designation as an ETC.

- 8. The FCC modified the requirements for designation as an ETC and identified the following as additional requirements:
- 9. <u>Certified Compliance with Applicable Service Requirements.</u> T-Mobile will serve all consumers within its ETC service area, and certifies that it will comply with the service requirements applicable to the Lifeline support that it receives, consistent with 47 C.F.R. §

<sup>&</sup>lt;sup>5</sup> 47 C.F.R. § 54.101(a); 47 C.R.R. § 54.400(d).

<sup>&</sup>lt;sup>6</sup> In its <u>Lifeline Reform Order</u>, the FCC stated "[i]n this Order, we relieve ETCs of the obligation to offer TLS in the first instance if their Lifeline offering does not distinguish in the pricing of toll and non-toll calls, which may relieve many ETCs of the obligation to offer TLS." <u>Lifeline Reform Order</u> at ¶ 238. T-Mobile has not previously and has no plans in the future to seek reimbursement for any toll limitation services provided to Lifeline customers.

54.202(a)(1)(i).

10. <u>Financial and Technical Capability to Provide Lifeline Service.</u> In the <u>Lifeline Reform Order</u>, the FCC adopted a rule, 47 C.F.R. Section 54.202(a)(4), requiring Lifeline-only ETC applicants to demonstrate financial and technical capability of providing Lifeline service in compliance with applicable requirements. In explaining this new requirement, the FCC stated:

Among the relevant considerations for such a showing would be whether the applicant previously offered services to non-Lifeline consumers, how long it has been in business, whether the applicant intends to rely exclusively on USF disbursements to operate, whether the applicant receives or will receive revenue from other sources, and whether it has been subject to enforcement action or ETC revocation proceedings in any state.<sup>7</sup>

- 11. As demonstrated herein, T-Mobile is a well-established facilities-based wireless telecommunications carrier with a long history of providing service in the state to non-Lifeline consumers and does not rely exclusively on USF disbursements. T-Mobile receives revenue from several non-USF sources, is currently a Lifeline service provider in numerous states, and has not been subject to ETC enforcement or revocation proceedings in any state. As such, T-Mobile clearly has the financial and technical capability of providing Lifeline service in compliance with all applicable requirements consistent with 47 C.F.R. Section 54.202(a)(4).
- 12. <u>Information on Lifeline Service Offering.</u> T-Mobile explains its Lifeline service offering in the original Application, including "the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, including details on the number of minutes provided as part of the plan, additional charges, if any, for toll calls, and rates for each such plan," consistent with 47 C.F.R. § 54.202(a)(5).

#### F. New Measures to Address Fraud, Waste, and Abuse.

13. In its Lifeline Reform Order, the FCC adopted comprehensive reforms to the low-

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<sup>&</sup>lt;sup>7</sup> Lifeline Reform Order at ¶ 388.

income program to revise and modernize the Lifeline service requirements and implement measures to address fraud, waste, and abuse within the system. T-Mobile has thoroughly reviewed the <u>Lifeline Reform Order</u> and all newly-adopted requirements and will implement the internal controls and processes to ensure compliance with the FCC's final rules and any subsequent FCC orders. T-Mobile is a well-established universal service provider operating in multiple states with a comprehensive compliance program in place to address all existing and future requirements. As a result, T-Mobile has taken and will continue to take steps to protect against, fraud, waste and abuse within the Lifeline universal service system, consistent with the <u>Lifeline Reform Order</u>, including all of the applicable requirements delineated in 47 C.F.R. §§ 54.401 - 54.422.

## G. <u>T-Mobile's Lifeline Service Offering.</u>

14. T-Mobile's Lifeline Service Offering is included in its original application. T-Mobile has added an additional component to the offering—competitive terms and conditions of service—and the Lifeline Service Offering should now appear as follows:<sup>9</sup>

- a low \$9.99 per month Lifeline rate;<sup>10</sup>
- 145 Whenever minutes<sup>®</sup>11, 500 night minutes, and 500 weekend minutes per month;<sup>12</sup>
- additional minutes priced at \$0.05 per minute;
- competitive terms and conditions of service;<sup>13</sup>

<sup>&</sup>lt;sup>8</sup> T-Mobile notes that the <u>Lifeline Reform Order</u> may be subject to petitions for reconsideration and/or clarification. <sup>9</sup> See 47 C.F.R. § 54.202(a)(5).

<sup>&</sup>lt;sup>10</sup> The \$9.99 per month discounted Lifeline rate is based upon a non-discounted rate of \$19.99 per month *minus* a \$10.00 Lifeline discount (\$19.99-\$10.00=\$9.99). In the <u>Lifeline Reform Order</u>, the FCC established a uniform Lifeline reimbursement of \$9.25 per month per eligible consumer. As such, the Company may revise the Lifeline discount available to eligible consumers to be consistent with the applicable reimbursement amount.

Whenever minutes® are minutes that can be used at anytime and anywhere on T-Mobile's nationwide network.

<sup>&</sup>lt;sup>12</sup> Weekend minutes are currently defined as midnight Friday to midnight Sunday, and nights are currently defined as 9:00 p.m. to 6:59 a.m. Monday-Friday, based on the start time of call.

<sup>&</sup>lt;sup>13</sup> See www.t-mobile.com for terms and conditions of service.

- an affordable handset.
- 15. T-Mobile also anticipates additional Lifeline offerings. T-Mobile may implement other Lifeline service offerings in the future, consistent with all applicable requirements. Initially, T-Mobile will offer a single Lifeline service offering, but may offer Lifeline discounts on other rate plans in the future. To the extent the Company offers Lifeline discounts on other rate plans, it will inform the Commission prior to making these discounted service offerings available to low-income consumers.

#### H. The Public Interest will be Served by T-Mobile's Network Investment.

16. T-Mobile invested approximately \$2.7 billion in 2011, primarily in expanding deployment of its HSPA+ (4G) network. T-Mobile recently announced that it will invest \$4 billion in total to strengthen its 4G network and engage in a significant spectrum re-farming effort which will allow the deployment of long-term evolution (LTE) service in 2013. This anticipated network transformation will significantly enhance coverage and performance for customers, and also provide high-paying American jobs.

#### I. Expedited Processing Requested.

17. In light of this Amendment, and the fact that no opposition to the Application has been raised, T-Mobile respectfully requests the expedited review and approval of its pending Application by the Commission. T-Mobile looks forward to the Commission's designation and the resulting provision of Lifeline services to eligible low-income consumers in Missouri.

WHEREFORE, pursuant to 4 CSR 240-2.080(18), T-Mobile respectfully requests that the Commission grant it leave to submit this Amendment to its Application for Designation as an Eligible Telecommunications Carrier in the State of Missouri.

Respectfully submitted,

/s/ Lisa A. Gilbreath

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### **Certificate of Service**

I hereby certify that on this 30th day of March, 2012 copies of the foregoing have been mailed, transmitted by facsimile, or emailed to all counsel of record.

/s/ Lisa A. Gilbreath

Attorney for T-Mobile Central, LLC