

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

In the Matter of the Application of Easy Telephone )  
Service Company for Designation as an )  
Eligible Telecommunications Carrier in the ) **File No. TA-2011-0164**  
State of Missouri )

**STAFF RECOMMENDATION**

**COMES NOW** the Staff of the Missouri Public Service Commission (“Staff”) and for its recommendation, states as follows:

1. On December 7, 2010 Easy Telephone Service Company (“the Company”), a wireless carrier, filed an application with the Missouri Public Service Commission (“Commission”) seeking designation as an Eligible Telecommunications Carrier (“ETC”) for the purpose of receiving federal universal service fund support for low income customers through Lifeline and LinkUp programs.

2. In the attached Memorandum, the Staff recommends that the Commission grant the Company’s request. In the Staff’s opinion, the Company has met all the requirements, both state and federal, to become designated as an eligible telecommunications carrier for receipt of federal universal service fund low-income support. The Company is not delinquent or non-compliant with any of the Commission’s reporting or assessment requirements; the Company is a mobile wireless telecommunications provider whose operations are not regulated by the Commission.

**WHEREFORE**, Staff recommends that the Commission grant Easy Telephone Service Company’s Application to be designated an Eligible Telecommunications Service for the receipt

of low-income support (including Lifeline and LinkUp support) from the federal Universal Service Fund as a wireless telecommunications carrier.

Respectfully submitted,



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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 1<sup>st</sup> day of November, 2011.



## MEMORANDUM

To: Missouri Public Service Commission Official Case File  
Case No. TA-2011-0164  
Company Name: Easy Telephone Service Company d/b/a Easy Wireless

From: Dana Parish  
Telecommunications Department

John Van Eschen (11/01/11)                      Cully Dale (11/01/11)  
Utility Operations Division                      General Counsel's Office

Subject: Staff Recommendation Regarding Easy Telephone Service Company d/b/a  
Easy Wireless' Application for ETC Status on a Wireless Basis

Date: November 1, 2011

On December 7, 2010 Easy Telephone Service Company d/b/a Easy Wireless (Easy Wireless or company) filed an application with the Missouri Public Service Commission (PSC) seeking designation as an Eligible Telecommunications Carrier (ETC) in Case No. TA-2011-0164. The application was for the purpose of receiving federal universal service fund support for low income customers exclusively.

Easy Wireless proposes to offer a free handset to qualifying low-income consumers. The proposed service will provide 100 minutes of free anytime local and long distance minutes each month. In the event all minutes are used, Lifeline customers will have the capability of purchasing additional minutes for an additional fee. Since wireless companies are not eligible to participate in the Missouri Universal Service Fund Program (MoUSF), Easy Wireless does not intend to seek MoUSF funding for this service.

On February 4, 2011, Staff recommended that the Company be granted ETC status, but later withdrew its recommendation following an email received from Tanea Foglia with the Universal Service Administrative Company (USAC), February 28, 2011. Ms. Foglia forwarded information regarding whistleblower, Naomi Rodriguez. Ms. Rodriguez alleges Telecom Service Bureau, not Easy Wireless, participated in illegal Lifeline activities in Louisiana such as: claiming support for phones not distributed to Lifeline customers and falsifying certification forms. It should be noted that the allegations were against Telecom Service Bureau and not Easy Wireless; however, both companies share common ownership. Staff contacted states that received the whistleblower email from USAC, including the Louisiana Commission, where the activity allegedly took place. Repeated attempts to reach various contacts at the Louisiana Commission proved unsuccessful. Separate conference calls and/or meetings were held with Easy Wireless and Naomi Rodriguez, as well as requesting each to answer a series of questions and file

statements in the Commission’s Electronic Filing and Information System (EFIS). Both Naomi Rodriguez and Easy Wireless filed affidavits attesting to their statements.

Attachment A identifies ETC application requirements for companies only seeking low-income support. After months of investigations, Staff has reached the conclusion that while there may have been some questionable activity in Louisiana, it is not clear as to the role of Telecom Service Bureau. To Staff’s knowledge, and based on our investigation, Easy Wireless was not involved in any of the alleged activity. Even under the assumption that Telecom Service Bureau was directly involved in the alleged activity, it does not appear it violated the ETC process in Louisiana. The Missouri Commission has in place, a much more stringent review, certification and verification process and Easy Wireless has committed to abiding by that process and the Commission’s rules. In Staff’s opinion, the company has met all requests for information and met requirements on attachment A. Staff has inserted citations from data request responses and/or ETC Application responses within Attachment A showing citations for why Staff concludes the company meets these requirements.

Staff recommends the Commission grant ETC status to Easy Telephone Service Company d/b/a Easy Wireless. The Commission’s order should specifically limit ETC status to solely the receipt of federal Lifeline and LinkUp support.

Attachment A

Easy Telephone Service Company d/b/a Easy Wireless

**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>	Acceptable DR Response 6
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, optional toll limitation)	Acceptable DR Response 5
FCC Docket No. 96-45 <a href="#">FCC/TracFone decision</a>		Commits to remit 911 revenues to local authorities.	Acceptable Amendment to App. 10/31/11
-	3.570 (3)(D)	<i>Wireless providers: Within 30 days of receiving ETC status will make an informational filing describing all service offerings.</i>	Acceptable Application Pg. 21

54.202(a) (1)	-	Commit to provide service throughout proposed service area	Acceptable DR Response 7
54.202(a)(1)(B)	-	Commit to provide service in a timely manner.	Acceptable DR Response 8
54.202(a)(2)	3.570 (2) (A)4	Commit to remain functional in emergencies.	Acceptable DR Response 9-11
-	3.570 (2)(A)9	Statement it will provide equal access if all other ETCs in that service area relinquish their ETC designations.	Acceptable Application Pg. 11
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> )	Acceptable DR Response 16
54.202(a)(4)	3.570 (2)(A)10	Commit to offering a comparable usage plan as ILEC.	Acceptable DR Response 13
54.202(c)	3.570 (2)(A)5	Demonstrates granting ETC status is in public interest.	Acceptable Application Paragraph 13
-	3.570 (3)(A)	Clear bill design.	Acceptable DR Response 5
-	3.570 (3)(B)	Customer service contact information online and on billing statements.	Acceptable DR Response 5
-	3.570 (3)(E)	Commit to maintain record of customer complaints.	Acceptable Application pg. 14
54.401(c)	-	Not collect a deposit from a Lifeline subscriber if consumer voluntarily elects toll limitation service.	Acceptable DR Response 18
54.401(e)	-	Not charge a Lifeline subscriber a monthly number portability charge.	Acceptable DR Response 19
54.403	3.570 (2)(A)7	Discounts consistent with federal plan: Tier 1: \$6.50 (waive subscriber line charge)* Tier 2: \$1.75 (fed discount) Tier 3: \$1.75 (additional fed discount available to all companies in Missouri) - <u>\$3.50 state MoUSF (landline only)</u> - <b>\$13.50 max.</b> * Limited to ILEC's subscriber line charge amount.	Acceptable DR Response 20
54.405 (b)	3.570 (2)(A)6	Publicize Lifeline.	Acceptable

			DR Response 12
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.	Acceptable DR Response 23-25
-	3.570 (2)(A)8	Statement will satisfy consumer privacy protection standards.	Acceptable Application Pg. 20
-	3.570 (3)(F)	Notify PSC of any changes to contact info.	Acceptable Application Pg. 2
	31.050(3)(D)	Acceptable Lifeline application form	Acceptable Supplement to Application 9/26/11
	3.540(2)(A)5	ETC destination would be consistent with the public interest. <i>(Public interest may be an issue if applicant has relationships with other companies/individuals under investigation for Lifeline program violations.)</i>	Acceptable DR Response 1-4. In one of its responses, the company noted it was investigated by the Florida and Missouri Commission due to a whistleblower complaint at USAC. The Company goes on to note both states have completed their investigations without an adverse position.

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

