#### STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 22<sup>nd</sup> day of November, 2011.

In the Matter of the Application of Easy Telephone Service Company, d/b/a Easy Wireless for Designation as an Eligible Telecommunications Carrier on a Wireless Basis (Low Income Only).

File No. TA-2011-0164

### ORDER GRANTING DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

Issue Date: November 22, 2011

Effective Date: December 6, 2011

On December 7, 2010, Easy Telephone Service Company, d/b/a Easy Wireless (Easy Telephone), applied for designation as an Eligible Telecommunications Carrier (ETC) on a wireless basis throughout the non-rural Southwestern Bell Telephone, LP. d/b/a AT&T Missouri exchanges described in its application. In response to Easy Telephone's application, the Commission issued an order on December 9, 2010, that provided notice of the application to all incumbent and competitive local exchange carriers certificated to provide service in Missouri and established December 30 as the deadline for filing applications to intervene. No applications to intervene were submitted.

### Procedural Background

Staff initially filed a recommendation regarding Easy Telephone's application on February 4, 2011. At that time, Staff indicated Easy Telephone meets all requirements for ETC designation to receive low-income support from the federal Universal Service Fund (USF) as a wireless carrier, including the receipt of Lifeline and LinkUp support, for discounts offered on service plans to eligible customers. Staff recommended the Commission grant Easy Telephone's application.

On February 28, before the Commission acted on Staff's original recommendation, Staff withdrew that recommendation and advised the Commission it had received a report from the Universal Service Administrative Company (USAC), the administrator of the Universal Service Fund, indicating that USAC had received allegations of fraudulent activity in the State of Louisiana by Easy Telephone Service Company, or companies affiliated with Easy Telephone. Because of these allegations, Staff advised the Commission to take no further action on Easy Telephone's application.

Over the ensuing months, Staff investigated the allegations. Staff filed another Staff recommendation on November 1, 2011. Staff's investigation revealed that the allegations of fraudulent activity were directed at Easy Telephone's sister company, Telecom Service Bureau. No allegations were made regarding Easy Telephone. Staff investigated the allegations and spoke with both the company and the whistleblower. Staff concluded that while there may have been some questionable activity in Louisiana, Easy Telephone was not involved in any of the alleged activity. Staff once again recommended the Commission grant ETC status to Easy Telephone.

#### **Jurisdiction**

The Commission has jurisdiction under federal law to decide upon Easy Telephone's application for ETC status.<sup>1</sup> Because no party objects to Easy Telephone's application, no

<sup>&</sup>lt;sup>1</sup> 47 U.S.C. § 214(e)(2).

evidentiary hearing is required.<sup>2</sup> Thus, the Commission bases its findings on the verified filings.

#### **Findings and Conclusions**

Easy Telephone is a Florida corporation authorized to do business in Missouri. The company seeks ETC status on a wireless basis only and does not seek ETC designation on a wireline basis. Easy Telephone seeks ETC status to provide services supported by the low-income programs of the federal USF in the non-rural Southwestern Bell Telephone, L.P. d/b/a AT&T Missouri exchanges listed in its application. It does not seek ETC designation designation to participate in the high-cost programs of the federal USF.

A company must receive ETC designation to receive 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 offering discounts to monthly charges and installation charges for local voice service subscribed to by consumers meeting certain criteria. Easy Telephone proposes to offer a wireless service for qualifying low-income consumers that will provide a free wireless handset to qualifying consumers with no monthly fees, subject to usage limitations. The company will require applicants to submit proof of eligibility.

Based on Easy Telephone's verified application and the recommendation offered by Staff, the Commission finds that Easy Telephone's application for designation as an ETC is consistent with the public interest and should be granted.

<sup>&</sup>lt;sup>2</sup> State ex rel. Rex Deffenderfer Ent., Inc. v. Public Serv. Com'n, 776 S.W.2d 494 (Mo.App. 1989).

## THE COMMISSION ORDERS THAT:

1. Easy Telephone Service Company, d/b/a Easy Wireless, is designated as an eligible telecommunications carrier throughout the non-rural Southwestern Bell Telephone Company, L.P., d/b/a AT&T Missouri service territories, as set forth in Exhibit A to its application, under the provisions of 47 U.S.C. §§ 214 and 254, solely to receive low-income federal universal service fund support for Lifeline and LinkUp.

- 2. This order shall become effective on December 6, 2011.
- 3. This case shall be closed on December 7, 2011.

# BY THE COMMISSION

(SEAL)

Steven C. Reed Secretary

Gunn, Chm., Davis, Jarrett, CC., concur; Kenney, C., abstained.

Woodruff, Chief Regulatory Law Judge