

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 13th day of November, 2013.

In the Matter of the Application of Sage Telecom)
Communications, LLC for Designation as an Eligible) **File No. TA-2014-0008**
Telecommunications Carrier)

**ORDER GRANTING APPLICATION FOR DESIGNATION
AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

Issue Date: November 13, 2013

Effective Date: December 13, 2013

Background

On July 3, 2013, Sage Telecom Communications, LLC filed an application seeking from this Commission designation as an Eligible Telecommunications Carrier (ETC) for the purpose of receiving federal universal service fund support for low income customers through the Lifeline Program. On July 17, the Commission issued notice of the application and set a date for intervention. There were no requests to intervene. On October 25, the Staff of the Commission recommended that the Commission approve the application subject to certain conditions.

Staff Recommendation

The Staff of the Commission informs the Commission that the company intends to offer wireless Lifeline service on a state-wide basis by reselling Sprint's wireless service. Customers will be charged a \$30 non-recurring charge for a basic handset. Basic service plans will be at rates of \$4.75 for 280 minutes or \$15.75 for 500 minutes. Staff goes on to

recommend that the Commission approve Sage's application subject to the following conditions:

1. That the company shall notify the Staff within 30 days of any 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.
2. The company may only use the MoUSF Board-approved form when enrolling Lifeline subscribers in Missouri.
3. The Company will use only the name Sage Telecom Communications, LLC, which is registered with the Missouri Secretary of State, when enrolling Lifeline subscribers in Missouri.
4. The company is reminded that it has an obligation to update its application with new information when any statement therein becomes untrue or could mislead the reader to an inference which is untrue.
5. The Company shall adhere to other conditions in the Commission's rules concerning the provision of wireless Lifeline Services to low-income customers.

Additionally, Staff recommends that the Commission specify that: (1) the ETC status is for the limited purpose of receiving federal Lifeline support and does not entitle the company to receive Missouri USF funding; (2) the company's ETC service area is state wide.

Discussion

This matter is within the Commission's jurisdiction.¹ Because there are no objections to the company's application, no evidentiary hearing is required.² Rights to a hearing are therefore waived.³ Based on the verified pleadings, the Commission finds the following.

Sage is a Texas corporation authorized to do business in the State of Missouri. The federal Universal Service Fund was established in the Telecommunications Act of 1996. The purpose of the fund is to ensure that people in rural and high-cost areas, as well as low-income customers, have access to quality telecommunications services at reasonable rates.⁴ To meet that goal, the Universal Service Fund redistributes money paid into the fund by telecommunications customers to telecommunications service providers who serve rural and high-cost parts of the country. Before a telecommunications service provider is eligible to receive funding from the Universal Service Fund, it must be designated as an Eligible Telecommunications Carrier.

The Commission finds the averments in the company's application and Staff's Memorandum to be true. The Commission must grant ETC status to Sage if the company offers the services set out in Section 254 of the Act and if it advertises the availability of those services using media of general distribution.⁵ The Commission finds that Sage has met those requirements and that approving the company's application is in the public interest. The Commission will therefore designate Sage as an Eligible Telecommunications Carrier.

¹ 47 U.S.C. §(e)(2).

² *State ex rel. Deffenderfer, Inc. v. Public Service Com'n*, 776 S.W.2d 494 (Mo. App. 1989).

³ Section 536.060, RSMo.

⁴ 47 U.S.C. §254(b).

⁵ 47 U.S.C. §214(e)(1), (2).

THE COMMISSION ORDERS THAT:

1. Sage Telecom Communications, LLC is designated as an Eligible Telecommunications Carrier, throughout the State of Missouri, to receive low-income federal Universal Service Fund support.

2. The authority granted to Sage Telecom Communications, LLC, in ordered paragraph 1, above, is subject to the conditions set out in the body of this order and in the Staff of the Commission's Recommendation and Memorandum.

3. This order shall become effective on December 13, 2013.

4. This file shall be closed on December 14, 2013.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

R. Kenney, Chm., Stoll, W. Kenney,
and Hall, CC., concur.

Jones, Senior Regulatory Law Judge