

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

In the Matter of the Application of)
Virgin Mobile USA, L.P.)
Branded Assurance Wireless Brought)
To You by Virgin Mobile for Limited Designation)
As an Eligible Telecommunications Carrier)
In the State of Missouri)

File No. _____

**VIRGIN MOBILE USA, L.P. BRANDED ASSURANCE WIRELESS BROUGHT TO
YOU BY VIRGIN MOBILE'S APPLICATION FOR LIMITED DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER**

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SUMMARY

Virgin Mobile USA, L.P. branded Assurance Wireless Brought To You By Virgin Mobile (“Virgin Mobile” or the “Company”), a wholly owned subsidiary of Sprint Nextel Corporation (“Sprint”), is seeking designation as an Eligible Telecommunications Carrier (“ETC”) in the State of Missouri, pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (“Act”), and the rules and regulations of the Missouri Public Service Commission (“Commission”), including 4 CSR 240-3.570, for purposes of offering prepaid wireless services supported by the federal Universal Service Fund’s (“USF”) Lifeline program only. Virgin Mobile does not seek access to high cost funds from the federal USF. As discussed herein, Virgin Mobile meets all of the necessary requirements for ETC designation under Section 214(e)(1) of the Act and the Commission’s rules to offer services supported by the Lifeline program. Virgin Mobile brands its prepaid Lifeline service as “Assurance Wireless Brought To You By Virgin Mobile.” Designation of the Company as a Lifeline ETC would promote the public interest because it would provide qualifying Missouri customers with lower prices and higher quality wireless services. Many low-income customers in Missouri have yet to benefit from the intensely competitive wireless market because of financial constraints, poor credit history or intermittent employment, and many existing customers lose access to wireless services when their financial position deteriorates as a consequence of losing a job, a medical condition or any other adverse event—all unfortunately too common during a challenging economic period. Virgin Mobile’s prepaid Lifeline service offerings are ideally suited to provide these customers with reliable wireless services. As an ETC, Virgin Mobile would be able to provide affordable, and even free, services to these consumers.

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I. INTRODUCTION

Virgin Mobile USA, L.P. branded Assurance Wireless Brought To You By Virgin Mobile (“Virgin Mobile” or the “Company”), by undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (“Act”), 47 U.S.C. § 214(e)(2), and the rules and regulations of the Missouri Public Service Commission (“Commission”), including 4 CSR 240-3.570, hereby petitions the Commission for designation as an eligible telecommunications carrier (“ETC”) in the State of Missouri. Virgin Mobile seeks ETC designation in Missouri only for purposes of participation in the federal Universal Service Fund’s (“USF”) Lifeline program. The instant request does not seek ETC designation to offer services supported by the high cost program. As more fully described below, Virgin Mobile satisfies the requirements for designation as an ETC in the State of Missouri. Rapid approval of Virgin Mobile’s request, moreover, would advance the public interest because it would enable the Company to commence much needed Lifeline services to lower-income Missouri residents as soon as possible. Accordingly, the Company respectfully requests that the Commission expeditiously approve the instant petition. To expedite the Commission’s consideration of this

request, Virgin Mobile attaches to this Application as Exhibit 1 responses to the Commission's standard set of discovery requests that it has issued in the more recent Lifeline only wireless ETC matters.

All correspondence, pleadings, notices, orders and decisions relating to this Application should be addressed to:

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II. BACKGROUND

A. Company Overview

Virgin Mobile was established as a joint venture between Sprint Nextel Corporation ("Sprint") and Sir Richard Branson's Virgin Group to offer prepaid wireless services using the Virgin Mobile brand and the Nationwide Sprint Network. On November 24, 2009, Virgin Mobile became a wholly owned subsidiary of Sprint Nextel upon completion of the companies' previously announced transaction. The Federal Communications Commission ("FCC") approved Sprint Nextel's acquisition of Virgin Mobile effective September 11, 2009.¹

¹ See *International Authorizations Granted*, Public Notice, DA 09-2071 (rel. Sept. 17, 2009).

Unlike many wireless carriers, Virgin Mobile does not impose credit checks or long-term service contracts as a prerequisite to obtaining service. Many customers are from lower-income backgrounds and did not previously enjoy access to an attractive, comprehensive and high-quality wireless service because of financial constraints or poor credit history. Virgin Mobile estimates that approximately one-third of its present customers are new to wireless services and 35 percent have an annual household income below \$35,000. Many of these customers also use Virgin Mobile's services sparingly, with a substantial percentage spending less than \$10 per month. By marketing and expanding the availability of appealing wireless services to consumers otherwise unable to afford them, and those previously ignored by traditional carriers, Virgin Mobile has effectively expanded access to wireless services. Unfortunately, during this challenging economic period, many existing customers have to forgo access to wireless services entirely when their financial position deteriorates, making it more difficult for prospective employers and dependent family members to reach them and losing wireless access to emergency services.

B. Previous ETC Designations

In March 2009, the FCC designated Virgin Mobile as an ETC for purposes of offering Lifeline services in the states of New York, North Carolina, Tennessee and Virginia.² Because, at that time, Virgin Mobile operated as a mobile virtual network operator that did not own any network facilities, the *2009 Order* attached as Exhibit 2 also conditionally granted the Company's request for forbearance from enforcement from the Section 214(e)(1)(A) facilities-

² See *Federal-State Joint Board on Universal Service; In the Matter of Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A); Petitions for Designation as an Eligible Telecommunications Carrier in the States of New York, North Carolina, Pennsylvania, Tennessee and Virginia*, Order, FCC 09-18 (rel. March 5, 2009) ("2009 Order").

based requirement for ETC designation. Based on Virgin Mobile's status as a reseller, the FCC conditioned its grant of forbearance, as well as its grant of ETC designation, on Virgin Mobile's compliance with certain obligations.

By Order dated December 29, 2010, the FCC designated Virgin Mobile as an ETC in the states of Alabama, Connecticut, Delaware, New Hampshire and Washington D.C.³ In the *2010 Order*, the FCC determined that Virgin Mobile now operates as a facilities-based carrier for purposes of Section 214 of the Act in light of its acquisition by Sprint Nextel. This Order is attached as Exhibit 3. As discussed more fully below in Section III.D., the FCC concluded that Virgin Mobile "no longer needs forbearance" from the Section 214 facilities-based requirement and lifted certain forbearance conditions associated with Virgin Mobile's prior status as a reseller.⁴

The public utility commissions of the states of Arkansas, California, Florida, Georgia, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Jersey, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Washington, and West Virginia have also designated Virgin Mobile as a facilities-based ETC without reliance on the *2009 Order*.

C. The Commission Has the Authority to Perform ETC Designations

The Commission has the requisite authority to perform the limited ETC designation requested herein. Section 214(e)(2) of the Act provides state public utility commissions with the "primary responsibility" for the designation of ETCs.⁵ Pursuant to this authority, the

³ See *Federal-State Joint Board on Universal Service; In the Matter of Virgin Mobile USA, L.P. Petitions for Designation as an Eligible Telecommunications Carrier in the States of Alabama, Connecticut, Delaware, New Hampshire and Washington D.C.*, Order, DA 10-2433 (rel. Dec. 29, 2010) ("*2010 Order*").

⁴ See *id.* at ¶ 15.

⁵ 47 U.S.C. § 214(e)(2).

Commission has historically participated in determining whether to grant ETC status to an applying carrier, including any requesting wireless carrier. Under the Act, a state public utility commission with jurisdictional authority over ETC designations must designate a common carrier as an ETC if the carrier satisfies the requirements of Section 214(e)(1). By offering all of the services supported by the federal USF and advertising the availability of such services, Virgin Mobile currently meets all of the requirements of Section 214 of the Act, warranting its designation as an ETC by the Commission.

D. The Limited ETC Designation Request Is Consistent with Recent Precedent

Virgin Mobile's request for ETC designation to participate in the Lifeline program is consistent with the Commission's recent decisions designating Cricket Communications and TracFone Wireless as ETCs for Lifeline purposes.⁶ In its decisions, the Commission determined that designation of a prepaid wireless carrier as an ETC was in the public interest and would benefit Missouri low-income customers.⁷ Similar decisions have been made in Orders granting designations of wireless ETCs in more recent cases.⁸ Virgin Mobile requests that the Commission expeditiously process the instant ETC petition so that it can quickly commence providing qualifying lower-income Missouri customers with affordable USF-supported wireless services during these challenging times for all state residents. Designation of Virgin Mobile as an ETC would further competition for wireless Lifeline services, providing many lower-income

⁶ See *In the Matter of the Application of Cricket Communications, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Missouri Order Granting Application for Eligible Telecommunications Carrier Status*, Case TA-2010-0229 (March 10, 2010); *In the Matter of the Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier for the Limited Purpose of Offering Lifeline and Link-Up Service to Qualified Households*, Order Granting Designation as an Eligible Telecommunications Carrier, Case No. TA-2009-0327 (Sept. 5, 2009) ("*TracFone ETC Order*").

⁷ See *TracFone ETC Order* at p.5.

⁸ See, e.g., *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)*, Case TA-2011-0164 (eff. December 6, 2011); *In the Matter of the Application of i-wireless, LLC for Designation as an Eligible Telecommunications Carrier in the State of Missouri*, Case TA-2011-0377 (eff. November 19, 2011)

customers with increased choices for affordable wireless services. This enhanced competition would represent a significant step towards ensuring that all low-income customers share in the many benefits associated with access to wireless services, which a study found to be a vital economic resource for low-income consumers that leads to improved wage levels and personal safety.⁹

III. VIRGIN MOBILE REQUESTS ETC DESIGNATION IN ITS MISSOURI SERVICE AREA FOR PARTICIPATION IN THE LIFELINE PROGRAM

A. Virgin Mobile Requests ETC Designation for its Entire Service Territory

As a non-rural carrier, Virgin Mobile is required to describe the areas within which it requests ETC designation. The Company requests ETC designation for its entire service area in Missouri subject to being granted forbearance from the FCC as described below. Virgin Mobile provides service through use of the Sprint wireless CDMA-based network. The Virgin Mobile service area is the area served through the Sprint wireless CDMA-based network. Roaming on the networks of unaffiliated carriers is not offered through Virgin Mobile. Attached as Exhibit 4 is a list of non-rural wire centers detailing the areas identified by CLLI, Exchange name, and ILEC name also serving the Virgin Mobile areas where ETC designation is being sought. Virgin Mobile also attaches a map of its non-rural service territory as Exhibit 5.

Virgin Mobile recognizes that the FCC released a decision on September 16, 2010, indicating that section 54.507(b) of its rules and section 204(e)(5) to the Communications Act require redefinition of RLEC study areas when a Lifeline ETC is seeking to serve only some exchanges of an RLEC study area. In the Cricket Order,¹⁰ the FCC granted forbearance from

⁹ See Sullivan, "A Review of Literature and Data from Two New Surveys," April 2008.

¹⁰ *In the Matter of Telecommunications Carriers Eligible for Universal Service Support; NTCH, Inc. Petition for Forbearance from 47 U.S.C. §214(e)(5) and 47 C.F.R. §54.207(b); Cricket Communications, Inc., Petition for Forbearance*, ("Cricket Order"), 26 FCC Rcd 13723.

application of these provisions for the Petitioners. Virgin Mobile filed a similar Petition with the FCC January 13, 2011 in WC Docket No. 09-0197¹¹, seeking forbearance of these provisions for its operations in all states in which it operates or will operate as a Lifeline ETC. In light of Virgin Mobile's forbearance filing, Virgin Mobile seeks Final ETC designation in AT&T and the non-rural CenturyLink exchanges in Missouri. For the rural CenturyLink exchanges and the rural exchanges where redefinition would otherwise be required, Virgin Mobile seeks Lifeline ETC designation contingent upon the grant of forbearance sought in the Virgin Mobile forbearance petition filed with the FCC. See Exhibits 6 and 7 for a list of rural exchanges and corresponding map.

B. Virgin Mobile Requests ETC Designation for Participation in the Lifeline Program

Virgin Mobile requests ETC designation in Missouri for the sole purpose of participating in the federal Lifeline program as a prepaid wireless carrier. Virgin Mobile does not seek to provide services supported by the USF's high-cost program. As more fully described below, the instant request to participate in the Lifeline program promotes the goals of universal service and offers many benefits to low-income customers in the State of Missouri. The Lifeline services provided by Virgin Mobile will contain many features specifically designed for qualifying customers. Indeed, Virgin Mobile's Lifeline plans will provide affordable and convenient wireless services to qualifying Missouri customers, many of whom are otherwise unable to afford wireless services.

Also, Virgin Mobile's designation as an ETC solely for Lifeline purposes will not unduly burden the USF or otherwise reduce the amount of funding available to other carriers. The

¹¹ See Exhibit 8, In the Matter of the Telecommunications Carriers Eligible to Receive Universal Service Support, Virgin Mobile USA, L.P., Petition for Forbearance, FCC WC Docket No. 09-197 (filed January 13, 2012).

secondary role of Lifeline support with respect to overall USF expenditures is well documented. According to the monitoring report released by the Federal-State Joint Board on Universal Service, Lifeline funding represented approximately 14% of total USF expenditures in 2009.¹² The FCC, itself, concluded that designation of Virgin Mobile as an ETC would result only in a “minimal” increase in USF funding.¹³

The nature by which Lifeline support is provided to wireless carriers also obviates any concerns that multiple ETC designations in Missouri would have a negative impact on the USF. Lifeline support is provided on a customer-specific basis, and only after a carrier has acquired and begun to serve an eligible customer does the carrier receive Lifeline support for that customer. Moreover, by tying support to actual service of a customer, the Lifeline program ensures that USF support only funds the carrier that actually “wins” the customer’s service.

C. Description of Prepaid Lifeline Offering and Verification of Eligibility

1. Prepaid Lifeline Offering

Virgin Mobile has branded its prepaid Lifeline service “Assurance Wireless Brought To You By Virgin Mobile.” The service will provide customers with the same features and functionalities enjoyed by all other Virgin Mobile prepaid customers, with one notable exception: basic prepaid Lifeline services are available free of charge. Under the basic plan, eligible customers will receive 250 anytime prepaid minutes per month at no charge with additional service priced at \$0.10/minute and \$0.10/ message.¹⁴ Virgin Mobile also offers additional methods by which Lifeline customers, entirely at their option, can purchase blocks of

¹² See *Universal Service Monitoring Report*, CC Docket 98-202, Chart 1.1 (filed Dec. 30, 2010).

¹³ See Ex. 2, *2009 Order* at ¶ 24.

¹⁴ Virgin Mobile expects that the Company’s Lifeline plan may change as the wireless market evolves. As such, the Company requests that the Commission’s grant of ETC designation provide it with the requisite authority to modify the parameters of the offering as marketplace conditions develop.

additional services.¹⁵ Lifeline customers can add \$5 to their account to purchase an additional 250 monthly minutes, providing them with a total of 500 voice minutes in a month (250 free minutes plus 250 additional minutes) or Lifeline customers can add \$20 to their account to purchase an additional 750 voice minutes, providing them with a total of 1,000 voice minutes (250 free minutes plus 750 additional minutes). Customers choosing this second option will also receive 1,000 monthly messages. Customers desiring data service and Web access, who acquire a data capable Virgin Mobile phone, may also purchase a data allocation for \$1.50 per 1 megabyte (“MB”) of data or a Data Pack of 5MB for \$5.00, 20MB for \$10.00 or 50MB for \$20.00. There is no obligation that customers purchase these additional offerings or add money to their accounts, and all eligible customers will continue to receive 250 free monthly minutes.¹⁶

Eligible customers can select any option on a month-to-month basis without subscribing to a long-term contract or incurring activation charges or connection fees. In the event that a customer selecting either the \$5/500 or \$20/1000 minute plan does not have sufficient funds in the Lifeline account at the time the minutes are to be deposited in a particular month, the customer would default to the free 250-minute plan for that month. Consistent with the current offerings, the rates for service under all plans include all applicable taxes and fees, and customers can use their monthly minutes to place calls statewide (or even nationwide) because none of the plans imposes a local calling area requirement.¹⁷ Finally, each service plan also includes voicemail, caller I.D. and call waiting services at no additional charge. In comparison, the Virgin Mobile Beyond Talk plans for non-Lifeline customers start at \$35 per month for 300

¹⁵ A description of these service offerings is available on the Assurance Wireless website: <http://www.assurancewireless.com/Public/MorePrograms.aspx>.

¹⁶ Consistent with current practice, minutes and text messages do not carry forward from month-to-month. Customers can still purchase individual voice minutes and text messages for \$0.10.

¹⁷ Customers may incur state sales tax and fees at the point of purchase should the customer choose to add funds to top-up their account for the purchase of additional blocks of minutes or data allocation..

minutes of calling and unlimited data¹⁸ and the Virgin Mobile Pay-Lo plans start at \$20 per month for 400 voice minutes plus \$.15 a text message and \$1.50/Mb of web access.¹⁹

To ensure that customers receive uninterrupted access to 911 emergency and customer care services, Lifeline customers will be able to access 911 emergency and customer care services regardless of whether they have any remaining minutes in their account. In addition, minutes used for calls placed to 911 emergency services and Virgin Mobile/Assurance Wireless customer care are not decremented from a customer's account. As a result, Lifeline customers will receive free service so long as they do not elect to exceed 250 minutes of voice service per month with no additional charges for taxes or activation.

New customers may elect to receive a free Assurance Wireless-branded handset with E911 functionality. Current Virgin Mobile customers may be able to use their existing handsets to receive prepaid Lifeline services, or may elect to receive a free Assurance Wireless handset. By providing a wireless handset free of charge, Virgin Mobile can ensure that Lifeline-eligible customers in Missouri will not incur any upfront costs for access to the Company's Lifeline services.

2. Lifeline Certification and Verification

To guard against potential fraudulent use of Lifeline service, applicants for Lifeline service must provide a variety of information, including their name, residential address and relevant eligibility criteria. Virgin Mobile will comply with the Missouri requirements for Lifeline application forms²⁰ and provides an example of its Missouri form as Exhibit 9. The

¹⁸ Virgin Mobile's Beyond Talk plans can be found at: <http://www.virginmobileusa.com/cell-phone-plans/beyond-talk-plans.jsp>

¹⁹ Virgin Mobile's Pay Lo plans can be found at: <http://www.virginmobileusa.com/cell-phone-plans/paylo-plans.jsp#>

²⁰ 4 CSR 240-31.050(3)(D)

enrollment form includes an applicant certification section where each applicant must attest and sign under penalty of perjury that the applicant receives Lifeline-supported service only from Virgin Mobile. The applicant must submit the signed enrollment form and all supporting documentation as required by federal or state guidelines to the Company prior to commencement of Lifeline service. As an additional protection against fraudulent use of the Company's Lifeline services, Virgin Mobile tracks each applicant's primary residential address and cross checks this information against internal databases to confirm that a Virgin Mobile Lifeline account has not already been activated for that address or individual. If a name or address submitted by a Lifeline applicant is associated with a customer who already receives Virgin Mobile Lifeline service, or if the address provided is not a valid U.S. postal address, Virgin Mobile will review the application to ascertain whether the customer is attempting to activate multiple Virgin Mobile Lifeline accounts or otherwise does not qualify under the eligibility requirements, and, if so, deny the application.²¹

There has been concern that Lifeline eligible customers may inadvertently receive Lifeline service from more than one provider. A Lifeline customer may only have a Lifeline account with one provider. Virgin Mobile, through Sprint, joined with other carriers in sponsoring an interim plan to deal with the problem of multiple Lifeline accounts held by the same customer.²² The FCC adopted this plan.²³ Virgin Mobile will comply with the FCC's rules aimed at reducing duplicate Lifeline accounts.

²¹ It is important to note that Virgin Mobile does not have access to the customer lists of other ETCs and, thus, cannot cross match its customer list against another ETC's list.

²² See *Ex Parte Letter* from Sprint Nextel Corp. et al. to Marlene Dortch dated April 15, 2011, *Lifeline and Link Up Reform and Modernization; Federal-State Joint Board on Universal Service; Lifeline and Link Up*; WC Docket Nos. 11-42, 03-109, and CC Docket No. 96-45.

²³ See *Lifeline and Link Up Reform and Modernization; Federal-State Joint Board on Universal Service; Lifeline and Link Up*; WC Docket Nos. 11-42, 03-109, CC Docket No. 96-45, Order, FCC 11-97 (rel. June 21, 2011).

To ensure that USF funds are received only for customers who actively use their Lifeline services, Virgin Mobile will implement a non-usage policy in Missouri. Under this policy, if a customer does not make a voice call or send a text message or otherwise demonstrate activity at least once during any continuous 60-day period, Virgin Mobile will promptly notify the customer that the customer is no longer eligible for Lifeline service, subject to a 30-day grace period. During the 30-day grace period, the customer's account would remain active, and Virgin Mobile will engage in outreach efforts to determine whether the customer desires to remain on its Lifeline service. If the customer's account does not show any customer-specific activity during the grace period (such as making or receiving a voice call, receiving or sending a text message, downloading data or adding money to the account), Virgin Mobile will deactivate Lifeline services for that customer. In addition, Virgin Mobile will not recover a federal USF subsidy for the free minutes provided to the customer during the grace period or thereafter report that customer on its Universal Service Administrative Company ("USAC") Form 497.

D. Applicability of Forbearance Conditions

In light of the FCC's recent decision to designate Virgin Mobile as a facilities-based ETC and lift the requirements associated with its prior grant of forbearance, Virgin Mobile respectfully requests that the Commission designate the Company as a facilities-based ETC. As the FCC noted in its recent decision, Virgin Mobile is a facilities-based carrier for purposes of Section 214(e)(1) of the Act, even though absolute, direct legal title to Virgin Mobile's wireless communications facilities lies with its parent and sibling corporate enterprises that are part of the Sprint family.²⁴ Consistent with its prior decisions, the FCC rejected a formulative interpretation

²⁴ See *2010 Order* at ¶ 15-16. To date, Virgin Mobile's facilities-based status has been confirmed by the public utility commissions of the states of Florida, Indiana, Louisiana, Maryland, Michigan, Mississippi, New Jersey, Texas, Washington and West Virginia, each of which has determined that Virgin Mobile operates as a facilities-

(cont'd)

of the term “own facilities” in Section 214(e)(1) and adopted a more flexible approach.²⁵ In these prior decisions, the Commission determined that the Section 214(e)(1) concept of “own facilities” includes facilities for which a carrier has beneficial use and over which it “does not hold absolute title,” and that any contrary interpretation would frustrate the goals of the Act and lead to absurd results.”²⁶

In recognizing Virgin Mobile as a facilities-based carrier, the FCC explicitly rescinded the forbearance condition that required Virgin Mobile, like other wireless resellers granted forbearance, to seek certification from each public safety answering point (“PSAP”) confirming that customers have access to 911 and enhanced 911 (“E911”) service – a condition not required of facilities-based carriers. As the FCC recognized in its *2010 Order*, requiring Virgin Mobile to obtain certifications regarding its 911/E911 capabilities is unnecessary given that Virgin Mobile provides the same 911 and E911 services to its customers as any other Sprint wireless customer receives using Sprint’s existing 911 and E911 facilities and PSAP relationships. Indeed, all 911 emergency calls made by Virgin Mobile customers are handled in the same fashion as calls made by any other Sprint customer. When a Virgin Mobile customer calls 911, the call is received by Sprint Corporate Security, which maintains responsibility for routing to the appropriate PSAP, just as with any other 911 call made by a Sprint customer. If a PSAP were required to directly contact the company because of a disconnection, the call would be handled by Sprint Corporate Security, which has access to all Virgin Mobile customer information—just as it does for all other Sprint operating subsidiaries. Virgin Mobile respectfully submits that it be subject to the

(cont’d from previous page)

based provider and will provide the supported services over its own facilities pursuant to Section 214(e)(1)(A) of the Act. See Exhibit 3.

²⁵ See *id.*

²⁶ *In re Federal-State Joint Board on Universal Service*, 12 FCC Rcd 8776, ¶ 159-161 (1997). *Id.* ¶ 161.

same requirements as any other facilities-based wireless ETC in Missouri with respect to 911 and E911 issues.

IV. VIRGIN MOBILE SATISFIES THE FCC'S AND COMMISSION'S REQUIREMENTS FOR DESIGNATION AS AN ETC

The FCC's regulations, 47 C.F.R. §54.201(d)(1), require that applicants for ETC designation be common carriers that will offer all of the services supported by the USF, either using their own facilities or a combination of their own facilities and the resale of another carrier's services. Applicants must also commit to advertise the availability and rates of such services. The FCC's regulations, 47 C.F.R. §54.202 also requires Virgin Mobile to commit to provide service throughout its proposed designated service area to all customers making a reasonable request. As detailed below, Virgin Mobile satisfies each of the above-listed requirements.

A. Virgin Mobile Is a Common Carrier

Section 153(10) of the Act defines a common carrier as “any person engaged as a common carrier for hire, in interstate or foreign communications by wire or radio ...”²⁷ The FCC has determined on numerous occasions that providers of mobile wireless services shall be treated as common carriers for regulatory purposes. As a provider of wireless telecommunications services, therefore, Virgin Mobile is a common carrier eligible for designation as an ETC.

B. Virgin Mobile Will Provide the Supported Services

As described above, Virgin Mobile is a wholly owned subsidiary of Sprint. Accordingly, Virgin Mobile is capable of, currently provides, and will continue to provide the services supported by the federal universal service support mechanism under 47 U.S.C. § 254(c), over the

²⁷ 47 U.S.C. § 153(10).

existing Sprint CDMA network infrastructure in Missouri. Virgin Mobile's request for ETC designation complies with Section 214(e)(1) of the Act, Missouri Rule 4 CSR 240-3.570(C)(1) and C.F.R. §54.202(a)(1) because it provides all of the services and functionalities supported by the universal service program as set forth in Section 54.101 of the FCC's regulations throughout its service territory in the State of Missouri.²⁸ The Company, moreover, will make these Lifeline services and functionalities available in a timely manner to any qualifying Missouri customer in the Company's service area.

1. Voice Grade Access to the Public Switched Telephone Network

Virgin Mobile provides voice grade access to the public switched telephone network ("PSTN") and offers its customers services at bandwidth rates between 300 and 3,000 MHz as required by the FCC's regulations.²⁹

2. Local Usage

As part of the voice grade access to the PSTN, an ETC must provide local calling services to its customers. Neither the FCC's nor the Commission's regulations require ETCs to offer a specific amount of local usage or mandate that ETCs provide a minimum number of free local calls or minutes. Instead, an applicant for ETC designation must demonstrate that it offers a local usage plan that is "comparable" to the plan offered by the ILEC in the relevant service territory.³⁰ In analyzing whether an ETC applicant's plan is comparable to the underlying ILEC's plan, the FCC has indicated that it reviews all aspects of the plan on a case-by-case basis,

²⁸ By orders dated November 18 and December 23, 2011, the FCC changed the definition of supported services in 47 C.F.R. §54.401 by eliminating operator services and directory assistance from the required list. *In the Matter of Connect America Fund and Developing an Unified Intercarrier Compensation Regime, et al.*, WC Docket Nos. 10-90, 07-135, 05-337 and 03-109, CC Docket Nos. 01-92, 96-45, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-61 (November 18, 2011) and Order on Reconsideration, FCC 11-189 (December 23, 2011). To Virgin Mobile's knowledge, the Missouri rules have not yet been changed.

²⁹ See 47 U.S.C. § 54.101(a)(1).

³⁰ 47 C.F.R. § 54.202(a)(4); 4 CSR 240-3.570(2)(A)(10).

including the nature of the supported service, the size of the local calling area, the inclusion of additional services (e.g., caller I.D., etc.) and the amount of local usage.³¹ The FCC has determined that a carrier satisfies the local usage requirements when it offers customers rate plans containing varying amounts of local usage.³²

Virgin Mobile's proposed Lifeline offering fully complies with the local usage requirements established by the FCC and the Commission. Not only will Virgin Mobile's offering be comparable to the underlying ILEC plans, but it also will exceed them in several respects. Contrary to the ILECs' plans, Virgin Mobile will offer customers a certain amount of service free of charge. As discussed above, Virgin Mobile will provide its Lifeline customers with 250 anytime minutes per month at no charge. Contrary to the ILEC plans, which contain relatively small local calling areas, Virgin Mobile customers can use these free minutes to place calls statewide (or even nationwide) because Virgin Mobile does not constrict customers' use by imposing a local calling area requirement. In addition to free voice services, Virgin Mobile will provide Lifeline customers with access to a variety of other features at no cost, including voice mail, caller I.D., call waiting services and E911 capabilities. Most important, Virgin Mobile's Lifeline service will provide low-income Missouri residents with the convenience and security offered by wireless services without interruption—even if their financial position deteriorates.

3. DTMF Signaling or its Functional Equivalent

Virgin Mobile provides dual tone multi-frequency (“DTMF”) signaling to expedite the transmission of call set up and call detail information throughout its network. All wireless handsets offered for sale by the Company are DTMF-capable.

³¹ See *Federal-State Joint Board on Universal Service*, Report and Order, 20 FCC Rcd 6371, 6385 (2005).

³² See e.g., *Farmers Cellular, Inc.*, 18 FCC Rcd 3848, 3852 (2003); *Pine Belt Cellular, Inc. and Pine Belt PCS, Inc.*, 17 FCC Rcd 9589, 9593 (2002); *Western Wireless Corp., Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming*, 16 FCC Rcd 48, 52 (2000).

4. Single-Party Service or its Functional Equivalent

“Single-party service” means that only one party will be served by a subscriber loop or access line during a telephone transmission. Virgin Mobile provides the functional equivalent of single-party service to its wireless customers for the duration of each telephone call, and does not provide multi-party (or “party-line”) services.

5. Access to Emergency Services

Virgin Mobile provides nationwide access to 911 emergency services for all of its customers. Virgin Mobile also complies with the FCC’s regulations governing the deployment and availability of E911 compatible handsets.

6. Access to Operator Services

Virgin Mobile provides all of its customers with access to operator services.

7. Access to Interexchange Services

Virgin Mobile’s service provides its customers with the ability to make interexchange, or long distance, telephone calls. Domestic long distance capabilities are included in Virgin Mobile’s service with no additional charges because minutes for local or domestic long distance services are not billed separately at different rates.

8. Access to Directory Assistance

All Virgin Mobile customers are able to dial “411” to reach directory assistance services from their wireless handsets.

9. Access to Telecommunications Relay Services by Dialing 711

All Virgin Mobile customers are able to dial “711” to reach telecommunications relay services from their wireless handsets.

10. Toll Limitation

Toll limitation allows customers to either block the completion of outgoing long distance calls or specify a certain amount of toll usage to prevent them from incurring significant long distance charges and risking disconnection. As described above, Virgin Mobile provides its wireless service on a prepaid, or “pay-as-you-go,” basis. Virgin Mobile’s service, moreover, is not offered on a distance-sensitive basis and minutes are not charged separately for local or domestic long distance services. Customers also must specifically authorize access for international services, for which additional charges may apply. The FCC determined in its grants of ETC designation to the Company that the nature of Virgin Mobile’s service mitigates concerns that low-income customers will incur significant charges for long distance calls, risking disconnection of their service.³³

C. Functionality in Emergency Situations

As a wholly owned subsidiary of Sprint Nextel, Virgin Mobile is able to remain functional in emergency situations as required by Section 54.202(a)(2) of the FCC’s regulations³⁴ and Section 3.570(2)(A)(4) of the Missouri Rules.³⁵ Sprint Nextel has established a variety of internal programs, policies and teams dedicated to analyzing, assessing and responding to emergency situations. These programs, policies and teams ensure the timely and effective deployment of Sprint Nextel’s products and services to allow the public and private sectors to function in emergency situations. Indeed, Sprint Nextel’s network is monitored 24 hours a day, 7 days a week, 365 days a year by its network monitoring centers. Local switching offices staffed by trained technicians and management coordinate with these larger operation centers, to

³³ See 2009 Order at ¶ 34; 2010 Order at fn. 33.

³⁴ See 47 C.F.R. § 54.202(a)(2).

³⁵ See 47 C.F.R. § 54.202(a)(2); 4 CSR 240-3.570(2)(A)(4).

ensure that Sprint's networks are properly maintained and network performance is at expected levels.

In addition, Sprint has reasonable amounts of back-up power to ensure functionality without an external power source, and has implemented reasonable practices to reroute traffic around damaged facilities and manage traffic spikes resulting from emergency situations. Each cell site in the Sprint network is equipped with two hours of battery back-up power. The company also is capable of rerouting traffic around damaged facilities. Many cell sites in the Sprint network provide overlapping coverage for neighboring areas, and such design redundancy ensures that coverage continues in the event of damage to a particular facility. In the event of a major failure of a cell site, neighboring sites could be adjusted to provide coverage to a wider service area. These practices significantly reduce the chance that emergencies, fiber cuts or equipment failure will result in a loss of service.

D. Advertising of Supported Services

Virgin Mobile will advertise the availability and rates for the services described above using media of general distribution in conformance with the FCC's and Commission's regulations.³⁶ The Company advertises the availability of its non-Lifeline services through newspapers, magazines, radio, the Internet, billboards and television. Virgin Mobile's third-party retail partners also heavily promote its services. These advertising campaigns have been highly effective in reaching low-income customers and promoting the availability of cost-effective wireless services to this consumer segment. Virgin Mobile will supplement these methods of communication to specifically advertise and promote the availability of its Lifeline offerings to qualifying customers throughout the State of Missouri. The Company also intends

³⁶ See 47 C.F.R. § 54.201.; 4 CSR 240-3.570(2)(A)(6)-(7).

to promote these offerings to its existing customers—many of whom may otherwise qualify for Lifeline.

E. Equal Access to LD Carriers

Virgin Mobile certifies its acknowledgement that the Commission may require it to provide equal access pursuant to 4 CSR 240-32.100(3) and (4) to long distance carriers in the event that no other ETC is providing equal access within the service area, as required by 47 C.F.R. § 54.202(a)(5) and 4 CSR 240-3.570(2)(A)(9).

F. Consumer Protection and Service Quality

Under FCC and Commission guidelines, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards.³⁷ Virgin Mobile commits to comply with the Cellular Telecommunications and Internet Association (CTIA) Consumer Code for Wireless Service, pursuant to 47 C.F.R. § 54.202(a)(3) and 4 CSR 240-3.570(2)(B). A copy of the current version of the CTIA consumer code is attached as Exhibit 10. In addition, Virgin Mobile commits that after it is designated as an ETC it will file with the Commission any changes to the consumer code for wireless service included with its application or any subsequent code approved under 4 CSR 240-3.570(2)(B) within thirty (30) days to provide comment as to whether Virgin Mobile should be required to commit to the proposed changes or should continue to abide by the consumer code for wireless service currently approved for Virgin Mobile.

G. Commitment to Customer Privacy

Pursuant to 4 CSR 240-3.570(2)(A)(8), Virgin Mobile hereby agrees to satisfy the consumer privacy protection standards provided in part 64 of the FCC's regulations.

³⁷ See, 47 CFR § 54.202(a)(3); 4 CSR 240-3.570(2)(A)(8).

H. Annual Certification Filing Requirements

Virgin Mobile also hereby commits to submitting the annual certifications required by 4 CSR 240-3.570(4), as applicable to its Lifeline service offerings.

I. Commitment to Comply with All Regulations Imposed by the Commission

Virgin Mobile asserts its willingness and ability to comply with all the rules and regulations that the Commission may lawfully impose upon the Company's provision of service contemplated by this application. Virgin Mobile certifies that all federal USF funding received will be used for Lifeline support and will be flowed through to the direct benefit of eligible low income consumers. On behalf of its Missouri customers, Virgin Mobile currently remits all applicable surcharges and fees in Missouri. Within 30 days of receiving ETC status, Virgin Mobile will make an informational filing describing all service offerings, pursuant to 4 CSR 240-3.570(3)(D). Virgin Mobile commits to maintain a record of customer complaints, pursuant to 4 CSR 240-3.570(3)(E). Virgin Mobile will notify the Commission of any changes to contact information pursuant to 4 CSR 240-3.570(3)(F).

V. **DESIGNATION OF VIRGIN MOBILE AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST**

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is "to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies" to all citizens, regardless of geographic location or income.³⁸ There is no question that designation of Virgin Mobile as an ETC in Missouri will further the public interest by providing Missouri consumers, especially low-income consumers, with lower prices and higher quality services. Many lower-income customers in Missouri have yet to reap the full benefits of the intensely

³⁸ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

competitive wireless market. Whether because of financial constraints, poor credit history or intermittent employment, these consumers often lack the countless choices available to most consumers. Designating Virgin Mobile as an ETC in Missouri, therefore, will enable it to expand the availability of affordable telecommunications services to qualifying Missouri customers, and is consistent with the public interest, convenience and necessity as required by 4 CSR 240-3.570(2)(A)(5).

The instant request for ETC designation must be examined in light of the Act's goals of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers—especially low-income consumers—receive affordable and comparable telecommunications services. Given this context, designating Virgin Mobile as an ETC would benefit Missouri consumers, especially its many low-income consumers eligible for Lifeline services. The Company's participation in the Lifeline program also undoubtedly would increase opportunities for it to serve Missouri customers with appealing and affordable service offerings. Indeed, the FCC has determined that Virgin Mobile's Lifeline service offerings provide a variety of benefits to Lifeline-eligible customers, including “increased consumer choice, high-quality service offerings and mobility.”³⁹

Designation of Virgin Mobile as an ETC would also promote competition and increase the pressure on other carriers to target low-income consumers with service offerings tailored to their needs, greatly benefiting this much ignored consumer segment. Virgin Mobile will bring the same entrepreneurial spirit that has reinvigorated the wireless industry to the Missouri Lifeline market, helping to redefine the wireless experience for many low-income consumers in the state. Other carriers, therefore, will have the incentive to improve their existing service

³⁹ See 2010 Order at ¶ 19.

offerings and tailor service plans to contain service terms and features appealing to lower-income customers. This competition would represent a significant step towards ensuring that all low-income customers share in the many benefits associated with access to wireless services, which a study found to be a vital economic resource for low-income consumers that leads to improved wage levels and personal safety.⁴⁰

Virgin Mobile's Lifeline customers will receive the same high-quality wireless services provided to all Company customers. Virgin Mobile has emphasized customer service as an essential pillar for its marketplace success since service launch. Indeed, the Company's success is testament to the principle that wireless carriers can provide lower-income customers with the same features, functionalities and services demanded by higher-income consumers. This intense focus on customer service has been rewarded and customers have responded accordingly. In prior years, the Company has also received numerous awards for its high-quality customer service, including the prestigious J.D. Power award for providing "An Outstanding Customer Service Experience" under J.D. Power's Certified Call Center Program.

While Virgin Mobile has experienced success in deploying wireless services to low-income consumers, internal Company analysis suggests that many low-income customers still intermittently discontinue service because of economic constraints. ETC designation in Missouri would enable Virgin Mobile to offer appealing and affordable service offerings to low-income Missouri customers to ensure that they are able to afford wireless services on a consistent and uninterrupted basis. Without question, prepaid wireless services have become essential for lower-income customers, providing them with value for their money, access to emergency services on wireless devices, and a reliable means of contact for prospective employers, social

⁴⁰ See Sullivan, "A Review of Literature and Data from Two New Surveys," April 2008.

service agencies or dependents.⁴¹ Providing Virgin Mobile with the authority necessary to offer discounted Lifeline services to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

VI. ANTI-DRUG ABUSE CERTIFICATION

Virgin Mobile certifies that no party to this Petition is subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

VII. CONCLUSION

As discussed above, designation of Virgin Mobile as an ETC in the State of Missouri accords with the requirements of Section 214(e)(2) of the Act and Missouri law and is in the public interest.

WHEREFORE, for all of the foregoing reasons, Virgin Mobile respectfully requests that the Commission designate Virgin Mobile as an ETC in the State of Missouri solely for purposes of participating in the Lifeline program.

Respectfully submitted,

VIRGIN MOBILE USA, L.P.



Kenneth Schifman, MO Bar # 42287

Sprint Nextel Corporation

6450 Sprint Parkway

Overland Park, KS 66251

Tel: 913-315-9783

Fax: 913-523-9827

kenneth.schifman@sprint.com

W. Richard Morris, MO Bar # 38812

Sprint Nextel Corporation

⁴¹ Indeed, a recent aggregate survey of Virgin Mobile customer usage patterns indicated that state and city welfare agencies are among the most frequently contacted by customers.

6450 Sprint Parkway
Overland Park, KS 66251
Tel: 913-315-9176
Rich.r.morris@sprint.com

February 1, 2012

CERTIFICATION

Declaration of Virgin Mobile USA, L.P.

I, Kenneth Schiffman, do hereby declare under penalty of perjury as follows:

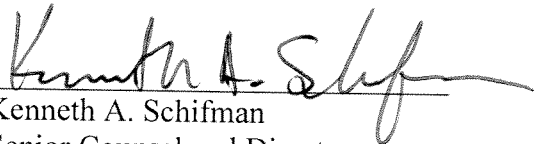
1. I am Senior Counsel and Director for Sprint Nextel Corporation, corporate parent of Virgin Mobile USA, L.P., a Delaware Limited Partnership with its principal place of business at 10 Independence Blvd, Warren, NJ 07059.

2. I have read Virgin Mobile's Petition for Limited Designation as an Eligible Telecommunications Carrier in the State of Missouri and confirm the information contained therein to be true and correct to the best of my knowledge.

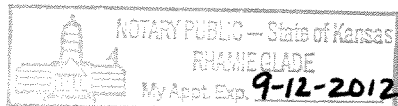
3. To the best of my knowledge, Virgin Mobile, including all officers, directors, or persons holding five percent or more of the outstanding stock or shares (voting or non-voting) of the Company, are not subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

4. I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on February 1, 2012


Kenneth A. Schiffman
Senior Counsel and Director

By: Rhame Glade
Notary
February 1, 2012



Johnson County.

EXHIBIT 1
RESPONSES TO STANDARD SET OF DISCOVERY REQUESTS

**RESPONSES TO STANDARD SET OF PREPAID WIRELESS ETC DATA
REQUESTS OF VIRGIN MOBILE USA, L.P. BRANDED ASSURANCE
WIRELESS BROUGHT TO YOU BY VIRGIN MOBILE**

If any of the requested information is already provided in your initial ETC application then respond to this data request by identifying the specific citation within your ETC application.

Virgin Mobile USA, L.P. branded Assurance Wireless Brought To You By Virgin Mobile (“Virgin Mobile” or “Company”) hereby responds to the standard set of data requests issued to prepaid wireless ETC applicants in Missouri.

1. Please identify any individual or entity having a 10% or more ownership interest in the company.

Virgin Mobile Response:

SPRINT NEXTEL CORPORATION (Parent company)

The chart below shows the ownership percentages in Virgin Mobile USA, L.P. The short answer is that Sprint Nextel Corporation indirectly owns 100% of the voting interest and 100% of the economic interest in Virgin Mobile USA, L.P.

VMU GP1, LLC	Delaware	100
Subsidiary:		
Virgin Mobile USA, L.P.	Delaware	0.0005⁽³⁾
Virgin Mobile USA, L.P.	Delaware	100⁽⁴⁾
Virgin Mobile USA, L.P.	Delaware	52.6459⁽³⁾
Virgin Mobile USA, L.P.	Delaware	30.7028⁽³⁾
Sprint Ventures, Inc.	Kansas	100
Subsidiary:		
Virgin Mobile USA, L.P. (see Virgin Mobile USA, Inc.)	Delaware	16.6508⁽³⁾

⁽³⁾ Economic interest.

⁽⁴⁾ Voting interest.

2. Please identify company management, officers and directors or any person exerting managerial control.

Virgin Mobile Response:

The executive team and Board of Directors of Sprint Nextel Corporation are found at the following links:

<http://newsroom.sprint.com/executive-team/>
<http://www.sprint.com/governance/board/>

3. Please identify any affiliated companies and any companies with any common ownership or management with the applicant. This shall include any company that performs administrative or sales functions for the applicant. For any identified company indicate whether the company has ever received funds from the federal universal service fund or any state universal service fund.

Virgin Mobile Response:

See Attachment 1, Chart of Sprint Nextel Affiliated Companies.



Sprint Nextel - org
chart - 20110523.pdf

4. Describe any disciplinary action taken by the Federal Communications Commission or state regulatory agency in which the company, any person listed in subparagraphs 1 and 2 have been found to have violated any law, regulation or tariff provision, or settled a matter in which an assertion of such a violation was made.

Virgin Mobile Response:

See Attachment 2.



MO assurance
wireless discovery re:

5. Confirm the company will comply with service provisioning requirements identified in 4 CSR 240-3.570(3)(A), (B) and (C).

Virgin Mobile Response:

Virgin Mobile will comply with the service provisioning commitments in 4 CSR 240-3.570(3)(C). As a prepaid carrier it does not provide bills to customers. As such subparts 4 CSR 240-3.570(3)(A) and (B) do not apply.

6. Describe how service will be provided using the company's own facilities or a combination of its own facilities and the resale of another carrier's services.

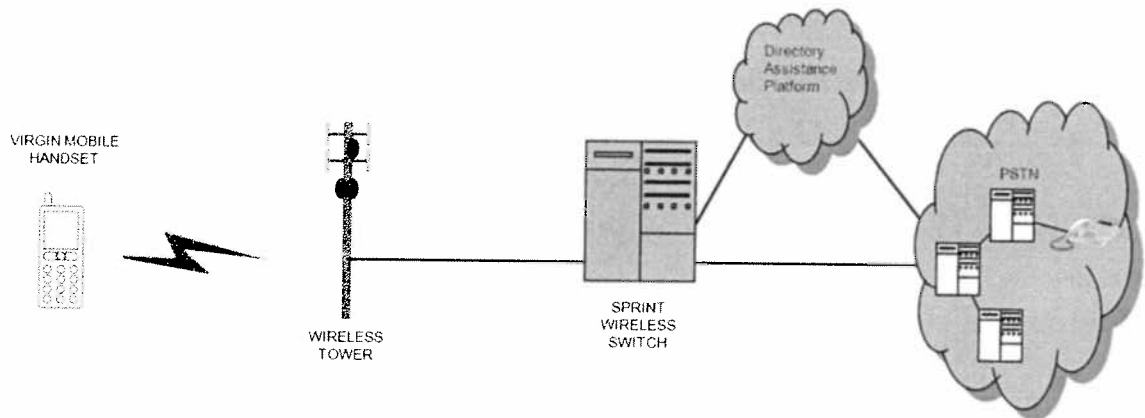
Virgin Mobile Response:

Virgin Mobile is a wholly owned subsidiary of Sprint Nextel Corporation (“Sprint”) that provides nationwide prepaid wireless services. All supported services of Virgin Mobile are provided through Sprint’s facilities. Virgin Mobile will not utilize the facilities of other carriers outside the Sprint organization. As such, Virgin Mobile is classified as a facilities-based carrier for purposes of section 214(e)(1) of the Act.

7. How does the company intend to provide service throughout the proposed service area including areas whereby the company lacks facilities or network coverage? Include a diagram of how local, directory assistance and interstate calls will be routed.

Virgin Mobile Response:

As stated in Sprint Response 6, Virgin Mobile will provide service exclusively through Sprint facilities.



8. How will the company ensure service will be provided in a timely manner to requesting customers?

Virgin Mobile Response:

Applicants for Lifeline service request or complete an enrollment form by contacting a toll-free telephone number established by the Virgin Mobile. Applicants must provide all of the information on the enrollment form, including their name, residential address and relevant eligibility criteria. Upon completion of the enrollment form, the Company mails the form to each applicant for signature. Once a signed application and supporting documentation are received and reviewed, if approved, an approval letter is sent and the handset is shipped to the customer within several business days.

Applicants may also access a state specific form on the Virgin Mobile Assurance Wireless website. From the website, the applicant may print, complete and mail the application for review and approval. The customer must program the handset by following the instructions on the screen and entering their account PIN. After the handset is programmed by the customer, 250 minutes are immediately applied to the customer's account. At the end of each of the customer's 30-day service cycles, additional 250 minute allotments are deposited into the customer's account. In the near future, Virgin Mobile expects to supplement the enrollment process described above with two additional methods. Under the first method, consumers will access the enrollment form through a secure website and complete the form online, which will include an electronic signature to verify that all statements and information are accurate under penalty of perjury. Under the second method for enrollment, applicants for Lifeline service will complete an enrollment form by contacting a toll-free telephone number established by the Company. Applicants will be required to provide, via a voice recording, all of the information currently required by the existing enrollment procedure, including their name, residential address and relevant eligibility criteria, and will be required to make a declaration under penalty of perjury that will be recorded regarding the accuracy of statements and information. Prospective customers will be informed that they can speak to a live operator if they have questions regarding the enrollment process, their certification or any aspect of Lifeline services.

9. How will the carrier remain functional in emergency situations?

Virgin Mobile Response:

As a wholly owned subsidiary of Sprint, Virgin Mobile is able to remain functional in emergency situations. Sprint has established a variety of internal programs, policies and teams dedicated to analyzing, assessing and responding to emergency situations. Sprint's network is monitored 24 hours a day, 7 days a week, 365 days a year by its network monitoring centers. Local switching offices staffed by trained technicians and management coordinate with these larger operation centers, to ensure that Sprint's networks are properly maintained and network performance is at expected levels. In addition, the company has reasonable amounts of back-up power to ensure functionality without an external power source, and has implemented reasonable practices to reroute traffic around damaged facilities and manage traffic spikes resulting from emergency situations. These practices significantly reduce the chance that emergencies, fiber cuts or equipment failure will result in a loss of service.

10. Describe the amount of back-up power available to ensure functionality without an external power source.

Virgin Mobile Response:

Sprint has a minimum of 2 hours of battery back-up at its cell sites and a minimum of 3 hours of battery back-up at its switch sites.

11. Is the carrier able to reroute traffic around damaged facilities and capable of managing traffic spikes resulting from emergency situations? Explain.

Virgin Mobile Response:

The company also is capable of rerouting traffic around damaged facilities. Many cell sites in the Sprint network provide overlapping coverage for neighboring areas, and such design redundancy ensures that coverage continues in the event of damage to a particular facility. In the event of a major failure of a cell site, neighboring sites could be adjusted to provide coverage to a wider service area. These practices significantly reduce the chance that emergencies, fiber cuts or equipment failure will result in a loss of service.

12. Describe the carrier's plans to advertise the availability of services and charges using media of general distribution throughout the ETC service area, including how the carrier will publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for the service consistent with 47 CFR 54.405. Provide examples of Missouri advertisements, if available.

Virgin Mobile Response:

See Application, p. 19-20. Virgin Mobile has not yet produced Missouri specific advertising. Attached, however, are illustrative brochures, posters, and newspaper advertising materials used in other states. Attachment 3.



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ance_Wireless_Flyer.ance_national_posteirochure_reprint_eng_Examiner-11 X 10.25.

13. Please describe your local usage plan that is comparable to those offered by the incumbent local exchange carrier in the areas for which you seek designation, including a description of the Lifeline and Link Up discounts and Missouri Universal Service Fund (MoUSF) discounts pursuant to 4 CSR 240-31, if applicable, at rates, terms and conditions comparable to the Lifeline and Link Up offerings and MoUSF offerings of the incumbent local exchange carrier providing service in the ETC service area.

Virgin Mobile Response:

See Application, pp. 8-10.

14. Please identify the proposed service area.

Virgin Mobile Response:

See Application, pp. 6 and 7, and Exhibits 4, 5, 6 and 7 to the Application. Virgin Mobile requests authority initially as a Lifeline ETC in all non-rural areas covered by the Sprint Nextel Wireless Network identified in Exhibits 4 and 5 of the Application and conditionally to all rural areas covered. Upon the FCC granting the petition for forbearance described in the Application, Virgin Mobile requests that the Missouri Commission Order granting its application specify that Virgin Mobile will be additionally certified in the rural areas detailed in Exhibits 6 and 7.

15. If your company has sought and obtained a waiver of any ETC requirement from the Federal Communications Commission then provide a copy of the FCC's decision.

Virgin Mobile Response:

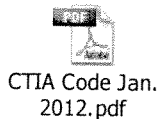


See Exhibit 3 of the Application.

16. Please provide a copy of the consumer code for wireless service currently recognized by CTIA to which your company commits to abide.

Virgin Mobile Response:

See attached.



See Exhibit 10 of the Application.

17. Please identify any pending or completed state or federal proceedings concerning the company's or any affiliated company's improper participation in the universal service fund program. Provide copies of any judgments or decisions against the company or affiliated company.

Virgin Mobile Response:

None.

18. Does your company collect a deposit from a low-income subscriber if the consumer voluntarily elects toll limitation service?

Virgin Mobile Response:

No.

19. Does your company charge a low-income subscriber a monthly number portability charge?

Virgin Mobile Response:

No.

20. Please provide an explanation of the monthly support the applicant intends to seek from federal and state universal service funds for providing service to a low income subscriber. This explanation should breakdown support into Tier One, Tier Two and Tier Three as identified in FCC rules. If the applicant intends to seek Tier Three support by the carrier's own contribution rather than from the Missouri USF then ensure the explanation addresses this intent.

Virgin Mobile Response:

Virgin Mobile will seek Tier 1, 2 and 3 support from the federal USF. Tier 1 support will be the residential End User Common Line Charge amount charged by the incumbent local exchange company in the geography where the Assurance Wireless customer resides. Tier 2 support of \$1.75 with Virgin Mobile passing through this full amount to the Assurance Wireless end user. Tier 3 support of \$1.75, with Virgin Mobile providing \$3.50 of its own funds as the required contribution in order to receive the \$1.75 federal USF reimbursement.

21. Please provide an explanation of the nonrecurring or LinkUp support the applicant intends to seek from the federal universal service fund for initiating service to a low-income subscriber. This explanation must also identify the nonrecurring charge applied to a subscriber not participating in the low-income program.

Virgin Mobile Response:

Virgin Mobile does not intend to seek LinkUp support.

22. Please provide a copy of the company's proposed Lifeline/LinkUp application form.

Virgin Mobile Response:



MO_En_1 0 0.pdf

See Exhibit 9 in the Application.

23. Please provide an explanation of how the company will verify the following information for each low-income applicant:
- A. Customer's identity is correct;
 - B. Customer's primary residence is accurate; and
 - C. Customer does not already participate in the low-income program.

Virgin Mobile Response:

- A. **If the customer is applying based on a particular program, a copy of the benefits card can be used to validate the identity.**
 - B. **Virgin Mobile uses software to ensure that the address is CASS certified (is an address recognized by the USPS). The address on the application is compared to USPS records and to supporting documentation received from the applicant.**
 - C. **There is a data comparison to ensure that only a single person per address can be approved for Virgin Mobile Lifeline service.**
24. Please provide a demonstration of how the company will ensure an applicant submits proof of eligibility and a company official will verify seeing such proof.

Virgin Mobile Response:

All applications are scanned and imaged after they are received. A record is created on our Database that includes a link to the scanned application and supporting documentation. All paper copies of applications are destroyed after the application has been reviewed. The scanned images are stored indefinitely. Database access is limited by secure user IDs and passwords. The applications are all reviewed by staff based on the information following:

In order for a consumer to be eligible for the Lifeline program, he must fully complete the application and indicate whether he is demonstrating eligibility through participation in a relevant program OR based on his household size and income. The applications are checked to determine they are signed by the applicant, that the address exists, that the address is not already associated with an approved Assurance Wireless account, and that the address is within the service provider's PSAP eligibility.

Program-based eligibility in states that don't require documentation is established via self-certification. For states that require documentation, supporting documentation for the program selected must accompany the application from the applicant. Examples of supporting documentation include a current state benefits card, Medicaid Benefits card, or a letter of approval from a state department. The program documents must include the subscriber's name and must be current.

If the applicant elects to demonstrate Lifeline eligibility based on income, he must indicate the size of his household and provide documentation of his income. Examples of income documents include previous year's tax return; benefit statements; or three consecutive months' worth of the recent pay stubs. Using the documents provided, the estimated annual income is calculated and compared to the limits set by each state. If the applicant's income is below the guidelines, the application is approved.

25. Please provide an explanation of how the company intends to annually verify a customer's continued eligibility for the low-income program.

Virgin Mobile Response:

Virgin Mobile's Annual Verification Process:

- **Customers are first notified of need to recertify on Day 305, 60 days prior to their Service Anniversary date (aka Lifeline Expiration Date or LED)**
 - **Multiple communications through a variety of channels are used: Direct Mail, Text Messages, Email, Recorded Outbound, My Account, IVR**
 - **Response channels include IVR, Web, Direct Mail and Fax**
 - **Responses are captured in all response channels and electronically transmitted daily to vendor who manages Lifeline Approval process; vendor approves or denies the certification and electronically transmits that data back on a daily basis; our systems are updated accordingly and the LED is extended one year for approved customers; the Lifeline flag is removed for denied customers**
26. Please provide copies of the company's bill demonstrating clear bill design for Lifeline subscribers and other subscribers. Alternatively if a company does not intend to submit a bill to a Lifeline subscriber then provide the following information:
- A. An explanation of the process for determining if the customer is actually using the service; and

Virgin Mobile Response:

The Assurance Wireless terms of service provide:

Account Status

Your account will remain active as long as you meet the applicable eligibility standards for Assurance Wireless service. You are responsible for notifying Assurance Wireless if you no longer meet the applicable eligibility standards for Assurance Wireless within five days of becoming aware of your ineligibility by calling Assurance Wireless at 1-888-321-5880 or sending a written notice to Assurance Wireless, PO Box 686, Parsippany, NJ 07054. In addition, if you receive a notice from Assurance Wireless requesting that you confirm your eligibility status, you must do so within 30 days after you receive such notice either on the Assurance Wireless website at www.assurancewireless.com or by sending a written notice to Assurance Wireless, PO Box 686 Parsippany, NJ 07054 along with required proof of eligibility.

If Assurance Wireless has determined that you are no longer eligible for Assurance Wireless service either because 1) you have notified us of your ineligibility; 2) you have failed to respond to a request by Assurance Wireless to confirm your eligibility by the response date; or 3) you have responded to a request by Assurance Wireless to confirm your eligibility but failed to submit adequate proof of your eligibility status; or 4) Assurance Wireless learns you are no longer eligible through communication with a state agency, Assurance Wireless will notify you that you are no longer eligible for Assurance Wireless service. You must confirm eligibility by submitting adequate proof of your eligibility status within 30 days following notification of ineligibility in order to have your eligibility restored.

In addition, if you do not make a voice call or send a text message at least once during any 60-day period, Assurance Wireless may notify you that you are no longer eligible for Assurance Wireless service. If you receive a notice of inactivity, you must make a voice call or send a text message at least once during the 30-day period following such notification in order to have your eligibility restored.

- B. An explanation of the process for terminating the customer's enrollment in the Lifeline program if it appears the customer is not using the service. Include in this explanation specific time frames.

Virgin Mobile Response:

The Assurance Wireless terms of service provide:

A.

Account Status

Your account will remain active as long as you meet the applicable eligibility standards for Assurance Wireless service. You are

responsible for notifying Assurance Wireless if you no longer meet the applicable eligibility standards for Assurance Wireless within five days of becoming aware of your ineligibility by calling Assurance Wireless at 1-888-321-5880 or sending a written notice to Assurance Wireless, PO Box 686, Parsippany, NJ 07054. In addition, if you receive a notice from Assurance Wireless requesting that you confirm your eligibility status, you must do so within 30 days after you receive such notice either on the Assurance Wireless website at www.assurancewireless.com or by sending a written notice to Assurance Wireless, PO Box 686 Parsippany, NJ 07054 along with required proof of eligibility.

If Assurance Wireless has determined that you are no longer eligible for Assurance Wireless service either because 1) you have notified us of your ineligibility; 2) you have failed to respond to a request by Assurance Wireless to confirm your eligibility by the response date; or 3) you have responded to a request by Assurance Wireless to confirm your eligibility but failed to submit adequate proof of your eligibility status; or 4) Assurance Wireless learns you are no longer eligible through communication with a state agency, Assurance Wireless will notify you that you are no longer eligible for Assurance Wireless service. You must confirm eligibility by submitting adequate proof of your eligibility status within 30 days following notification of ineligibility in order to have your eligibility restored.

In addition, if you do not make a voice call or send a text message at least once during any 60-day period, Assurance Wireless may notify you that you are no longer eligible for Assurance Wireless service. If you receive a notice of inactivity, you must make a voice call or send a text message at least once during the 30-day period following such notification in order to have your eligibility restored.

If your eligibility is not restored prior to the end of the applicable 30-day period following notification of ineligibility or inactivity, you will lose any free monthly minutes remaining in your account and you will no longer receive a monthly allocation of free minutes. For 120 days after the end of this 30-day period, if you have a sufficient balance in your account, you will be charged 10¢ for each additional minute you use. During this 120-day period, you may choose to switch to a Virgin Mobile plan and keep your phone number by calling 1-888-321-5880. After the end of this 120 day-period, your account will expire and we will deactivate your service. If your account expires, you will lose your phone number,

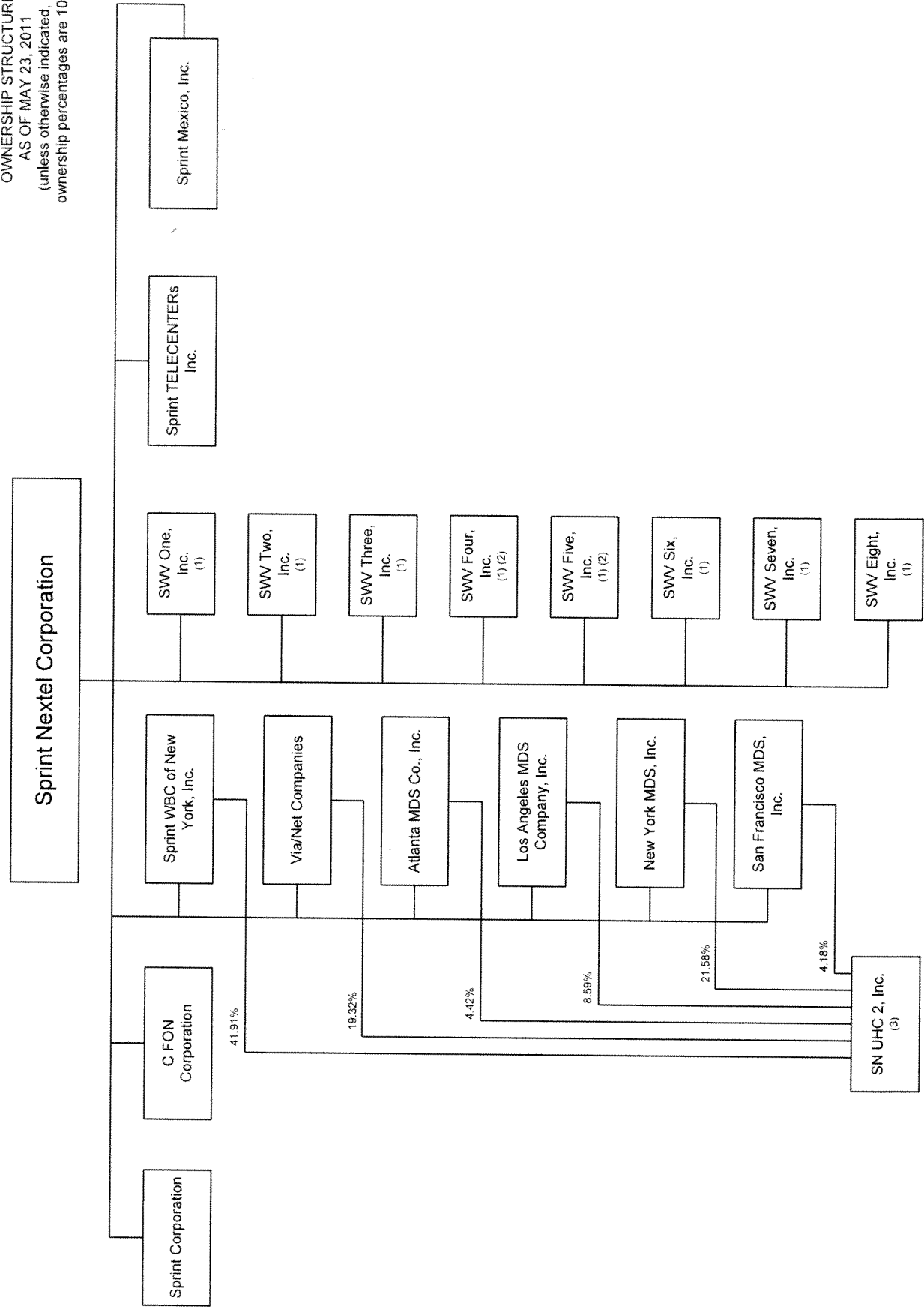
and Assurance Wireless will assess you a termination charge equal to the value of the balance in your account.

B.

If your eligibility is not restored prior to the end of the applicable 30-day period following notification of ineligibility or inactivity, you will lose any free monthly minutes remaining in your account and you will no longer receive a monthly allocation of free minutes. For 120 days after the end of this 30-day period, if you have a sufficient balance in your account, you will be charged 10¢ for each additional minute you use. During this 120-day period, you may choose to switch to a Virgin Mobile plan and keep your phone number by calling 1-888-321-5880. After the end of this 120 day-period, your account will expire and we will deactivate your service. If your account expires, you will lose your phone number, and Assurance Wireless will assess you a termination charge equal to the value of the balance in your account.

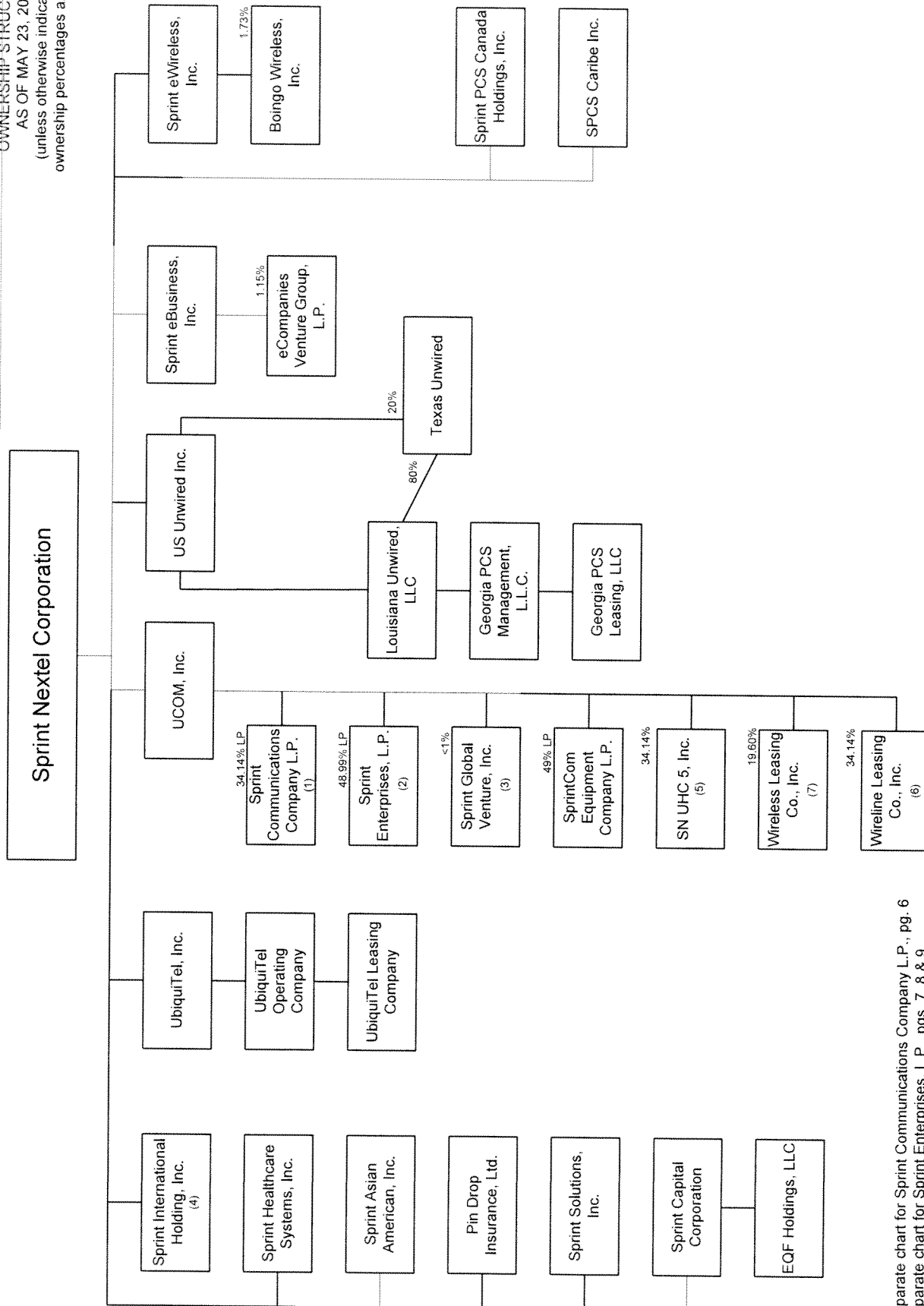
ATTACHMENT 1

SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



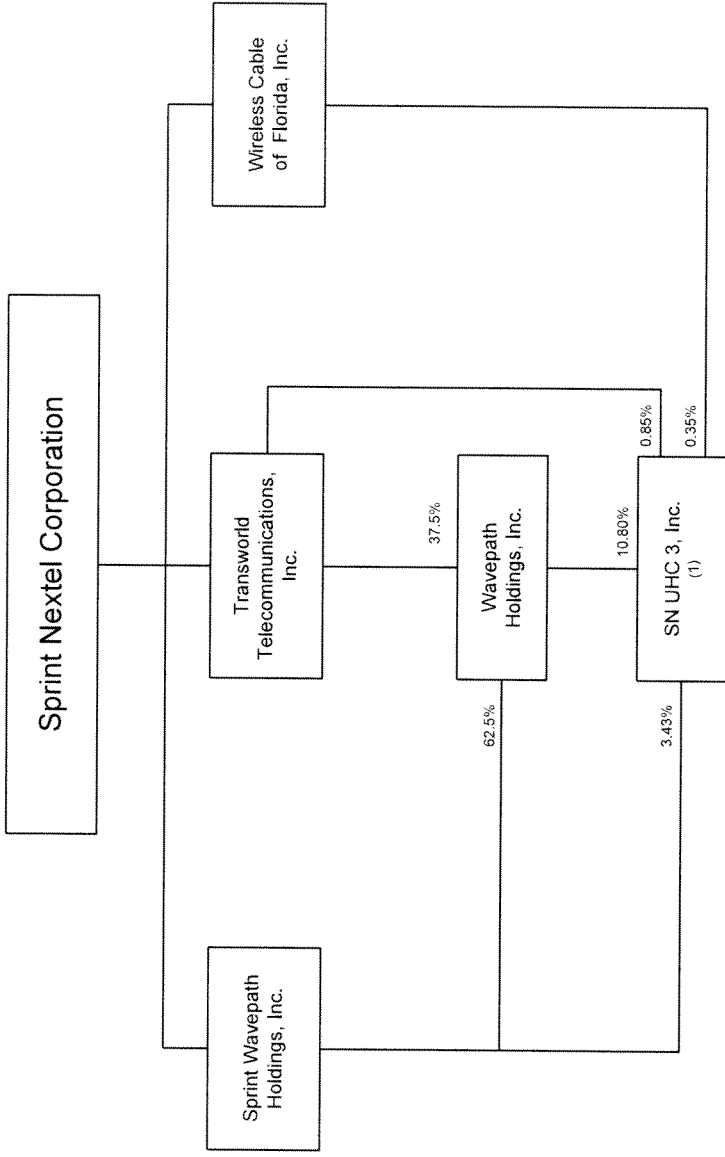
(1) See separate chart for Sprint PCS Constituents, pgs. 7, 8 & 9.
 (2) See separate chart for PhillieCo Structure, pg. 9.
 (3) See separate chart for complete ownership details, pg. 19.

SPRINT NEXTEL CORPORATION
OWNERSHIP STRUCTURE
AS OF MAY 23, 2011
(unless otherwise indicated, all
ownership percentages are 100%)



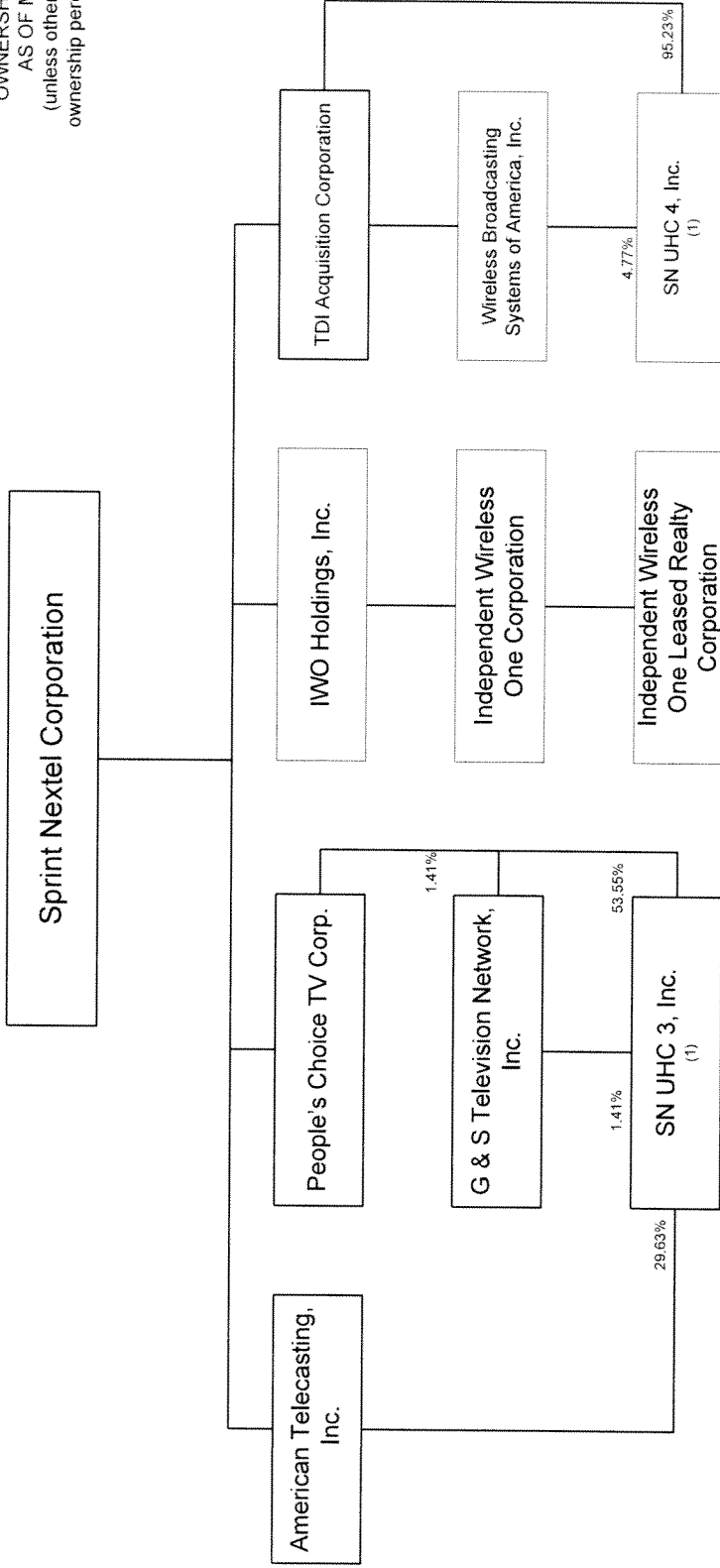
(1) See separate chart for Sprint Communications Company L.P., pg. 6
 (2) See separate chart for Sprint Enterprises, L.P., pgs. 7, 8 & 9.
 (3) See separate chart for Sprint Global Venture, Inc., pg. 10.
 (4) See separate chart for Sprint International Holding, Inc., pg. 12.
 (5) See separate chart for complete ownership details, pg. 19.
 (6) See separate chart for Wireline Leasing Co., Inc., pg. 20.
 (7) See separate chart for Wireless Leasing Co., Inc., pg. 21.

SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



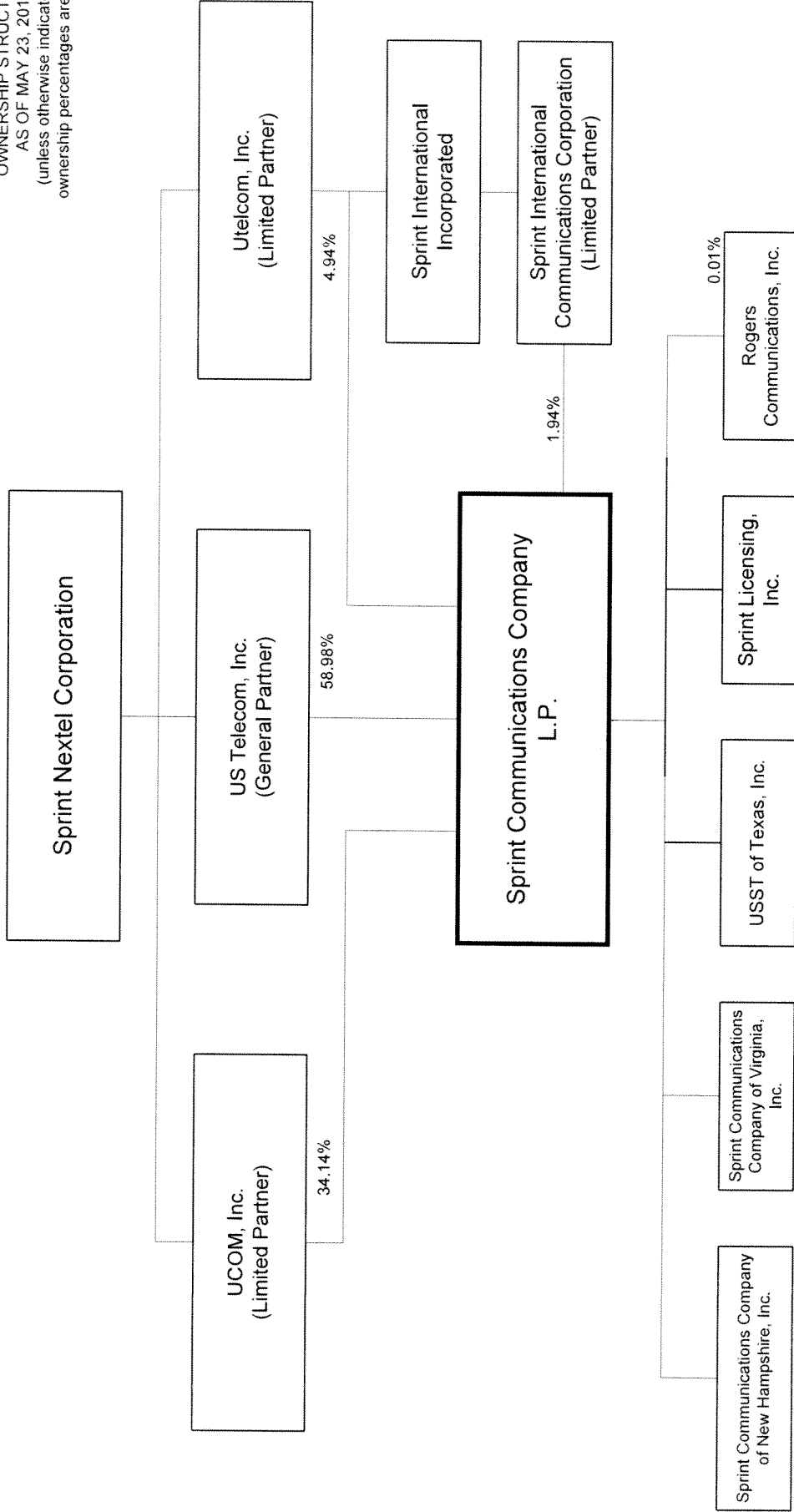
(1) See separate chart for complete ownership details, pg. 19.

SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)

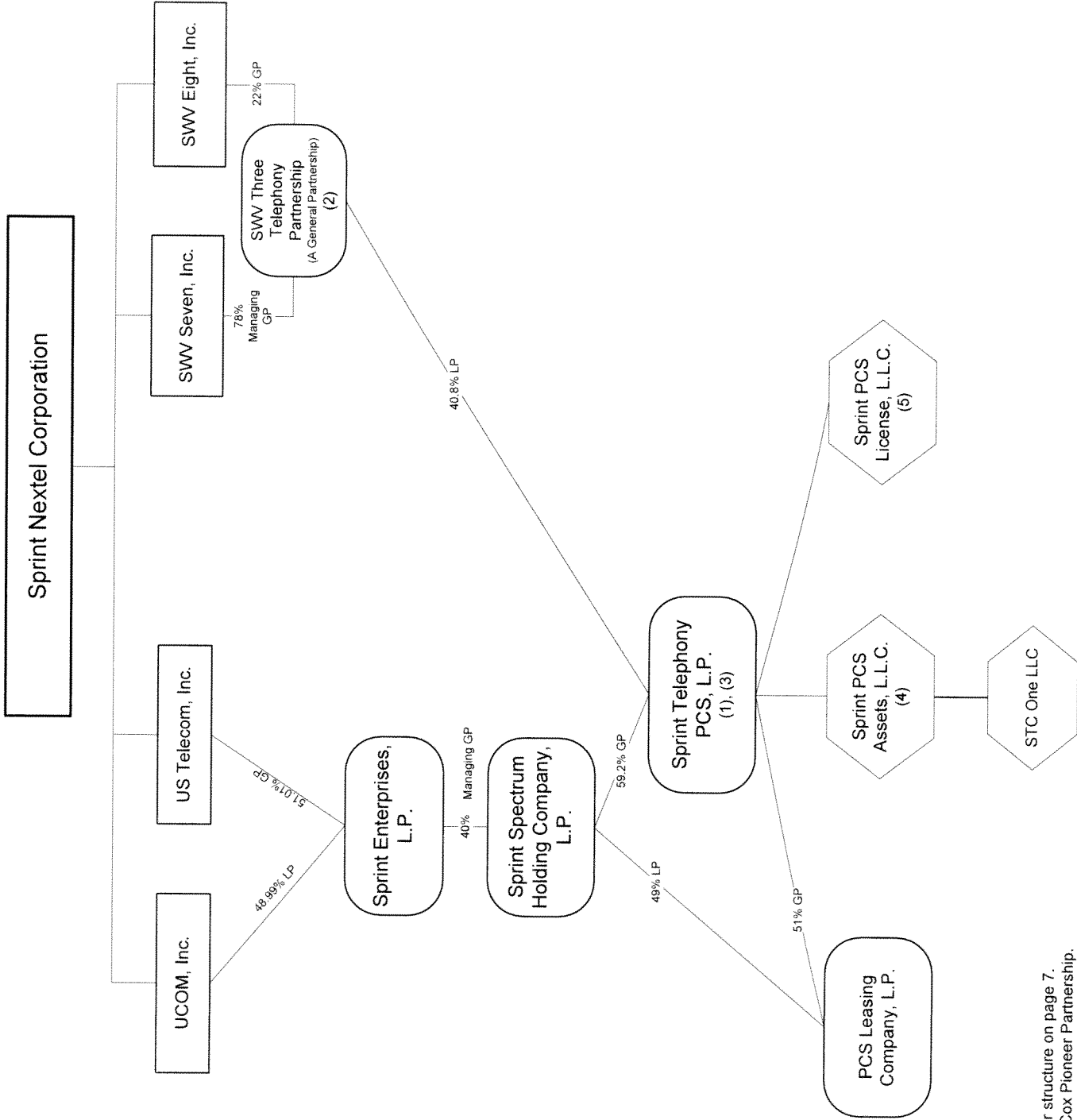


(1) See separate chart for complete ownership details, pg. 19.

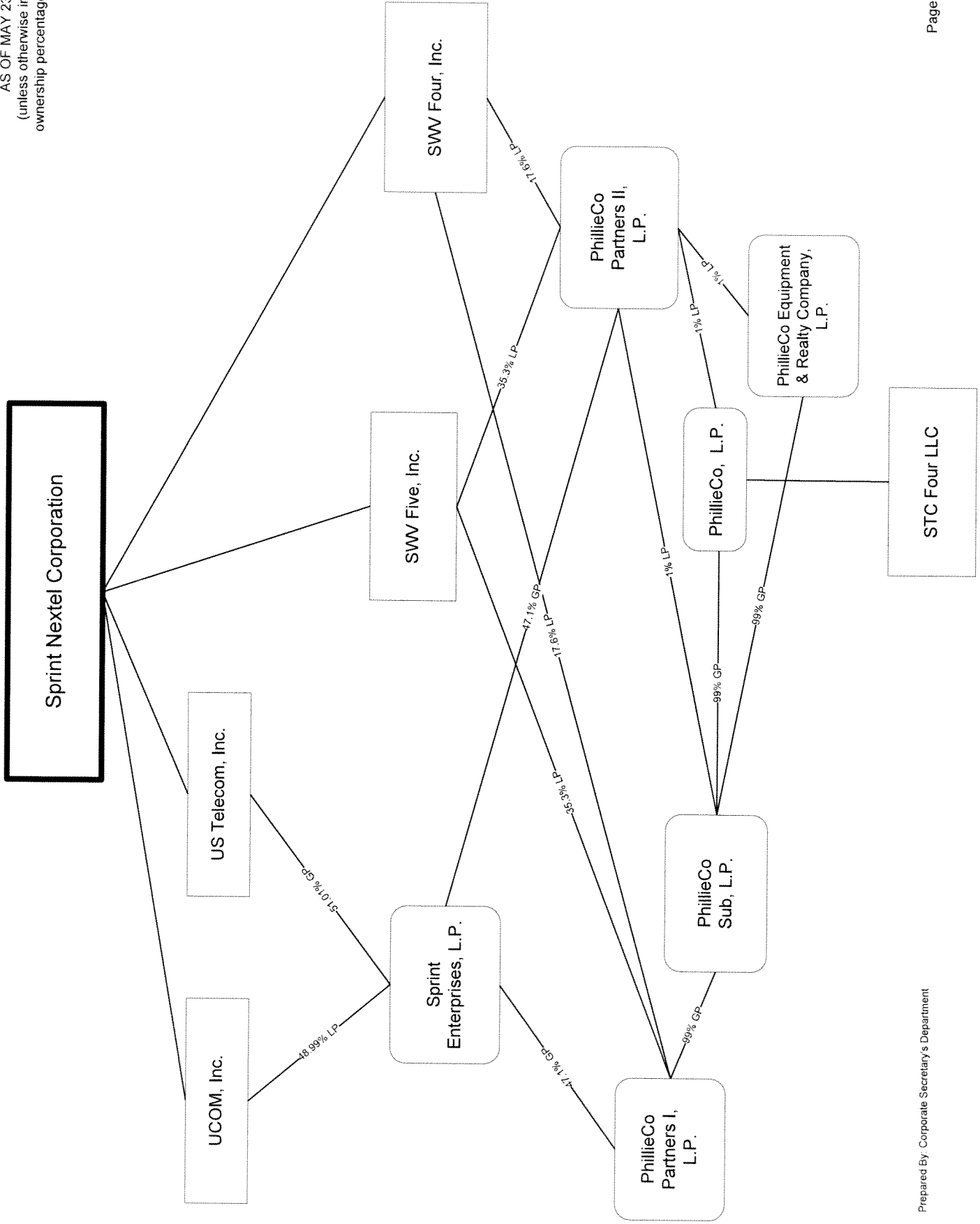
SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



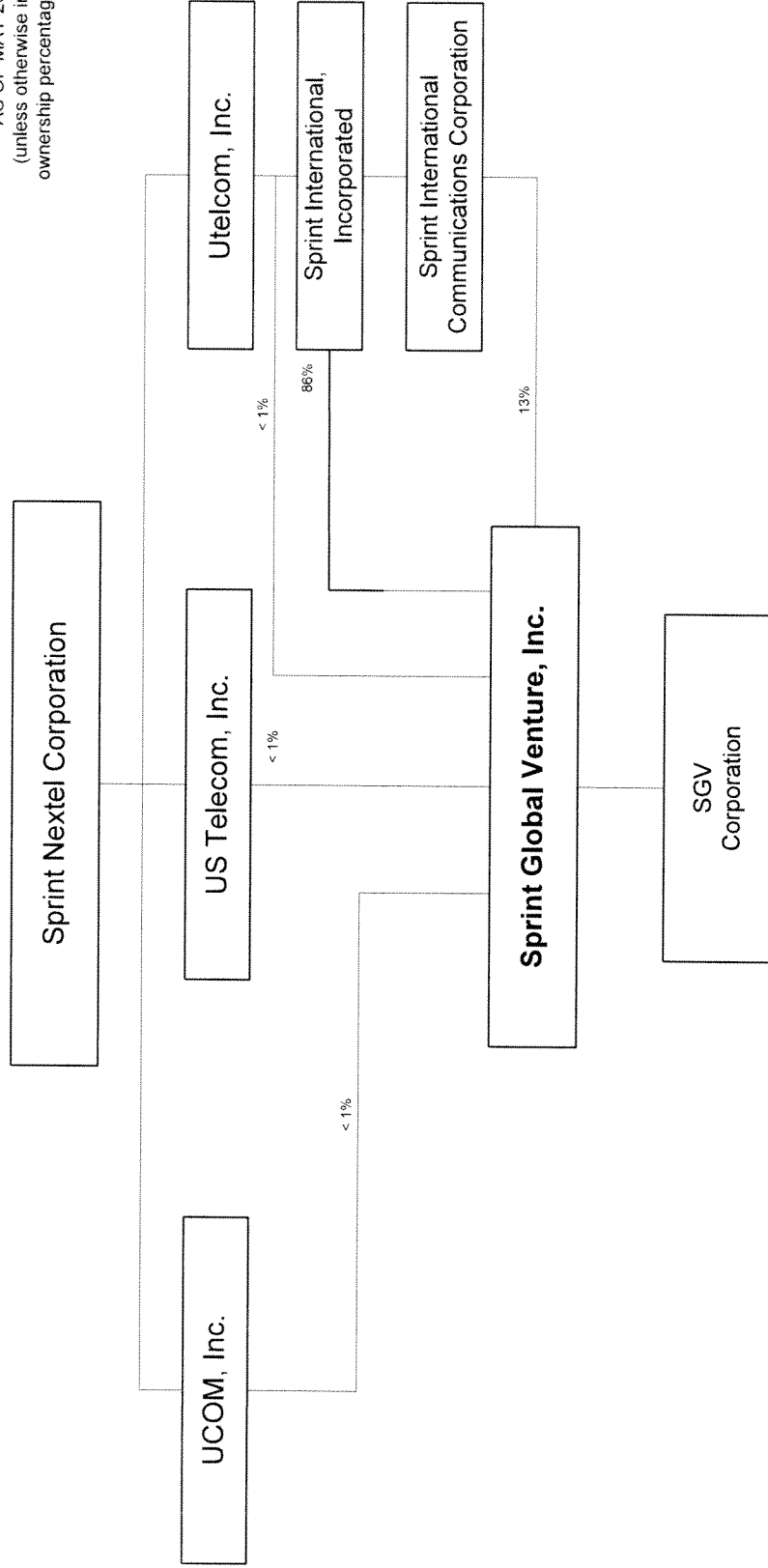
SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



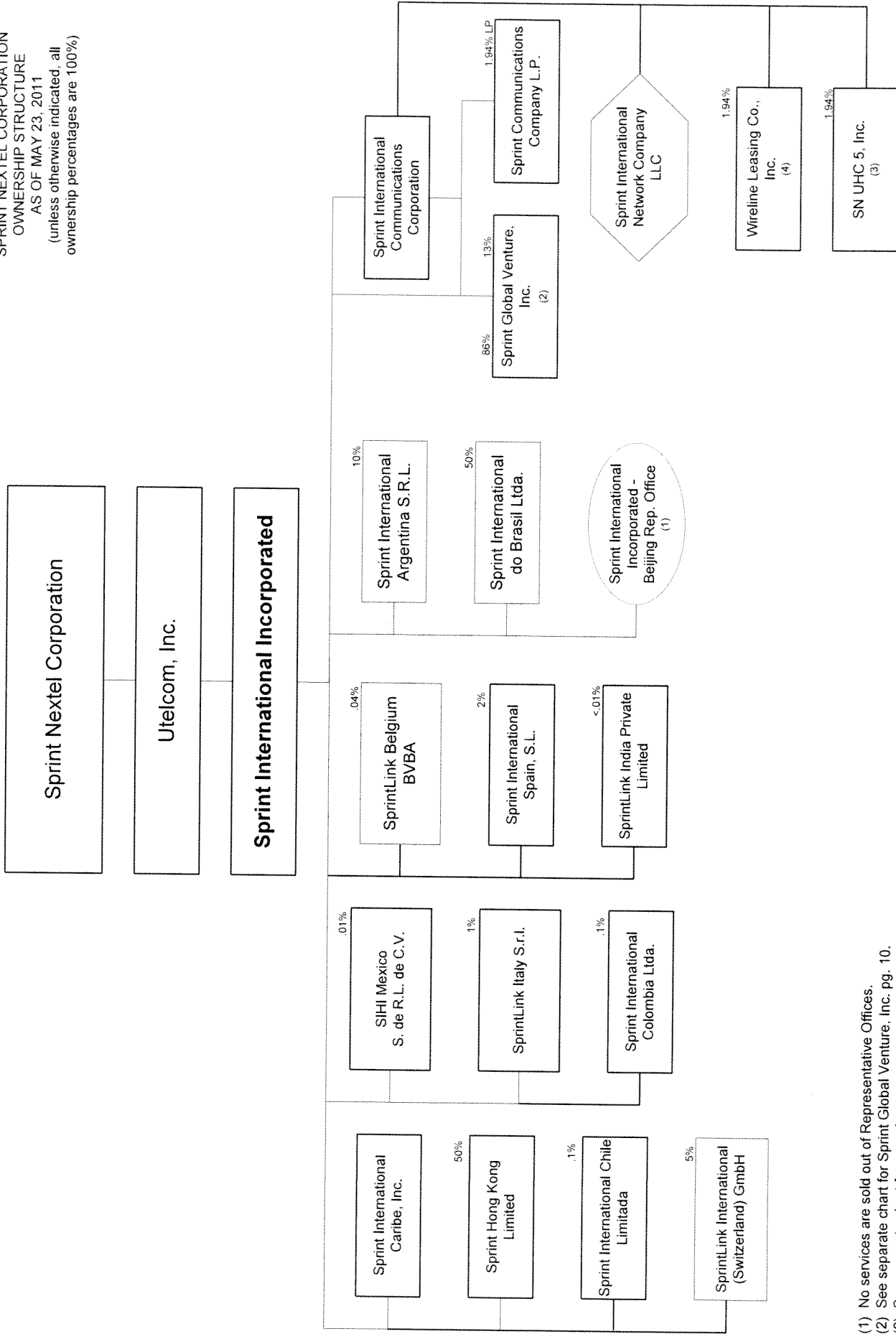
(1) See further structure on page 7.
 (2) Formerly Cox Pioneer Partnership.
 (3) Formerly Cox Communications PCS, L.P.
 (4) Formerly Cox PCS Assets, L.L.C.
 (5) Formerly Cox PCS License, L.L.C.
 Prepared By: Corporate Secretary's Department



SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)

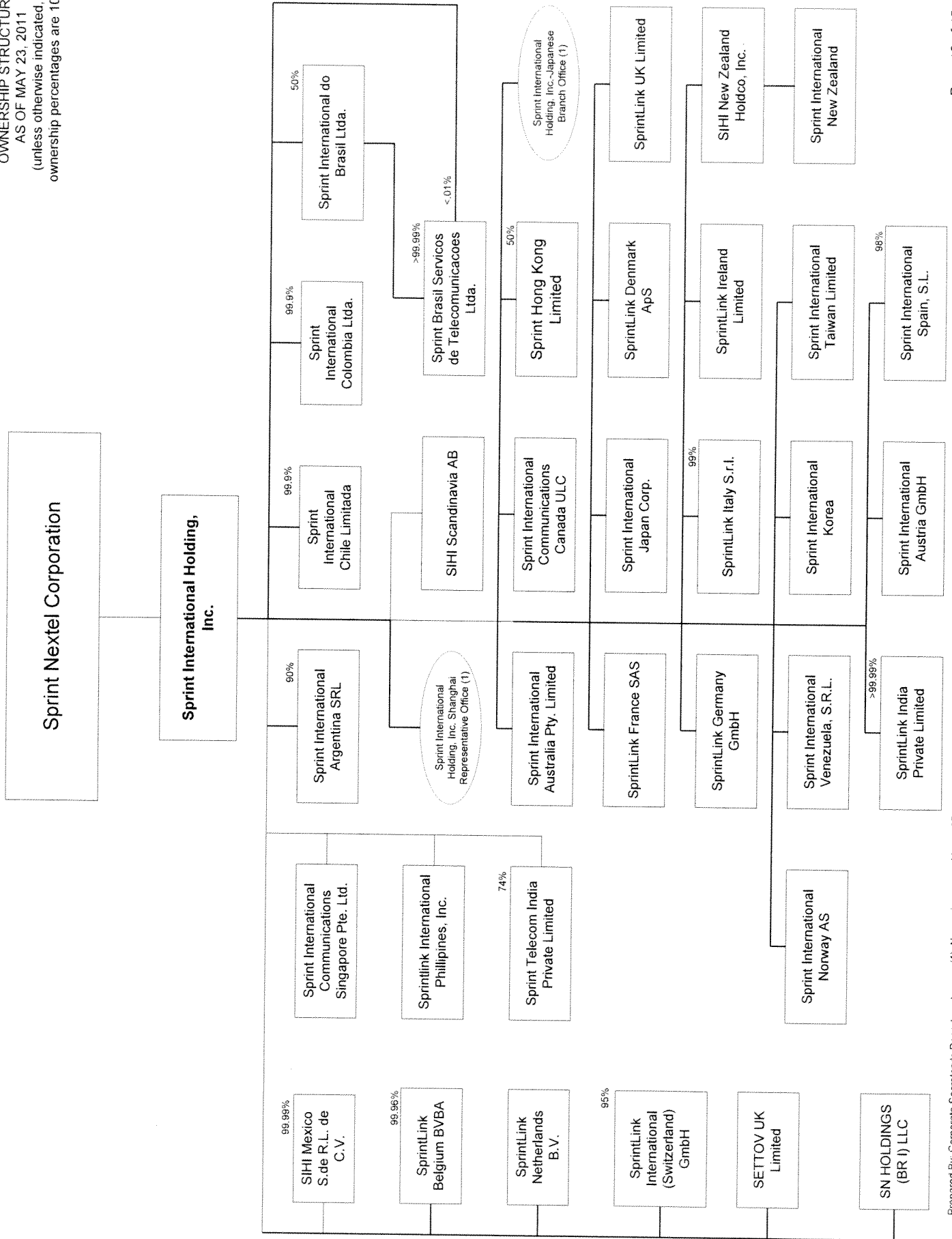


SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



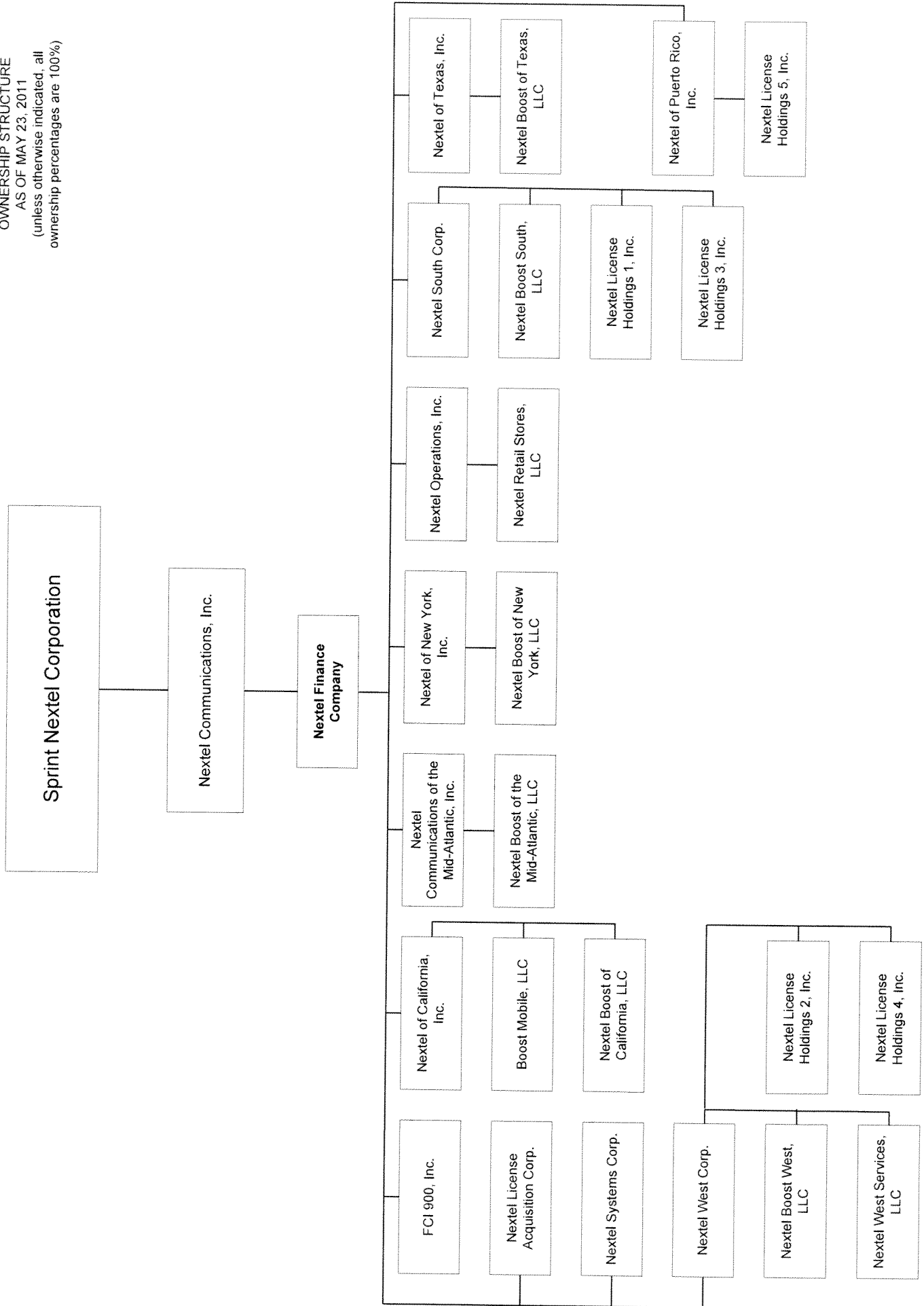
(1) No services are sold out of Representative Offices.
 (2) See separate chart for Sprint Global Venture, Inc. pg. 10.
 (3) See separate chart for complete ownership details, pg. 19.
 (4) See separate chart for Wireline Leasing Co., Inc., pg. 20.

SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)

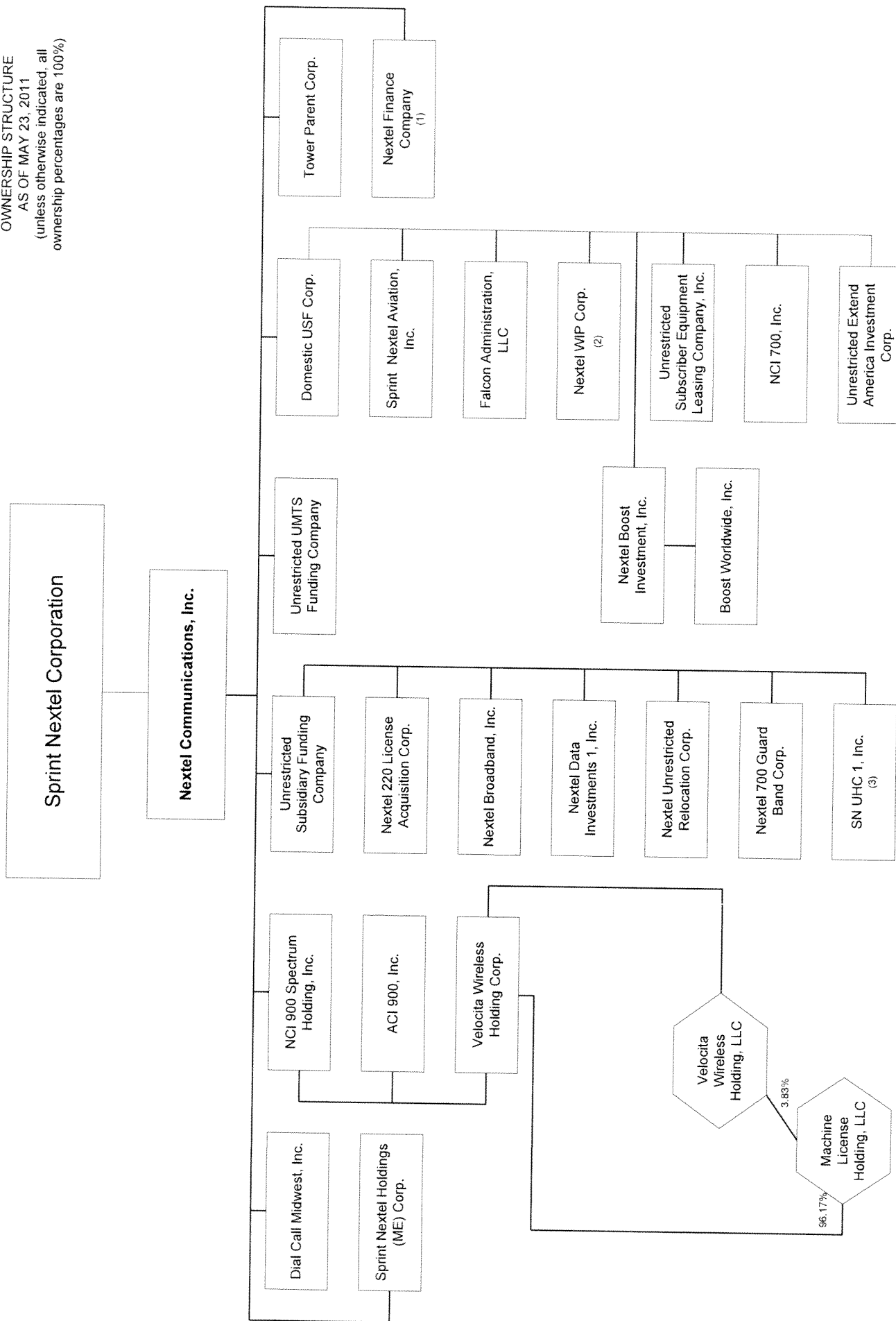


Prepared By: Corporate Secretary's Department (1) No services are sold out of Representative, Branch or Liaison Offices.

SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)

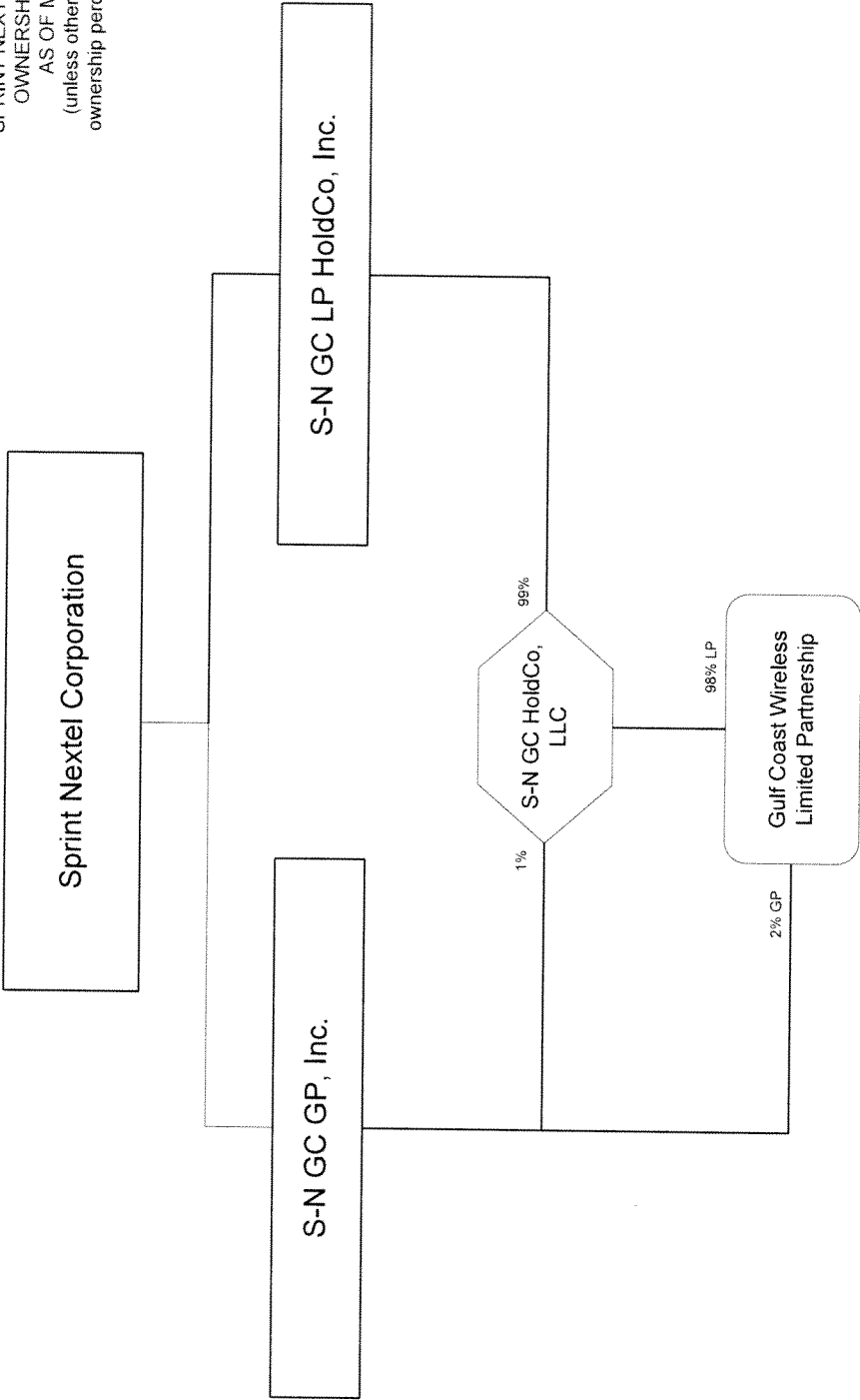


SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)

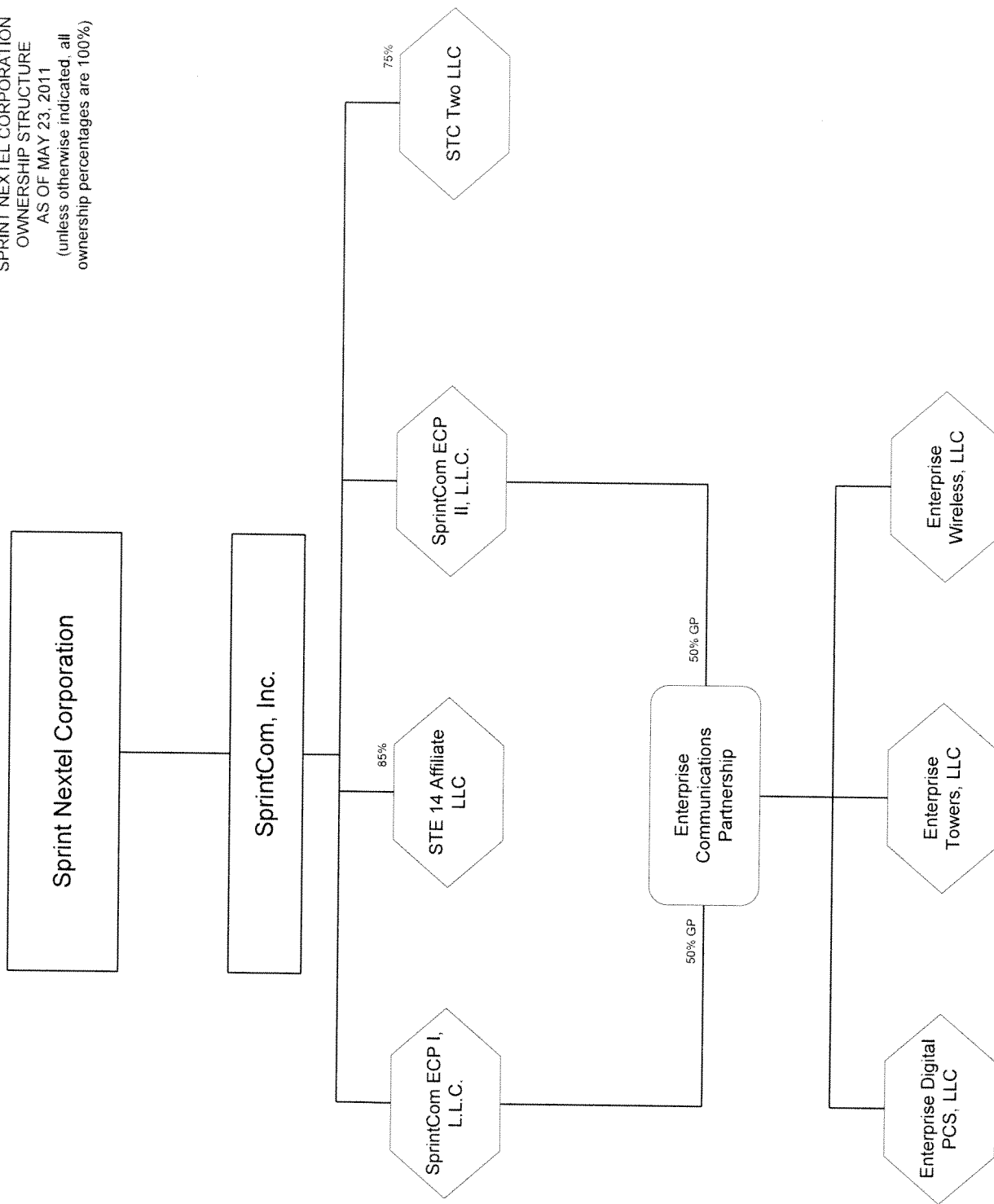


(1) See separate chart for Nextel Finance Company subsidiaries, pg. 13.
 (2) See separate chart for Nextel WIP Corp. subsidiaries, pg. 18.
 (3) See separate chart for complete ownership details, pg. 19.

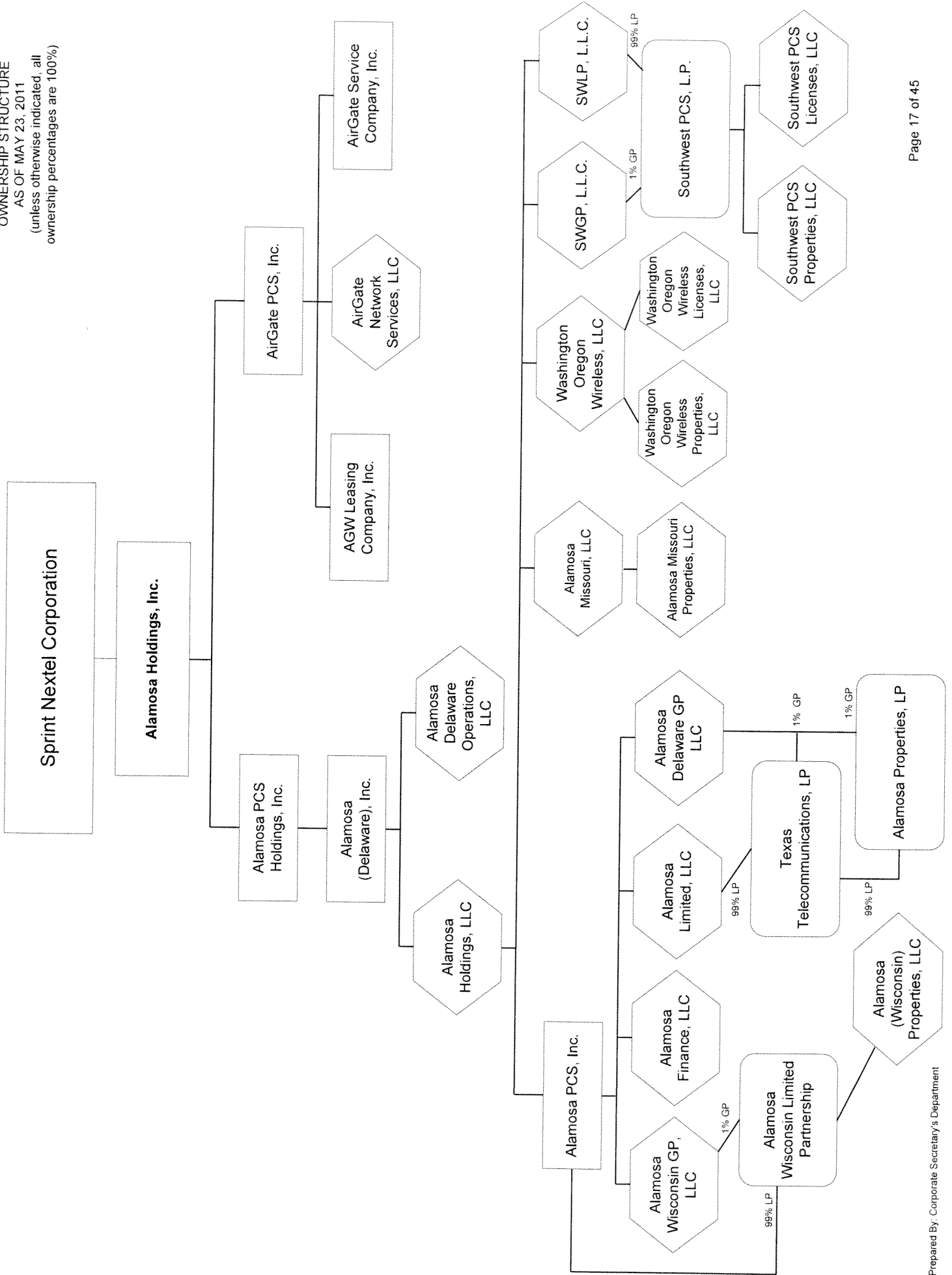
SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



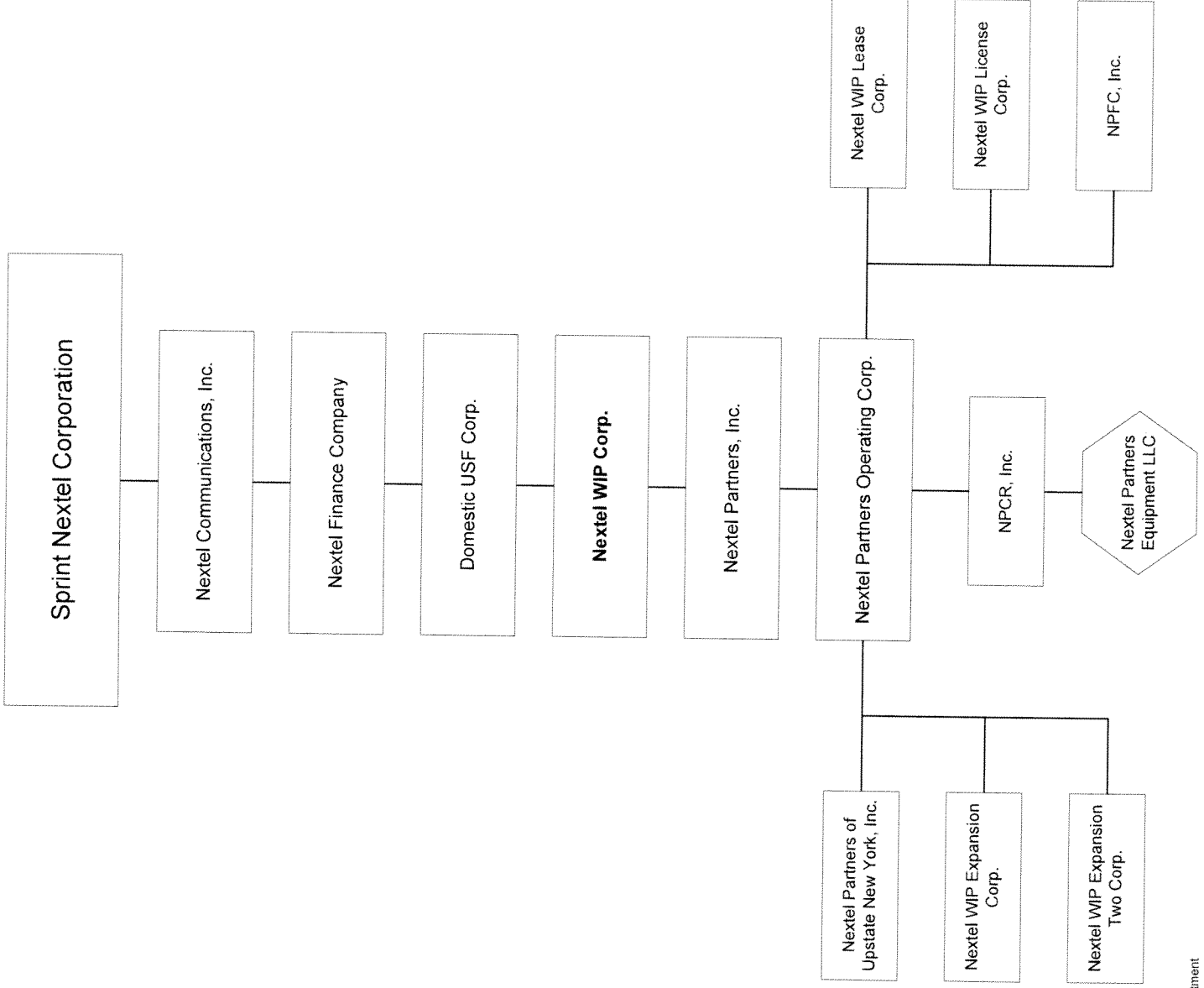
SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



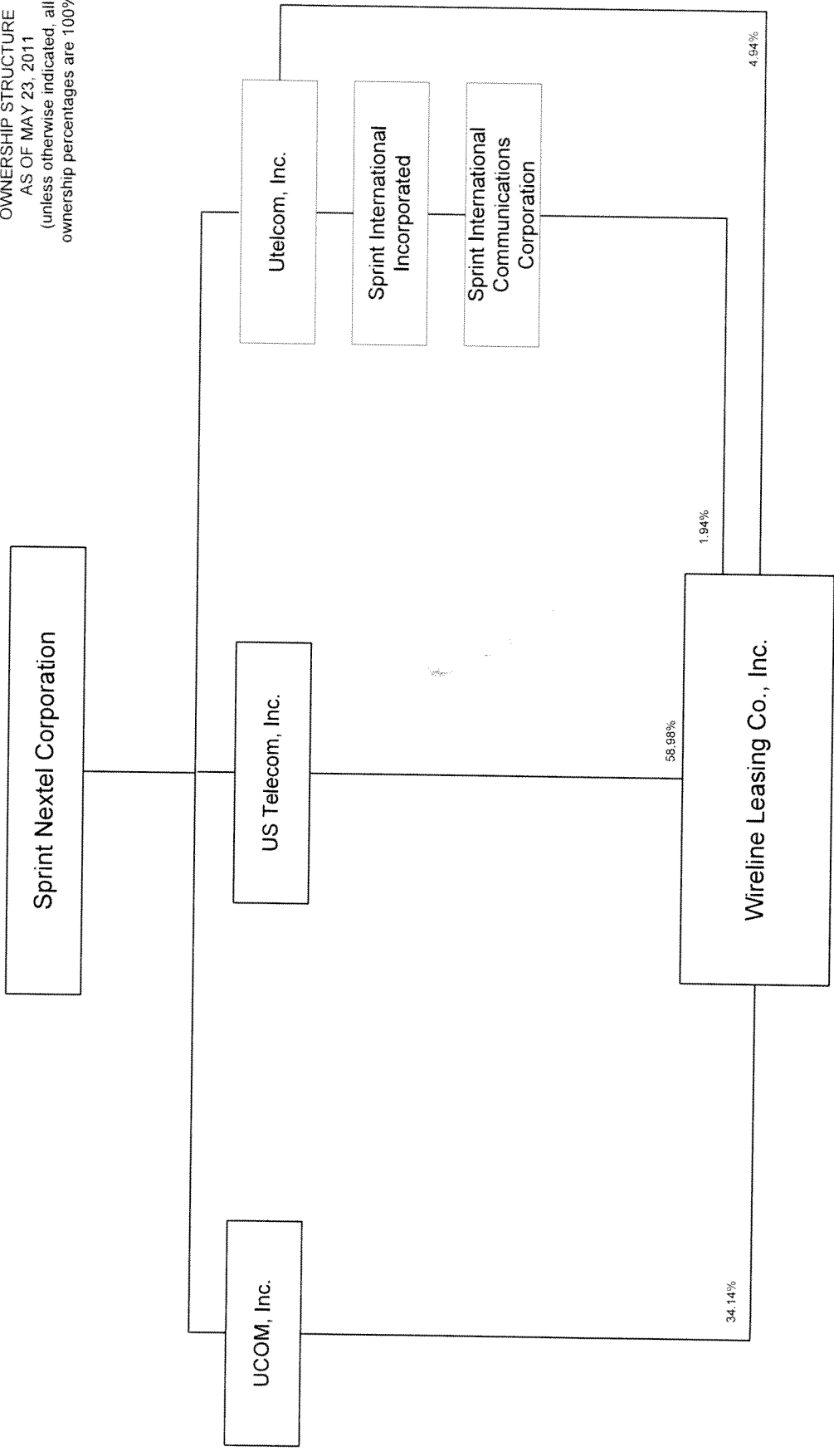
SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



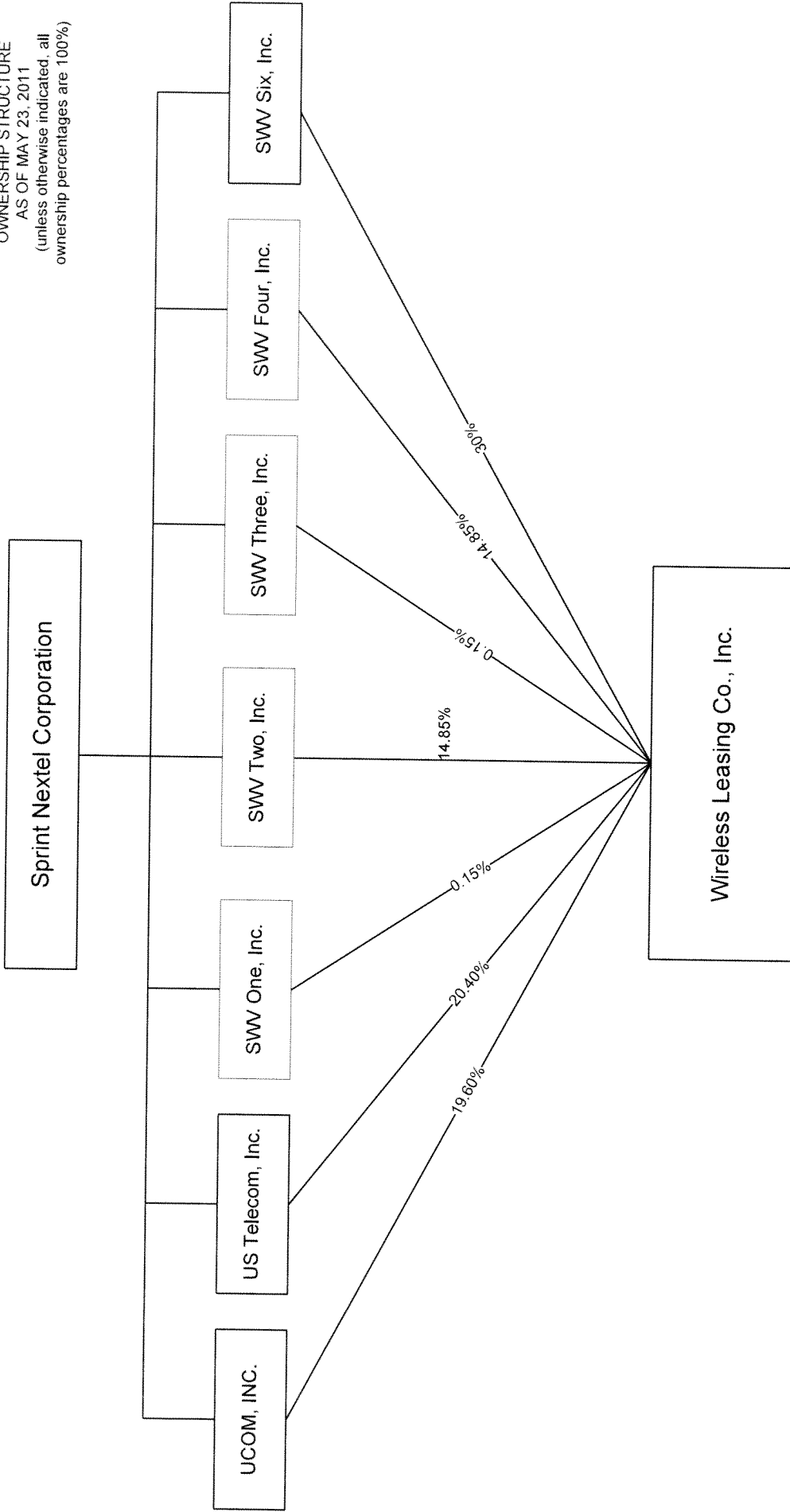
SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



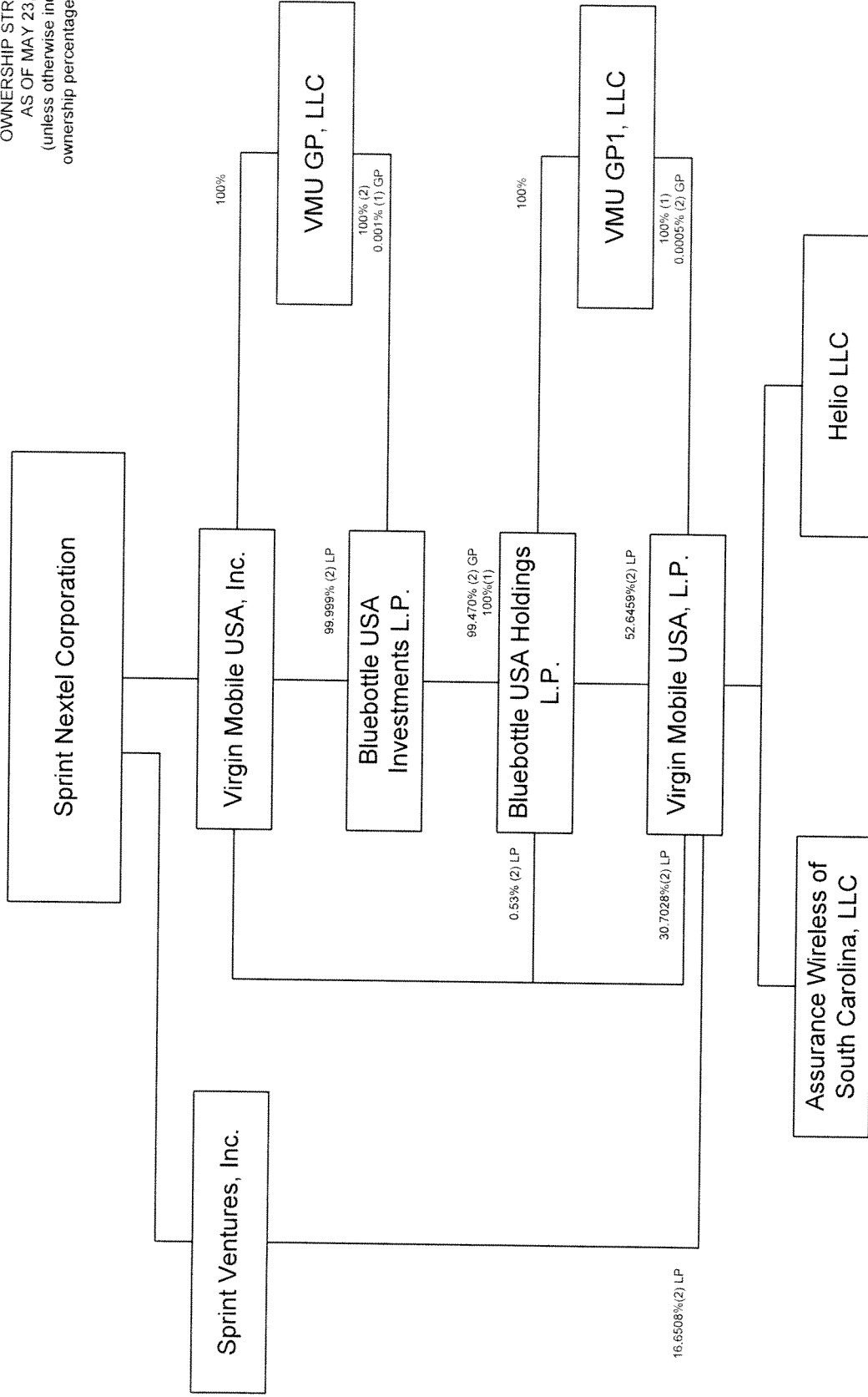
SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)

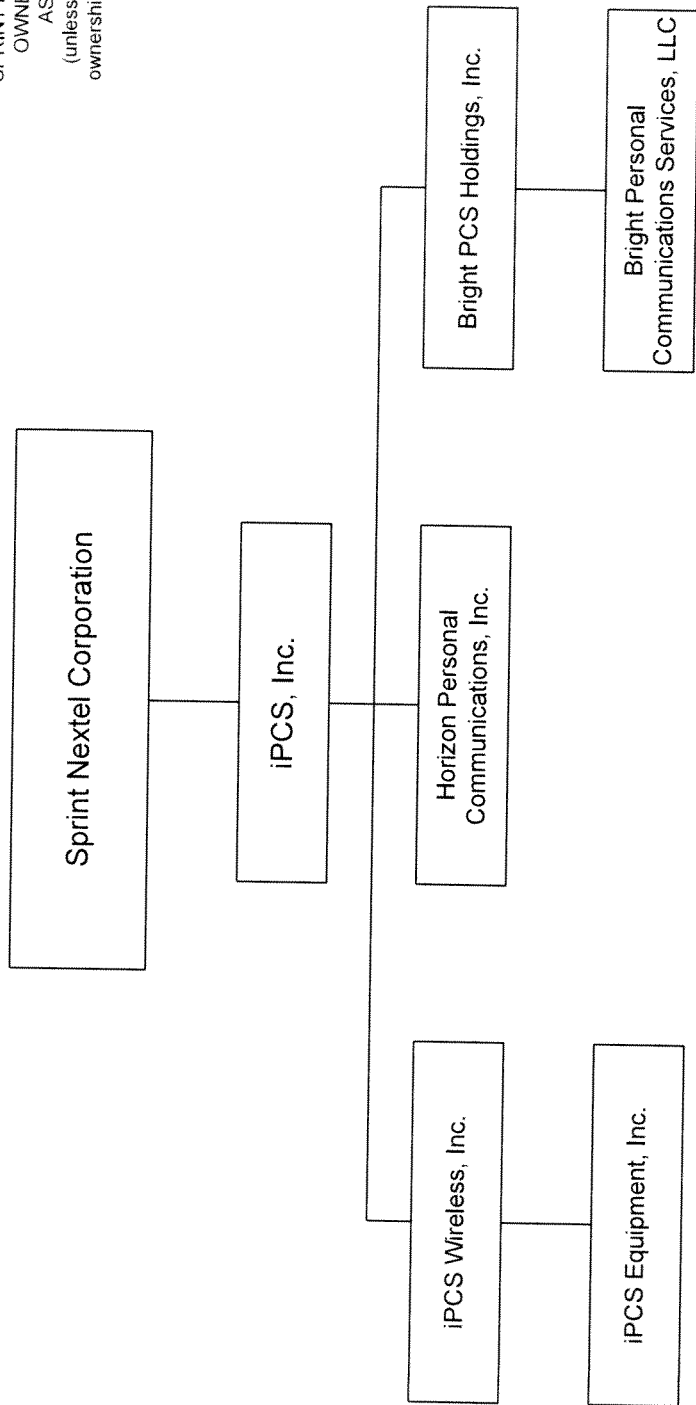


SPRINT NEXTEL CORPORATION
 OWNERSHIP STRUCTURE
 AS OF MAY 23, 2011
 (unless otherwise indicated, all
 ownership percentages are 100%)



Virgin Mobile USA, L.P. has 3 limited partners and 1 general partner.
 (1) Voting interest.
 (2) Economic interest.

SPRINT NEXTEL CORPORATION
OWNERSHIP STRUCTURE
AS OF MAY 23, 2011
(unless otherwise indicated, all
ownership percentages are 100%)



Sprint Nextel Corporation

Changes Made in 1997

ENTITY INVOLVED

New Centel Communications Company
 American PCS, L.P.
 Cox Communications PCS, L.P.
 Sprint Spectrum Equipment Company, L.P.
 Sprint Spectrum Finance Corporation
 Sprint Spectrum Realty Company, L.P.
 Sprint Ventures, Inc.
 Telmex/Sprint Communications, L.L.C.
 United Telephone Company of Kansas

United Telephone Company of Florida
 Winpar Financial Corporation
 Sprint Bulgaria Ltd.
 Global One Communications, Ltd.
 Dial - The Israeli Company for International
 Communication Services LTD.
 Sprint Missouri, Inc.

Sprint Cayman Holding, Ltd.
 Shanghai Cayman Holding, Ltd.
 Florida Telephone Corporation
 Pen Enterprises, Inc.
 Sprint Paranet, Inc.
 Sprint Minnesota, Inc.
 Sprint Metropolitan Networks, Inc.
 Sprint International do Brasil Ltda.

Sprint International France S.A.
 Sprint Alarm Monitoring Services, Inc.
 Sprint Credit General, Inc.
 Sprint Credit Limited, Inc.
 Centel Cellular Company of Mexico
 SprintCom Equipment Company L.P.
 Alcatel Data Networks S.A.
 US Sprint Trading Company, Inc.
 Iridium Canada Communications Inc.
 Iridium LLC

Dissolved 1/6/97
 Ownership Changed from WirelessCo, L.P.
 Addition
 Addition
 Addition
 Addition
 Incorporated 2/26/97
 Certificate of Formation filed 2/27/97
 Restated Articles of Incorporation filed making the preferred stock
 voting stock held by Sprint Communications Company L.P.
 Articles of Incorporation filed 4/16/97
 Deleted; Articles of Dissolution filed in Florida 4/30/97
 Contributed to Sprint Global Venture, Inc.
 Name change of Sprint Bulgaria Ltd
 Addition; Organized in Israel 10/19/95
 Amendment of Articles of Incorporation filed in Missouri changing name
 from United Telephone Company of Missouri 5/2/97
 Articles of Association filed and Certificate of Incorporation issued by the
 Cayman Islands Registrar of Companies 6/13/97
 Articles of Association filed and Certificate of Incorporation issued by the
 Cayman Islands Registrar of Companies 6/13/97
 Merged into Sprint Corporation 6/30/97
 Incorporated in Kansas 7/10/97
 Name changed from Pen Enterprises, Inc. 8/13/97
 Name changed from United Telephone Company of Minnesota 9/18/97
 Articles of Dissolution filed in Florida 10/24/97
 Articles of Association registered with the State of Rio de Janeiro
 Board of Trade, 9/22/97
 Deleted; Sale of Stock to RSL Communications Europe Ltd., 11/5/97
 Deleted; Certificate of Dissolution filed in Ohio, 11/12/97
 Articles of Incorporation filed in Kansas 12/2/97
 Articles of Incorporation filed in Kansas 12/2/97
 Deleted; Sale of Stock and Assets to Motorola, 12/16/97
 Certificate of Limited Partnership filed in Delaware 12/19/97
 Deleted; Ownership interest of 49% sold to Alcatel N.V. (owner of other 51%) 12/22/97
 Deleted; Dissolved in Virgin Islands effective 12/30/97
 Added; formed in Canada 12/19/96
 Added; survivor entity of various entities in merger 7/29/96

Sprint Nextel Corporation

Changes Made in 1998

ENTITY INVOLVED

Centel Corporation
 SWW One, Inc.

Centel will hold 98.8% of voting securities of Central Telephone Company, 3/9/98
 Articles of Incorporation filed in Delaware 5/13/98; merged into Com Telephony
 Services, Inc. and new Cert. of Incorporation filed 11/23/98 changing name
 to SWW One, Inc.

SWW Two, Inc.

Articles of Incorporation filed in Delaware 5/13/98; merged into Comcast Telephony
 Services, Inc. and new Cert. of Incorporation filed 11/23/98 changing name
 to SWW Two, Inc.

SWW Three, Inc.

Articles of Incorporation filed in Delaware 5/13/98; merged into Cox Telephony
 Partners, Inc. and new Cert. of Incorporation filed 11/23/98 changing name
 to SWW Three, Inc.

SWW Four, Inc.

Articles of Incorporation filed in Delaware 5/13/98; merged into Cox Communications
 Wireless, Inc. and new Cert. of Incorporation filed 11/23/98 changing name
 to SWW Four, Inc.

SWW Five, Inc.

Articles of Incorporation filed in Delaware 5/13/98; merged into TCI Philadelphia Holdings,
 Inc. and new Cert. of Incorporation filed 11/23/98 changing name to SWW Five, Inc.

SWW Six, Inc.

Articles of Incorporation filed in Colorado 5/14/98; merged into TCI Spectrum Holdings,
 Inc. and new Cert. of Incorporation filed 11/23/98 changing name to SWW Six, Inc.

UTLD, Inc.

Deleted; Dissolution filed in Virginia, 6/1/98

United Telephone Long Distance, Inc.

Deleted; Dissolution filed in South Carolina, 6/3/98

Cox Communications PCS, L.P.

Transfer of an additional 10.2% ownership interest by Cox Pioneer Partnership, 6/30/98

United Telephone Long Distance, Inc.

Deleted; Dissolution filed in Tennessee, 8/11/98

Sprint Nextel Corporation

Changes Made in 1999

ENTITY INVOLVED

Sprint Services, Inc.
 Asian American Communications, L.L.C.

Telecom Entity Participacoes Ltda.
 JVCO Participacoes Ltda.
 Holdco Participacoes Ltda.
 Intelig Telecomunicacoes Ltda.
 Sprint UK Holdings Limited
 MM Acquisition Corporation
 SWW Seven, Inc.

SWW Eight, Inc.

DD Acquisition Corporation
 Transworld Telecommunications, Inc.
 TDI Acquisition Corporation

Wireless Cable of Florida, Inc.
 Sprint eBusiness, Inc.
 American Telecasting, Inc.
 People's Choice TV Corporation
 Sprint Wavepath Holdings, Inc.

United Telephone Long Distance of Indiana, Inc.
 Telmex/Sprint Communications, L.L.C.
 UC PhoneCo, Inc.
 UST PhoneCo, Inc.

Articles of Incorporation filed in Kansas 1/4/99
 Deleted; Ownership interest of 49% sold to S.W.F. Telemarketing, Inc.
 (owner of other 51%), 1/14/99
 Added
 Added
 Added
 Added
 New United Kingdom entity formed 3/31/99
 Articles of Incorporation filed in Delaware 4/9/99
 Articles of Incorporation filed in Delaware 4/16/99; merged with and into
 Cox Communications Pioneer, Inc. and Certificate of Merger filed 5/17/99
 changing its name to SWW Seven, Inc.
 Articles of Incorporation filed in Delaware 4/16/99; merged with and into
 CEI Pioneer, Inc. and Certificate of Merger filed 5/17/99 changing its
 name to SWW Eight, Inc.
 Articles of Incorporation filed in Delaware 4/22/99.
 Stock Purchase Agreement entered into 4/30/99
 Articles of Incorporation filed in Delaware 5/13/99 (Bill of Sale entered into on 10/1/99 with WBS America, LLC,
 TDI Acquisition Corporation and Sprint Corporation – see WBS LLC's minute books)
 Stock Purchase Agreement entered into 7/9/99.
 Articles of Incorporation filed in Kansas, 8/17/99
 Merged with DD Acquisition Corporation 9/23/99 and ATI was survivor.
 Merged with MM Acquisition Corporation 9/23/99 and People's Choice was survivor.
 Acquired Videotron USA, Inc. from Videotron Holland B.V. 4/30/99 and Amended Articles
 of Incorporation filed in Delaware 9/23/99 changing name to Sprint Wavepath
 Holdings, Inc.

Deleted; Dissolved in Indiana, 10/22/99
 Deleted; agreement terminating joint venture with Telefonos de Mexico, an S.A. de C.V.
 Deleted; merged with and into UCOM, Inc., 12/30/1999 and UCOM was survivor.
 Deleted; merged with and into US Telecom, Inc., 12/30/1999 and US Telecom survived.
 (Telmex International Ventures USA, Inc.) effective 11/1/99.

Sprint Nextel Corporation

Changes Made in 2000 (cont'd)

ENTITY INVOLVED

CenDon, L.L.C.
SLGH Scandinavia AB
Sprint eWireless, Inc.
SIHI Mexico S. de R.L. de C.V.
Sprint PCS Canada Holdings, Inc.
Broadcast Cable, Inc.
United Telephone Long Distance, Inc.
Sprint Enterprise Network Services, Inc.
SIHI South Africa (Pty) Ltd.

Replaced The CenDon Partnership 7/1/2000 *(note: not previously added to prior org charts)*
Name changed in Sweden from Framfart 328 AB, 7/13/2000
Articles of Incorporation filed in Kansas 7/13/2000
Established in Mexico 8/10/2000
Articles of Incorporation filed in Kansas 8/22/2000
The 185 shares owned by Philip C. Merrill were acquired by People's Choice TV Corp.,
making BCI indirectly wholly-owned by Sprint Corp., effective 8/25/2000
Deleted; Articles of Dissolution filed in Tennessee 9/15/00 *(note: not previously added to prior org charts)*
Certificate of Amendment to Articles of Incorporation filed in Kansas 10/18/2000 changing
name from Sprint Paranet, Inc.
Established in South Africa 12/13/2000

Sprint Nextel Corporation

Changes Made in 2001

ENTITY INVOLVED
 Sprint International Japan Kabushiki Kaisha
 Sprint Telecommunications France Inc.
 SprintLink Denmark ApS
 SPCS Caribe Inc.
 SprintLink Ireland Limited
 Sprint FON Inc. (formerly Sprint Telecommunications
 Deutschland)
 Sprint International Construction Company
 Sprint Israel Cellular, Inc.
 Sprint International Network Company LLC
 Tianjin Global Communications Co., Ltd.
 Carolina Telephone Long Distance, Inc.
 Earthlink Network, Inc.
 Centel Credit Company
 Sprint Publishing and Advertising, Inc. (DE)
 Sprint Communications of Michigan, Inc.
 Virgin Mobile USA, LLC
 United Telephone Communications Systems,
 Incorporated
 Pin Drop Insurance, Ltd.
 United Telephone Long Distance, Incorporated
 LD Corporation
 SprintLink Global Holdings, Inc.
 United Telephone Long Distance, Inc. (in Ohio)
 United Telephone Communications Services of
 Ohio, Inc.
 Boingo Wireless, Inc.
 JAMIDAT Mobile, Inc.

Established in Japan 2/6/2001
 Deleted; Certificate of Dissolution filed in Delaware 2/7/2001
 Formed in Denmark 2/13/2001
 Certificate of Incorporation filed in Puerto Rico 3/19/2001
 Formed in Ireland 4/12/2001
 Deleted; Certificate of Dissolution filed in Delaware 6/21/2001
 Deleted; Certificate of Dissolution filed in Delaware 6/21/2001
 Deleted; Certificate of Dissolution filed in Delaware 6/21/2001
 Certificate of Formation filed in Delaware 6/22/2001
 Deleted; Dissolved joint venture in China due to Chinese government declaring this
 investment structure irregular and ordering it disbanded, week of 6/25/2001
 Deleted; Articles of Dissolution filed in North Carolina 8/1/2001
 Changed; ownership interest changed from 27.8% to 16.5% 8/12/01
 Changed name to EarthLink, Inc. 2/7/00 (not previously noted in prior org. chart)
 Deleted; Certificate of Dissolution filed in Delaware 8/16/2001
 Deleted; Dissolved in Delaware on 8/28/01
 Deleted; Certificate of Dissolution filed in Michigan 9/26/01
 Formed in Delaware on October 4, 2001 (Sprint Ventures, Inc. owns 50%)
 Deleted; Articles of Dissolution filed in Florida 10/25/01
 Formed in Bermuda; October, 2001
 Deleted; Articles of Dissolution filed in Florida 10/25/01
 Deleted; Dissolution by Written Consent filed in Kansas 11/5/01
 Deleted; Merged into Sprint International Holding, Inc. 12/7/01
 Deleted; Dissolved 12/12/01
 Deleted; Merged into United Telephone Company of Ohio 12/30/01
 Added; 5.19% investment
 Added; 10.36% investment 10/23/01

Sprint Nextel Corporation

Changes Made in 2002

ENTITY INVOLVED

Sprint Spectrum Finance Corporation
 Sprint Spectrum Services Corporation
 Cox Communications PCS, L.P.
 Sprint Publishing and Advertising, Inc. (SD)
 Cox PCS Assets, L.L.C.
 Cox PCS License, L.L.C.
 Centel Directories LLC
 SprintCom Belgium BVBA
 Sprint International Chile Limitada
 Sprint International Venezuela S.R.L.
 Call-Net Enterprises, Inc.
 Sprint International Korea
 Virgin Mobile USA, LLC
 SprintLink International Singapore Pte. Ltd.
 Sprint North Supply Company
 SIHI New Zealand Holdco, Inc.
 Sprint Communications LLC
 Sprint Solutions, Inc.
 Sprint International Taiwan Limited
 Sprint International New Zealand
 Sprint International Colombia Ltda.
 Sprint International Japan Corp.
 Sprint International Argentina SRL
 SLGH Scandinavia AB
 Pegaso Telecomunicaciones, S.A. de C.V.
 Sprint Finance, Inc.
 Sprint FinCo, Inc.
 Sprint International Norway AS
 Sprint Directory Trademark Company, LLC
 SprintLink International (Switzerland) GmbH

Changed its name to Sprint Spectrum Services Corporation on 1/8/02
 Deleted; Articles of Dissolution filed in Delaware on 1/28/2002
 Changed its name to Sprint Telephony PCS, L.P. on 2/15/02
 Dissolved in South Dakota on 2/22/02
 Changed its name to Sprint PCS Assets, L.L.C. on 3/8/02
 Changed its name to Sprint PCS License, L.L.C. on 3/8/02
 Added; Certificate of Formation filed in Delaware on 3/22/02
 Merged into SprintLink Belgium BVBA on 3/25/02
 Formed in Chile on 4/9/02
 Formed in Venezuela on 4/9/02
 Reduced ownership interest from 25% to 9.95% on 4/17/02
 Formed in Korea on 5/13/02
 Reduced ownership interest from 50% to 49.2% on 5/16/02
 Deregistered in Spring of 2002
 Changed its name from North Supply Company on 5/24/02
 Incorporated in Kansas on 6/27/02
 Formed in Delaware on 7/15/02
 Incorporated in Delaware on 7/24/02
 Formed in Taiwan on 7/18/02
 Formed in New Zealand on 7/22/02
 Formed in Colombia on 7/22/02
 Changed its name from Sprint International Japan Kabushiki Kaisha on 7/29/02
 Formed in Argentina on 8/20/02
 Merged into SIHI Scandinavia AB on 8/30/02
 Sprint Mexico, Inc. sold its interest on 9/11/02
 Incorporated in Kansas on 10/17/02
 Incorporated in Norway on 10/17/02
 Formed in Delaware on 10/29/02
 Formed in Switzerland on 12/24/02

Sprint Nextel Corporation

Changes Made in 2003

ENTITY INVOLVED

The UniDon Partnership
 Sprint International Austria GmbH
 Sprint International Spain, S.L.
 Sprint International Communications Italy S.r.l.
 NewTelco, L.P.
 EarthLink, Inc.
 SVC BidCo, L.P.
 Sprint UK Holdings Limited
 Wireless Broadband Company LLC
 Central Telephone Company of Illinois
 Sprint Telecommunications (UK) Limited
 Sprint Finance, Inc.
 Sprintlink India Private Limited
 UTI Holding Company, Inc.
 MASSFONCO
 MASSPCSCO
 Sprint Cayman Holding Ltd.
 Shanghai Cayman Holding Ltd.
 Sprint Publishing & Advertising, Inc.
 Directories America, Inc.
 Centel Directory Company
 CenDon L.L.C.

Dissolved - 1996 (not previously listed)
 Formed in Austria on 1/15/03
 Formed in Spain on 2/5/03
 Liquidated in Italy on 2/10/03
 Certificate of Cancellation in the State of Delaware on 3/11/2003
 Ownership changed to 12.9% on 4/4/2003
 Certificate of Cancellation filed in the State of Delaware on 5/6/2003
 Merged into SprintLink UK Limited in the United Kingdom on 4/14/03
 Certificate of Formation filed in the State of Delaware on 6/20/2003
 Certificate of Dissolution filed in the State of Illinois on 10/7/2003
 Certificate of Dissolution filed in the State of Delaware on 10/7/2003
 Certificate of Dissolution filed in the State of Kansas on 10/16/2003
 Incorporated in India on 10/22/03
 Dissolved in the State of Kansas on 10/28/03
 Certificate of Trust filed in Delaware on 12/19/03
 Certificate of Trust filed in Delaware on 12/19/03
 Struck from the registry in the Cayman Islands on 12/31/03
 Struck from the registry in the Cayman Islands on 12/31/03
 Sold to R.H. Donnelley on 1/3/03
 Sold to R.H. Donnelley on 1/3/03
 Sold to R.H. Donnelley on 1/3/03
 Sold to R.H. Donnelley on 1/3/03

Sprint Nextel Corporation

Changes Made in 2004

ENTITY INVOLVED
United Telecommunications Co., Inc.
Consortium Communications International, Inc.
EarthLink, Inc.
EarthLink, Inc.
JAMDAT Mobile, Inc.

JAMDAT Mobile, Inc.
Sprint International Holding, Inc. Shanghai
Representative Office

Call-Net Enterprises, Inc.
S-N Merger Corp.
EarthLink, Inc.
Hybrid Networks, Inc.
Boingo Wireless, Inc.
JAMDAT Mobile, Inc.
Call-Net Enterprises, Inc.
North Supply Chile S.A.

Certificate of Dissolution filed in New York on 1/27/04
Certificate of Dissolution filed in New York on 3/23/04
Changed ownership to 11.8% in June 2003 *(not previously noted in prior org. charts)*
Changed ownership to 12% in 2004 *(not previously noted in prior org. charts)*
Changed ownership from 10.1% *(according to Treasury)* to 8.2%
(not previously noted in prior org. charts)
Changed ownership from 8.2% to 6.6% in October 2003 *(not previously noted in prior org. charts)*

Formed in China on 9/26/03; *(a rep. office was originally set up in 1997, then merged with the Beijing rep. office in 1999, then application for re-establishment of this Shanghai offices was filed in January 2003 and formally filed on 9/26/03) (not previously noted in prior org. charts)*
Changed ownership from 9.95% to 7% in 2004 *(per Sean Behymer)*
Formed in Delaware on 12/13/04 *(merger company for Sprint and Nextel)*
Changed ownership from 12.9% to 8.2% *(per e-mail from Jay Cetin)*
Changed ownership from 22.4% to 17.9% *(per e-mail from Jay Cetin)*
Changed ownership from 5.19% to 4.0% *(per e-mail from Jay Cetin)*
Changed ownership from 10.36% to 3.4% *(per e-mail from Jay Cetin)*
Changed ownership from 7% to 1.5% *(per e-mail from Jay Cetin)*
Divided into two companies on 6/20/1995 one of which became
North Supply Inversiones S.A.; then changed its name to
American Telecommunication Holdings S.A. on 8/23/2004

Sprint Nextel Corporation

Changes Made in 2005

ENTITY INVOLVED

United Telephone Long Distance, Inc.
 Sprint Long Distance, Inc.
 Sprint Long Distance of Virginia, Inc.
 Hybrid Networks, Inc.

Earthlink, Inc.
 STC One LLC
 STC Two LLC
 STC Three LLC
 STC Four LLC
 STC Five LLC
 STC Six Company
 LTD Holding Company
 LTD Management Company
 Sprint Long Distance of Virginia, Inc.
 UK Acquisition Corp.
 US Unwired Inc.
 Louisiana Unwired, LLC
 Georgia PCS Leasing, LLC
 Georgia PCS Management, L.L.C.
 Texas Unwired
 Wireless Management Corporation
 Nextel Communications, Inc.
 Nextel Communications, Inc.
 Sprint Nextel Corporation
 Sprint Corporation
 S-N GC GP, Inc.
 S-N GC HoldCo, LLC
 S-N GC LP HoldCo, Inc.
 Germany Acquisition Limited Partnership
 Italy Acquisition Corp.
 Gulf Coast Wireless Limited Partnership

Dissolved in Pennsylvania on 1/14/05
 Incorporated in Delaware on 2/23/05
 Incorporated in Virginia on 2/28/05
 Removed from org chart - Hybrid filed an 8-K on May 31, 2002 saying that it ceased its business operations and its remaining assets were sold by foreclosure *(not previously noted in prior org. charts)*
 Ownership changed to 5.6% on 4/7/05 *(per Jay Cetin in Treasury)*
 Formed in Delaware as a limited liability company on 4/14/05 (tower transaction)
 Formed in Delaware as a limited liability company on 4/14/05 (tower transaction)
 Formed in Delaware as a limited liability company on 4/14/05 (tower transaction)
 Formed in Delaware as a limited liability company on 4/14/05 (tower transaction)
 Formed in Delaware as a limited liability company on 4/14/05 (tower transaction)
 Formed in Delaware as a statutory trust on 5/25/05 (tower transaction)
 Formed in Delaware on 5/27/05
 Formed in Delaware on 6/2/05
 Ownership changed from Sprint Corporation to Sprint Long Distance, Inc.
 Formed in Louisiana on 7/8/05
 Acquired on 8/12/05; UK Acquisition Corp. merged into US Unwired; US Unwired is the survivor
 Acquired on 8/12/05 with US Unwired Inc.
 Acquired on 8/12/05 with US Unwired Inc.
 Acquired on 8/12/05 with US Unwired Inc.
 Acquired on 8/12/05 with US Unwired Inc.
 Acquired on 8/12/05 with US Unwired Inc.
 Merged into S-N Merger Corp on 8/12/05 (all subs listed on pages 17 & 18)
 Changed its name from S-N Merger Corp. on 8/12/05
 Changed its name from Sprint Corporation on 8/12/05
 Formed in Kansas on 8/17/05 (formed to hold the name)
 Formed in Delaware on 8/18/2005
 Formed in Delaware on 8/18/2005
 Formed in Delaware on 8/18/2005
 Formed in Louisiana on 8/22/2005
 Formed in Delaware on 8/26/2005
 Acquired on 10/3/2005; Germany Acquisition Limited Partnership merged with and into Gulf Coast

Sprint Nextel Corporation

Changes Made in 2005 (cont'd)

ENTITY INVOLVED

Caroline Ventures, Inc.
IWO Holdings, Inc.
Independent Wireless One Corporation
Independent Wireless One Lease Realty Corporation
Mandolin Company LLC
Excelsys Limited
Sprint Enterprise Mobility, Inc.
AHI Merger Sub, Inc.
Centel SPE LLC
Marconi-Sprint Servicos de Comunicacao, Lda.
Virgin Mobile USA, LLC
SprintCom ECP I, L.L.C.
SprintCom ECP II, L.L.C.
Barak I.T.C. – The International Telecommunications
Services Corp.
SETTOV UK Limited

Formed in Delaware on 10/14/2005
Acquired on 10/20/2005; Italy Acquisition Corp. merged with and into IWO Holdings, Inc.
Acquired on 10/20/2005 with IWO Holdings, Inc.
Acquired on 10/20/2005 with IWO Holdings, Inc.
Formed as a Statutory Trust in Delaware on 11/14/2005
Acquired on 11/15/05
Formed in Delaware on 11/16/2005
Formed in Delaware on 11/17/2005
Formed in Delaware on 11/17/2005
Cancelled in Portugal on 11/18/2005
Ownership changed to approximately 47.54% on 12/1/2005
Formed in Delaware on 12/8/2005
Formed in Delaware on 12/8/2005

Sold our 46% interest on 12/21/2005
Changed name from Excelsys Limited on 12/23/05

Sprint Nextel Corporation

Changes Made in 2006 (cont'd)

<p><u>ENTITY INVOLVED</u> Embarq Management Company Embarq Solutions, Inc. JAMDAT Mobile, Inc. Velocita Wireless Holding Corp. Machine License Holding, LLC Velocita Wireless, L.P. Velocita Wireless Holding, LLC Embarq Communications, Inc. Embarq Communications of Virginia, Inc. Embarq Minnesota, Inc. Embarq Florida, Inc. Embarq Payphone Services, Inc. Embarq Missouri, Inc. Embarq Directory Trademark Company, LLC Embarq Services, Inc. Embarq Midwest Management Services Company Wireless Management Company Mandolin Company LLC Embarq Communications, Inc. Embarq Communications of Virginia, Inc. Embarq Holdings Company LLC Embarq Products, Inc. Embarq Logistics, Inc. Eagle Merger Sub Inc. G & S Television Network, Inc. EQF Holdings, LLC Embarq Capital Corporation Embarq Network Company LLC SpectrumCo, LLC</p>	<p>Changed name from LTD Management Company on 2/8/2006 Formed in Delaware on 2/10/2006 Merged into Electronic Arts, Inc. on 2/15/2006 NCI 900 Spectrum Holdings, Inc. purchased 94% interest on 2/21/2006 Acquired on 2/21/2006 with Velocita Wireless Holding Corp. Acquired on 2/21/2006 with Velocita Wireless Holding Corp. Acquired on 2/21/2006 with Velocita Wireless Holding Corp. Changed name from Sprint Long Distance, Inc. on 2/23/2006 Changed name from Sprint Long Distance of Virginia, Inc. on 3/6/06 Changed name from Sprint Minnesota, Inc. on 3/9/2006 Changed name from Sprint-Florida, Incorporated on 3/9/2006 Changed name from Sprint Payphone Services, Inc. on 3/9/2006 Changed name from Sprint Missouri, Inc. on 3/10/06 Formed in Delaware on 3/21/2006 Changed name from Sprint Services, Inc. on 3/28/2006 Changed name from Sprint/United Management Services Company on 3/28/2006 Dissolved on 3/27/06 in Delaware Transfer agreement signed 3/30/06 to move under Embarq Corporation Transfer agreement signed 3/30/06 to move under Embarq Corporation Moved to page 2 or org chart (sub of Embarq Communications, Inc.) Changed name from Mandolin Company LLC in DE on 4/5/06 Changed name from Sprint Products Group, Inc. in KS on 4/6/06 Changed name from Sprint North Supply Company in OH on 4/7/06 Formed in Delaware on 4/11/2006 People's Choice TV Corp. acquired on 4/12/06 Formed in Delaware on 4/21/2006 Formed in Delaware on 5/10/2006 (sub of Embarq Logistics, Inc.) Formed in Delaware on 5/10/2006 (sub of Embarq Corporation, Inc.) Added; Sprint eWireless, Inc. has 5% interest with C Spectrum Investment, LLC, Cox Wireless, Inc., TWE Holding I LLC and Bright House Networks, LLC</p>
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Sprint Nextel Corporation

Changes Made in 2006 (cont'd)

ENTITY INVOLVED

Spin-off entities

The following entities were spun-off from Sprint Nextel Corporation on 5/17/2006:
American Telecommunications Holdings S.A.; Carolina Telephone and Telegraph Company; Centel Capital Corporation; Centel Corporation; Centel Directories LLC; Centel SPE LLC; Centel-Texas, Inc.; Central Telephone Company; Central Telephone Company of Texas; Central Telephone Company of Virginia; Embarq Capital Corporation; Embarq Communications of Virginia, Inc.; Embarq Communications, Inc.; Embarq Corporation; Embarq Directory Trademark Company, LLC; Embarq Florida, Inc.; Embarq Holdings Company LLC; Embarq Logistics, Inc.; Embarq Management Company; Embarq Midwest Management Services Company; Embarq Minnesota, Inc.; Embarq Missouri, Inc.; Embarq Network Company LLC; Embarq Payphone Services, Inc.; Embarq Products, Inc.; Embarq Services, Inc.; Embarq Solutions, Inc.; NoCuts, Inc.; North Supply Company of Lenexa; Northstar Transportation, Inc.; Perry Protection Services, Inc.; SC One Company; SC Two Company; SC Three Company; SC Four Company; SC Five Company; SC Six Company; SC Seven Company; SC Eight Company; Sprint Mid-Atlantic Telecom, Inc.; Telcon, Inc.; The United Telephone Company of Pennsylvania; The Winter Park Telephone Company; United Telephone Company of Eastern Kansas; United Telephone Company of Florida; United Telephone Company of Indiana, Inc.; United Telephone Company of Kansas; United Telephone Company of New Jersey, Inc.; United Telephone Company of Ohio; United Telephone Company of Southcentral Kansas; United Telephone Company of Texas, Inc.; United Telephone Company of the Carolinas; United Telephone Company of the Northwest; United Telephone Company of the West; United Telephone-Southeast, Inc.; United Teleservices, Inc.; Valley Network Partnership; Vista-United Telecommunications. NCI 900 Spectrum Holding, Inc. purchased remaining 6% interest making its ownership 100% on 5/22/2006
Nextel Aviation, Inc. changed its name to Sprint Nextel Aviation, Inc. on 6/8/2006.

Velocita Wireless Holding Corp.

Sprint Nextel Aviation, Inc.

Sprint Nextel Corporation

Changes Made in 2007

ENTITY INVOLVED

Velocita Wireless, L.P.
Sprint WBC of New York, Inc.
Northern PCS Services, L.L.C.
SpectrumCo, LLC
Atlanta MDS Co., Inc.
Los Angeles MDS Company, Inc.
New York, MDS, Inc.
San Francisco MDS, Inc.
Virgin Mobile USA, LLC

American Telecasting of Seattle, Inc.
SN Holdings (BR I) LLC
SN Holdings (BR II) LLC
Sprint International Holding, Inc. -- India Liaison Office
SprintLink Belgium BVBA
Sprint Brasil Servicos de Telecomunicacoes Ltda.
SprintLink India Private Limited
SIHI Mexico S. de R.L. de C.V.
Wireless Cable of Indianapolis, Inc.

Removed -- merged into Velocita Wireless, LLC (a buyer formed sub) on 6/27/2007
Formed in Delaware on 7/5/2007 to hold 4G spectrum in New York
Acquired equity interest by Sprint Spectrum L.P. on 8/1/2007.
Removed -- exercised our put right. No longer have an interest as of 8/10/2007.
Acquired by Sprint Nextel Corporation on 10/15/2007.
Acquired by Sprint Nextel Corporation on 10/15/2007.
Acquired by Sprint Nextel Corporation on 10/15/2007.
Acquired by Sprint Nextel Corporation on 10/15/2007.
Pursuant to a reorganization and purchase agreement, Virgin Mobile USA, LLC converted into a Delaware limited partnership, Virgin Mobile USA, L.P. and the LLC's interest was converted into 18.5% of the LP's interest on 10/16/2007 (see footnotes on Form 4 of Sprint Ventures, Inc. filed 10/17/2007).
Purchased remaining 10% interest from Mr. Hubbard on 10/26/2007.
Added, formed in DE re: Intellig transaction; 11/27/2007.
Added, formed in DE re: Intellig transaction; 11/27/2007.
Removed; liaison office closed 12/2007 (granted in 12/2004).
Change in capital (previously completed).
Change in capital (previously completed).
Change in capital (previously completed).
Change in capital (previously completed).
Ownership change to 96.75% (Boehm and Schubert shares cancelled).

Sprint Nextel Corporation

Changes Made in 2008 (cont'd)

Clearwire Corporation entities

The following entities were transferred in the Clearwire Corporation transaction on 11/28/2008:

[TO FIND OUT CONVERSION INFORMATION, NAME CHANGE INFORMATION, MERGER INFORMATION, ETC. RELATED TO THE ENTITIES LISTED ABOVE

PRIOR TO THE TRANSFER TO CLEARWIRE CORPORATION, PLEASE CONTACT THE CORPORATE SECRETARY'S DEPT.]

Alda Gold II, LLC; Alda Tucson, LLC; Alda Wireless Holdings, LLC; American Telecasting Development, LLC; American Telecasting of Anchorage, LLC; American Telecasting of Bend, LLC; American Telecasting of Bismarck, LLC; American Telecasting of Cincinnati, LLC; American Telecasting of Colorado Springs, LLC; American Telecasting of Columbus, LLC; American Telecasting of Cincinnati, LLC; American Telecasting of Ft. Collins, LLC; American Telecasting of Fort Myers, LLC; American Telecasting of Green Bay, LLC; American Telecasting of Jackson, LLC; American Telecasting of Lansing, LLC; American Telecasting of Lincoln, LLC; American Telecasting of Little Rock, LLC; American Telecasting of Louisville, LLC; American Telecasting of Medford, LLC; American Telecasting of Michiana, LLC; American Telecasting of Minnesota, LLC; American Telecasting of Monterey, LLC; American Telecasting of Nebraska, LLC; American Telecasting of Oklahoma, LLC; American Telecasting of Portland, LLC; American Telecasting of Redding, LLC; American Telecasting of Salem/Eugene, LLC; American Telecasting of Santa Barbara, LLC; American Telecasting of Seattle, LLC; American Telecasting of Sheridan, LLC; American Telecasting of Toledo, LLC; American Telecasting of Youngstown, LLC; American Telecasting of Yuba City, LLC; ATI of Santa Rosa, LLC; ATI Sub, LLC; ATL MDS, LLC; Bay Area Cablevision, LLC; Broadcast Cable, LLC; Cherokee Wireless of Knoxville, LLC; FMA Licensee Subsidiary, LLC; Fresno MMDS Associates, LLC; G&S TV LLC; Kennewick Licensing, LLC; LA MDS, LLC; NSAC, LLC; NY MDS, LLC; PCTV Gold II, LLC; PCTV of Milwaukee, LLC; PCTV of Salt Lake City, LLC; PCTV Sub, LLC; People's Choice TV of Albuquerque, LLC; People's Choice TV of Houston, LLC; People's Choice TV of St. Louis, LLC; People's Choice TV of Tucson, LLC; Preferred Entertainment, LLC; SCC X, LLC; SF MDS, LLC; SX Sub, LLC; SpeedChoice of Detroit, LLC; SpeedChoice of Phoenix, LLC; Sprint (Bay Area), LLC; Sprint Wireless Broadband Company LLC; TDI Acquisition Sub, LLC; TTI Acquisition LLC; TWTV Spokane, LLC; Transworld Telecom III, LLC; Via/Net, LLC; WBC NY, LLC; WBS California, LLC; WBS Idaho, LLC; WBS Montana, LLC; WBS of America, LLC; WBS of Ft. Pierce, LLC; WBS of Melbourne, LLC; WBS of Sacramento, LLC; WBS of West Palm, LLC; WBS Oregon, LLC; WBS Washington, LLC; WBSB Licensing, LLC; WBSCB Licensing, LLC; WBSE Licensing, LLC; WBSFP Licensing, LLC; WBSH Licensing, LLC; WBSK Licensing, LLC; WBSM Licensing, LLC; WBSR Licensing, LLC; WBSS Licensing, LLC; WBSWP Licensing, LLC; WBSY Licensing, LLC; WCOF, LLC; WHI SD LLC; WHI Sub, LLC; Wavepath Sub, LLC; Wireless Broadband Services of America, LLC; Wireless Broadcasting Systems of Knoxville, LLC; Wireless Cable of Indianapolis, LLC.

Sprint Nextel Corporation

Changes Made in 2008 (cont'd)

ENTITY INVOLVED

Dial – The Israeli Co. For International
Communications Services Ltd.
NSAC Parallel, LLC
Virgin Mobile USA, L.P.
Virgin Mobile USA, Inc.
Wireless Leasing Co., Inc.
Wireline Leasing Co., Inc.
MASSFONCO
MASSPCSCO
Sprint Paranet Canada, Inc.
Boingo Wireless, Inc.

Liquidated – 3/28/2007 (not previously noted).
Dissolved in Delaware 12/3/2008. (never shown on chart; was a sub of NSAC, LLC).
Ownership changed from 18.5% to 14.3% on 12/9/2008.
Became 14.3% shareholder in one share Class B stock on 12/9/2008.
Formed in Delaware on 12/11/2008.
Formed in Delaware on 12/11/2008.
Removed on 12/31/2008. Certificate of Cancellation filed 12/22/2008 for
effective date 12/31/2008.
Removed on 12/31/2008. Certificate of Cancellation filed 12/22/2008 for
effective date 12/31/2008.
Removed 11/2/2005. Certificate of Dissolution filed in Canada. (not prev. noted).
Ownership changed to 1.73% in Aug/Sept. 2007. (not previously noted).

Sprint Nextel Corporation

Changes Made in 2009 (cont'd)

ENTITY INVOLVED

<p>Sprint Mozart, Inc. Ireland Acquisition Corporation Nextel U.K. Ltd. Clearwire Corporation Clearwire Communications LLC Virgin Mobile USA, Inc. Virgin Mobile USA, L.P. Helio LLC Bluebottle USA Holdings L.P. Bluebottle USA Investments L.P. VMU GP, LLC VMU GP1, LLC iPCS, Inc. Bright PCS Holdings, Inc. Bright Personal Communications Services, LLC iPCS Equipment, Inc. iPCS Wireless, Inc. Horizon Personal Communications, Inc. Clearwire Corporation Clearwire Communications LLC</p>	<p>Formed in Delaware on 7/13/2009. Removed 12/4/2009. Formed in Delaware on 10/15/2009. Removed 12/4/2009. Dissolved in UK on 10/20/2009. Ownership held by Sprint HoldCo changed to 55.05682 on 11/13/2009. Ownership held by Sprint HoldCo changed to 55.05682 on 11/13/2009. Acquired on 11/24/2009 through Agreement and Plan of Merger with Sprint Nextel Corporation and Sprint Mozart, Inc. dated 7/27/2009. The surviving entity is Virgin Mobile USA, Inc. Acquired with Virgin Mobile USA, Inc. Acquired with Virgin Mobile USA, Inc. Acquired with Virgin Mobile USA, Inc. Acquired with Virgin Mobile USA, Inc. Acquired with Virgin Mobile USA, Inc. Acquired on 12/4/2009 through Agreement and Plan of Merger with Sprint Nextel Corporation and Ireland Acquisition Corporation, dated _____. The surviving entity is iPCS, Inc. Acquired with iPCS, Inc. Acquired with iPCS, Inc. Acquired with iPCS, Inc. Acquired with iPCS, Inc. Ownership held by Sprint HoldCo changed to 56.36191 on 12/21/2009. Ownership held by Sprint HoldCo changed to 56.36191 on 12/21/2009.</p>
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Sprint Nextel Corporation

Changes Made in 2010 (cont'd)

ENTITY INVOLVED

Assurance Wireless of South Carolina, LLC
Sprint HoldCo, LLC Ownership Page

Sprinlink International Philippines, Inc.
Nextel China Holding Company

Formed in Delaware on 2/15/2010. Sub of Virgin Mobile USA, L.P.
The ownership percentages held by the various companies that own the SN UHC entities have
been corrected. The ownership percentages noted for these entities beginning on 11/28/2008
should have been the current percentages noted on this org chart.
Formed in Philippines on 5/24/2010 (sub of Sprint International Holding, Inc.).
Certificate of Dissolution filed in DE on 7/15/2010 (sub of Domestic USF Corp.)

Sprint Nextel Corporation

SPRINT NEXTEL CORPORATION
OWNERSHIP STRUCTURE
AS OF MAY 23, 2011
(unless otherwise indicated, all
ownership percentages are 100%)

Changes Made in 2011

ENTITY INVOLVED

Sprint Telecom India Private Limited

Clearwire Corporation
Clearwire Communications LLC

Formed in India on 3/28/2011. Joint Venture with Persistent Systems. Sprint International Holding, Inc. owns 74%.
Voting interest changed to 49.8% per the 13D filing dated May 23, 2011.
Economic interest changed to 53.7% (exact date of change not noted).

Attachment 2

Virgin Mobile has made a good faith effort to obtain information regarding any settlements or disciplinary action taken by the FCC or state regulatory agency against Sprint Nextel or any of its affiliates related to violations of laws, regulations or tariff provisions for the last three years.

At the FCC:

On December 5, 2011, the Commission issued an order adopting a consent decree between Sprint and the FCC's Enforcement Bureau that terminated an investigation into whether Sprint had complied with Section 4.9 of the Commission's Rules 47 C.F.R. § 4.9 by filing notifications and initial reports on a timely basis in all instances. The Commission did not find that Sprint violated this rule. Moreover the Commission "concluded that [its] investigation raise[d] no substantial or material questions of fact as to whether Sprint possesses the basis qualifications, including those related to character, to hold or obtain any Commission license or authorization.

At the Puerto Rico Telecommunications Regulatory Board, certain Sprint entities have been fined for violations of certain reporting obligations summarized as follows:

Sprint entity	Amount paid	Date paid	Reason for fine/penalty	Docket number
SprintCom	\$61.28	11-30-11	Late fees for late payment of quarterly regulatory charges	Letter/invoice
Sprint	\$38.77	11-30-11	Late fees for late	Letter/invoice

Communications Company LP			payment of quarterly regulatory charges	
Virgin Mobile	\$24.96	11-30-11	Late fees for late payment of quarterly regulatory charges	Letter/invoice
SprintCom	\$500.00	9-6-11	Failing to timely submit audited financial statements	JRT-CMRS-0128
SprintCom	\$1,000.00	6-22-11	Failing to timely submit audited financial statements	JRT-CMRS-0128
Sprint Communications Company L.P.	\$500.00	6-13-11	Failing to timely submit audited financial statements	JRT-CERT-0009
Virgin Mobile	\$100.00	3-25-11	Administrative fine for late filing of FCC499 forms	JRT-2010-OMC-009
Sprint Communications Company LP	\$100.00	7-6-10	Late filing of an extension of time to submit audited financial statements	JRT-CERT-0009
SprintCom	\$3,000.00	2-4-10	Failing to timely submit audited financial statements	JRT-CMRS-0128
Virgin Mobile	\$1,000.00	Between July and October 2009	Operating in Puerto Rico without contributing to the local USF	JRT-2009-OMC-005
Sprint Communications Company L.P.	\$250.00	7-15-09	Failing to timely submit audited financial statements	JRT-CERT-0009
SprintCom	\$2,500.00	6-26-09	Failing to timely submit audited financial statements	JRT-CMRS-0128

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or visit **assurancewireless.com** for more details

Eligibility varies by state. You may qualify based on household income or participation in Medicaid, Food Stamps (SNAP), SSI or other government programs.

Assurance Wireless is a Lifeline Assistance program supported by the federal Universal Service Fund program.



Virgin Mobile USA network services are provided on the Nationwide Sprint® Network. Coverage with nationwide coverage is available to more than 275 million people. Coverage not available in all areas. Visit virginmobileusa.com for a detailed map and to check coverage in your area.

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Eligibility varies by state. You may qualify based on household income or participation in certain public assistance programs, such as Medicaid, Food Stamps (SNAP), or SSI.

Assurance Wireless is a Lifeline Assistance program supported by the federal Universal Service Fund program





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- A FREE Phone and 250 FREE Voice Minutes
- No Annual Contract
- Nationwide Sprint Network Coverage
- Voicemail Account, Call Waiting, and Caller ID Included
- Keep Your Current Home or Cell Phone Number When You Switch to Us
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How it works:



If you qualify and are approved for the program, you'll get **250 FREE Voice Minutes added automatically each month – you do nothing.**



Add money if you decide to choose the \$5 and \$20 offers and to pay for any services not included, like additional minutes, texting, or international calls.



Buy Virgin Mobile Top-Up cards from thousands of stores across the country. Or use credit, debit, or PayPal.

All eligible customers get:



FREE Phone + 250 FREE Voice Minutes

Added to Your Phone Each Month

Need more talk?

Add **\$5/month** to get:

500 Total Voice Minutes

Added to Your Phone Each Month
(250 FREE Minutes + 250 Minutes)

Need even more talk + text?

Add **\$20/month** to get:

1000 Total Voice Minutes + 1000 Texts

Added to Your Phone Each Month
(250 FREE Minutes + 750 Minutes + 1000 Texts)

Approximate minutes and text messages are based on current program. Top Up at 240. See [assurancewireless.com](#) for details.

How do I qualify?

Eligibility varies by state. You may qualify based on participation in any of the following programs:

- Medicaid
- Food Stamps/SNAP
- Supplemental Security Income (SSI)
- Temporary Assistance for Needy Families (TANF)
- Federal Public Housing Assistance (FPHA) or Section 8
- Low Income Home Energy Assistance (LIHEAP)
- National School Lunch Program's Free Lunch Program

OR

You may also qualify based on household income. Call **1-800-392-3850** for the income requirements in your state.

How do I apply?

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Want To Talk More?

Add 250 more voice minutes each month (500 total minutes) for only \$5.

Want To Talk and Text?

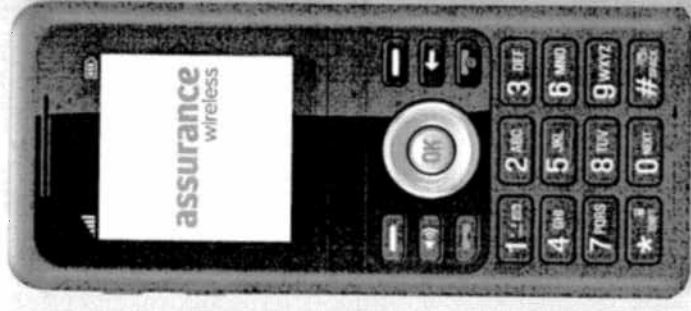
Add 750 additional voice minutes (1,000 total minutes) plus 1,000 texts each month for just \$20.

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You may qualify for Assurance Wireless based on your household income, if you're on Medicaid or participate in certain other public assistance programs. To verify your eligibility,

If Eligible, You Get All This – FREE!

- Free Cell Phone
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 - Voicemail Account
 - Call Waiting
 - Caller I.D.
 - Access to 911 Service
- Plus:**
- Coverage on the Nationwide Sprint® Network reaching more than 278 million people
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EXHIBIT 2
2009 ORDER

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
Virgin Mobile USA, L.P. Petition for) CC Docket No. 96-45
Forbearance from 47 U.S.C. § 214(e)(1)(A))
Petition for Designation as an Eligible)
Telecommunications Carrier in the State of New)
York)
Petition for Designation as an Eligible)
Telecommunications Carrier in the State of)
Pennsylvania)
Petition for Designation as an Eligible)
Telecommunications Carrier in the State of)
Virginia)
Petition for Limited Designation as an Eligible)
Telecommunications Carrier in the State of North)
Carolina)
Petition for Limited Designation as an Eligible)
Telecommunications Carrier in the State of)
Tennessee)

ORDER

Adopted: March 4, 2009

Released: March 5, 2009

By the Commission:

I. INTRODUCTION

1. In this order, we conditionally grant a petition filed by Virgin Mobile USA, L.P. (Virgin Mobile) pursuant to section 10 of the Communications Act of 1934, as amended (the Act), requesting that the Commission forbear from the requirement that a carrier designated as an eligible telecommunications carrier (ETC) for purposes of federal universal service support provide services, at least in part, over its own facilities. Subject to the conditions that we describe below, we grant Virgin Mobile forbearance from the facilities requirement for ETC designation for Lifeline support only.

2. We also conditionally grant the petitions of Virgin Mobile for limited designation as an ETC eligible only to receive universal service Lifeline support in its licensed service areas in New York.

1 Virgin Mobile USA, L.P. Petition for Forbearance, CC Docket No. 96-45 (filed Dec. 5, 2007) (Forbearance Petition). On December 5, 2008, pursuant to section 10(c) of the Act, the Wireline Competition Bureau extended until March 5, 2009 the date on which the Forbearance Petition shall be deemed granted in the absence of a Commission decision that the petition fails to meet the standard for forbearance under section 10(a) of the Act. Virgin Mobile USA, L.P. Petition for Forbearance, CC Docket No. 96-45, Order, DA 08-2670 (Wireline Comp. Bur., rel. Dec. 5, 2008); 47 U.S.C. § 214(e).

Virginia, North Carolina, and Tennessee, pursuant to section 214(e)(6) of the Act.² Due to the Pennsylvania Public Utility Commission's assertion of jurisdiction over wireless ETC designations, we dismiss without prejudice Virgin Mobile's petition for designation as an ETC in Pennsylvania.³ Having conditionally granted Virgin Mobile's petition for forbearance from the facilities requirement of section 214(e)(1), we now conclude that Virgin Mobile has satisfied the remaining eligibility requirements of section 214(e)(1) and the Commission's rules to be designated as an ETC eligible only for Lifeline support.⁴ Virgin Mobile's ETC designations will not take effect until the Wireline Competition Bureau has approved Virgin Mobile's plan for complying with the conditions outlined in this order.⁵

II. BACKGROUND

A. Procedural History

3. Virgin Mobile is a non-facilities-based commercial mobile radio service (CMRS) provider (i.e., a pure wireless reseller) that provides prepaid wireless telecommunications services.⁶ On December 5, 2007, Virgin Mobile filed a petition seeking forbearance from section 214(e) of the Act, which requires that an ETC offer service using its own facilities or a combination of its own facilities and resale of another carrier's services.⁷ Virgin Mobile states that its request for forbearance satisfies the statutory requirements and is in the public interest.⁸ Further, Virgin Mobile agrees to abide by the

² Virgin Mobile USA, L.P. Petition for Designation as an Eligible Telecommunications Carrier in the State of New York, CC Docket No. 96-45 (filed Dec. 5, 2007) (New York ETC Petition); Virgin Mobile USA, L.P. Petition for Designation as an Eligible Telecommunications Carrier in the State of Virginia, CC Docket No. 96-45 (filed Dec. 5, 2007) (Virginia ETC Petition); Virgin Mobile USA, L.P. Petition for Limited Designation as an Eligible Telecommunications Carrier in North Carolina, CC Docket No. 96-45 (filed Apr. 29, 2008) (North Carolina Petition); Virgin Mobile USA, L.P. Petition for Limited Designation as an Eligible Telecommunications Carrier in Tennessee, CC Docket No. 96-45 (filed Apr. 29, 2008) (Tennessee Petition). In its petitions filed in December 2007, Virgin Mobile requested eligibility for participation in the Lifeline and Link-Up programs; it later limited its request in its ETC petitions to eligibility for Lifeline support only. Virgin Mobile USA, L.P. Amendment to Petition for Designation as an Eligible Telecommunications Carrier in the State of New York, CC Docket No. 96-45 (filed May 7, 2008); Virgin Mobile USA, L.P. Amendment to Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia, CC Docket No. 96-45 (filed May 7, 2008). Virgin Mobile does not seek eligibility for high-cost support.

³ Virgin Mobile USA, L.P. Petition for Designation as an Eligible Telecommunications Carrier in the State of Pennsylvania, CC Docket No. 96-45 (filed Dec. 5, 2007) (Pennsylvania ETC Petition). Virgin Mobile later amended its request for ETC designation in Pennsylvania to limit its eligibility for federal universal service support to the Lifeline program only. Virgin Mobile USA, L.P. Amendment to Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Pennsylvania, CC Docket No. 96-45 (filed May 7, 2008). *See infra* para. 33 (discussing jurisdiction of the Pennsylvania Public Utility Commission).

⁴ Lifeline is the universal service low-income program that provides discounts to qualified low-income consumers on their monthly telephone bills. *See* 47 C.F.R. §§ 54.401-54.409.

⁵ *See infra* para. 44.

⁶ Forbearance Petition at 2.

⁷ *See* Forbearance Petition. On December 13, 2007, the Bureau issued a public notice seeking comment on Virgin Mobile's Forbearance Petition. *Comment Sought on Virgin Mobile's Petitions for Forbearance and Designation as an Eligible Telecommunications Carrier in the State of New York and Commonwealths of Pennsylvania and Virginia*, CC Docket No. 96-45. Public Notice, 22 FCC Rcd 21538 (Wireline Comp. Bur. 2007) (*Virgin Mobile Forbearance and ETC Public Notice*). Comments on the Forbearance Petition were filed by the National Association of State Utility Consumer Advocates and the Public Utility Law Project of New York, Inc. (NASUCA/PULP), the Pennsylvania Public Utility Commission, and the United States Telecom Association (USTelecom). Reply comments were filed by NASUCA and Virgin Mobile.

⁸ Forbearance Petition at 8-13.

conditions imposed on TracFone Wireless, Inc. (TracFone) as part of the Commission's decision granting TracFone's request to forbear from the ETC facilities requirement for Lifeline support only.⁹ Specifically, in the *TracFone Forbearance Order*, the Commission required TracFone to: (a) provide its Lifeline customers with 911 and enhanced 911 (E911) access regardless of activation status and availability of prepaid minutes; (b) provide its Lifeline customers with E911-compliant handsets and replace, at no additional charge to the customer, non-compliant handsets of existing customers who obtain Lifeline-supported service; (c) comply with conditions (a) and (b) as of the date it provides Lifeline service; (d) obtain a certification from each Public Safety Answering Point (PSAP) where TracFone provides Lifeline service confirming that TracFone provides its customers with 911 and E911 access; (e) require its customers to self-certify at the time of service activation and annually thereafter that they are the head of household and receive Lifeline-supported service only from TracFone; and (f) establish safeguards to prevent its customers from receiving multiple TracFone Lifeline subsidies at the same address.¹⁰ Recently, the Commission modified condition (d) to allow TracFone to self-certify compliance if, within 90 days of TracFone's request, a PSAP has not provided the certification and the PSAP has not made an affirmative finding that TracFone does not provide its customers with access to 911 and E911 service within the PSAP's service area.¹¹

4. Contemporaneously with the Forbearance Petition, Virgin Mobile filed petitions seeking limited ETC designation in New York, Pennsylvania and Virginia, and on April 29, 2008, Virgin Mobile filed petitions seeking limited ETC designation in North Carolina and Tennessee.¹²

B. Applicable Statutes and Rules

5. The Act provides that only an ETC shall be eligible for universal service high-cost and low-income support.¹³ Section 214(e)(2) of the Act gives state commissions the primary responsibility for performing ETC designations.¹⁴ Section 214(e)(6) directs the Commission, upon request, to designate

⁹ *Petition of TracFone Wireless, Inc. for Forbearance from 47 U.C.S. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, CC Docket No. 96-45, Order, 20 FCC Rcd 15095, 15098-9, para. 5 (2005) (*TracFone Forbearance Order*); Letter from Peter Lurie, Virgin Mobile, to Marlene H. Dortch, FCC, CC Docket No. 96-45, at 2 (filed July 10, 2008) (July 10 *Ex Parte* Letter); Letter from John M. Beahn, Counsel for Virgin Mobile, to Marlene H. Dortch, FCC, CC Docket No. 96-45, Attach at 6 (filed Oct. 24, 2008) (October 24 *Ex Parte* Letter).

¹⁰ *TracFone Forbearance Order*, 20 FCC Rcd at 15098-99, para. 5.

¹¹ *Federal-State Joint Board on Universal Service, TracFone Wireless, Inc.*, CC Docket No. 96-45, Order, FCC 09-16 (rel. Mar. 5, 2009) (*TracFone PSAP Certification Modification Order*).

¹² See *supra* note 2. The Wireline Competition Bureau sought comments on the five Virgin Mobile ETC designation petitions. *Virgin Mobile Forbearance and ETC Public Notice*, 22 FCC Rcd at 21538; *Comment Sought on Petitions Filed by Virgin Mobile USA, L.P. for Limited Designation as an Eligible Telecommunications Carrier in North Carolina and Tennessee*, CC Docket No. 96-45, Public Notice, 23 FCC Rcd 8297 (Wireline Comp. Bur. 2008). Comments on Virgin Mobile's ETC petitions were filed by the St. Regis Mohawk Tribe and TracFone.

¹³ 47 U.S.C. § 254(e). A carrier need not be an ETC to participate in the schools and libraries or rural health care universal service programs. 47 U.S.C. § 254(h)(1)(A) and (B)(ii). See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9015, para. 449 (1997) (*Universal Service First Report and Order*) (subsequent history omitted) (concluding that any telecommunications carrier, not just ETCs, may receive universal service support for providing supported services to schools and libraries); see also *Federal-State Joint Board on Universal Service*, CC Docket No. 96-46, Fourteenth Order on Reconsideration, 14 FCC Rcd 20106, 20114-5, para. 19 (1999) (*Fourteenth Order on Reconsideration*) (finding that although only ETCs may receive universal service support, a non-ETC that provides supported services to eligible rural health care providers may offset the value of the discount provided against its universal service contribution obligation and, to the extent such discount exceeds its contribution obligation, receive a refund).

¹⁴ 47 U.S.C. § 214(e)(2); see *Promoting Deployment and Subscribership in Unserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, 15 FCC Rcd 12208, 12255, para. 93 (2000) (*Twelfth Report and Order*).

as an ETC “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission.”¹⁵ Under section 214(e)(6), the Commission may, with respect to an area served by a rural telephone company, and shall, in all other cases, designate more than one common carrier as an ETC for a designated service area, consistent with the public interest, convenience, and necessity, so long as the requesting carrier meets the requirements of section 214(e)(1).¹⁶ Before designating an additional ETC for an area served by a rural telephone company, the Commission must determine that the designation is in the public interest.¹⁷ Pursuant to section 214(e)(1), a common carrier designated as an ETC must offer and advertise the services supported by the federal universal service mechanisms throughout the designated service area.¹⁸ To be eligible for ETC designation, a carrier must also meet certain statutory requirements including offering service over its own facilities or a combination of its own facilities and resale of another carrier’s service.¹⁹

6. The low-income support mechanism of the universal service fund consists of the Lifeline and Link-Up programs.²⁰ Collectively, the Lifeline and Link-Up programs are designed to reduce the monthly cost of telecommunications service and the cost of initial connection, respectively, for qualifying consumers. Lifeline provides low-income consumers with discounts of up to \$10.00 off the monthly cost of telephone service.²¹ Link-Up provides low-income consumers with discounts of up to \$30.00 off the initial costs of installing telephone service.²² Recognizing the unique needs and characteristics of tribal communities, enhanced Lifeline and Link-Up provide qualifying low-income individuals living on tribal lands with up to \$25.00 in additional discounts off the monthly costs of telephone service and up to \$70.00 more off the initial costs of installing telephone service.²³ Virgin Mobile seeks eligibility to receive support only for the Lifeline portion of the low-income program.²⁴

7. The Commission had in the past declined to extend ETC status to pure resellers. In the *Universal Service First Report and Order*, the Commission found that the plain language of the statute requires that a carrier seeking ETC designation must own facilities, at least in part, thus precluding a carrier that offers services solely through resale from being designated as eligible.²⁵ The Commission

¹⁵ 47 U.S.C. § 214(e)(6).

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ 47 U.S.C. § 214(e)(1); *see also* 47 C.F.R. § 54.201(d).

¹⁹ 47 U.S.C. § 214(e)(1)(A).

²⁰ 47 C.F.R. §§ 54.401, 54.411.

²¹ *See* 47 C.F.R. § 54.401(a)(2).

²² *See* 47 C.F.R. § 54.411(a)(1).

²³ *See* 47 C.F.R. §§ 54.405(a)(4), 54.411(a)(3). Under the Commission’s rules, there are four tiers of federal Lifeline support. All eligible subscribers receive Tier 1 support, which provides a discount equal to the ETC’s subscriber line charge. Tier 2 support provides an additional \$1.75 per month in federal support, available if all relevant state regulatory authorities approve such a reduction. (All fifty states have approved this reduction.) Tier 3 of federal support provides one half of the subscriber’s state Lifeline support, up to a maximum of \$1.75. Only subscribers residing in a state that has established its own Lifeline/Link-Up program may receive Tier 3 support, assuming that the ETC has all necessary approvals to pass on the full amount of this total support in discounts to subscribers. Tier 4 support provides eligible subscribers living on tribal lands up to an additional \$25 per month towards reducing basic local service rates, but this discount cannot bring the subscriber’s cost for basic local service to less than \$1. *See* 47 C.F.R. § 54.403.

²⁴ *See supra* note 2.

²⁵ *Universal Service First Report and Order* 12 FCC Rcd at 8875, para. 178 (adopting the Federal-State Joint Board on Universal Service’s analysis and conclusion); *see Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Recommended Decision, 12 FCC Rcd 87, 172-73, paras. 160-161 (Fed-State Jt. Bd. 1996).

reasoned, without distinguishing among the various universal service support programs, that it was appropriate to deny pure resellers universal service support because pure resellers could receive the benefit by purchasing wholesale services at a price that reflects the universal service support received by the incumbent provider.²⁶ Also in the *Universal Service First Report and Order*, the Commission found that although resellers were not eligible to receive universal support directly, they were not precluded from offering Lifeline services.²⁷ Resellers could offer Lifeline services by purchasing services at wholesale rates pursuant to section 251(c)(4) that reflect the customer-specific Lifeline support amount received by the incumbent local exchange carrier (LEC) and then passing these discounts through to qualifying low-income customers.²⁸ The Commission, in so finding, considered only that the underlying carrier was an incumbent LEC, subject to price-regulated resale obligations. Further, the Commission declined to forbear from the facilities requirement, finding that the statutory criteria had not been met.²⁹ Making no finding with respect to the first two prongs, the Commission concluded that forbearance was not in the public interest because allowing pure resellers to receive universal service support would result in double recovery by the resellers.³⁰ In making this finding, the Commission again did not distinguish among the various universal service support programs. Specifically, it did not consider whether providing only Lifeline support directly to a pure wireless reseller would result in double recovery.

8. In the 2005 *TracFone Forbearance Order*, however, the Commission determined that providing only Lifeline support directly to a pure wireless reseller did not result in double recovery.³¹ Specifically, the Commission found that because low-income support distribution is customer-specific and because TracFone's wholesale providers are not subject to section 251(c)(4) resale obligations, providing Lifeline support directly to TracFone would not result in double recovery.³²

C. Commission Requirements for ETC Designations

9. An ETC petition must contain the following: (1) a certification and brief statement of supporting facts demonstrating that the petitioner is not subject to the jurisdiction of a state commission; (2) a certification that the petitioner offers or intends to offer all services designated for support by the Commission pursuant to section 254(c) of the Act; (3) a certification that the petitioner offers or intends to offer the supported services "either using its own facilities or a combination of its own facilities and resale of another carrier's services;" (4) a description of how the petitioner "advertise[s] the availability of the [supported] services and the charges therefore using media of general distribution;" and (5) if the petitioner meets the definition of a "rural telephone company" under section 3(37) of the Act, the identity of its study area, or, if the petitioner is not a "rural telephone company," a detailed description of the geographic service area for which it requests an ETC designation from the Commission.³³

²⁶ *Universal Service First Report and Order*, 12 FCC Rcd at 8866, para. 161 and 8875, para. 178.

²⁷ *Id.* at 8972, para. 370.

²⁸ *Id.* The Commission noted that it would reassess this approach in the future if the Lifeline program appeared to be under-utilized. *Id.*

²⁹ *Id.* at 8875-76, para. 179.

³⁰ *Id.*

³¹ *TracFone Forbearance Order*, 20 FCC Rcd at 15100, para. 12.

³² *Id.* at 15100-01, para.12; 47 U.S.C. § 251(c)(4).

³³ See *Procedures for FCC Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act*, CC Docket No. 96-45, Public Notice, 12 FCC Rcd 22947, 22948 (1997) (*Section 214(e)(6) Public Notice*).

10. In the *ETC Designation Order*, the Commission adopted additional requirements for ETC designation proceedings in which the Commission acts pursuant to section 214(e)(6) of the Act.³⁴ Specifically, consistent with the recommendation of the Federal-State Joint Board on Universal Service, the Commission found that an ETC applicant must demonstrate: (1) a commitment and ability to provide services, including providing service to all customers within its proposed service area; (2) how it will remain functional in emergency situations; (3) that it will satisfy consumer protection and service quality standards; (4) that it offers local usage comparable to that offered by the incumbent LEC; and (5) an understanding that it may be required to provide equal access if all other ETCs in the designated service area relinquish their designations pursuant to section 214(e)(4) of the Act.³⁵ In addition, ETCs designated by the Commission pursuant to section 214(e)(6) of the Act must file annual reports with the Commission.³⁶

11. Prior to designating an ETC pursuant to section 214(e)(6) of the Act, the Commission determines whether such designation is in the public interest.³⁷ In the *ETC Designation Order*, the Commission adopted one set of criteria for evaluating the public interest for ETC designations for both rural and non-rural areas.³⁸ Specifically, in determining the public interest, the benefits of increased consumer choice and the unique advantages and disadvantages of the applicant's service offering are considered.³⁹ As the Commission noted in the *ETC Designation Order*, however, the same factors may be analyzed differently or may warrant a different outcome depending on the specifics of the proposed service area and whether it is rural or non-rural.⁴⁰

III. DISCUSSION

A. Forbearance Petition

12. For the reasons provided below, we conditionally grant Virgin Mobile's request for forbearance from section 214(e) of the Act for the purpose of considering its requests for limited ETC designation eligible for Lifeline support only.⁴¹ This forbearance grant is conditioned on Virgin Mobile

³⁴ See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 20 FCC Rcd 6371 (2005) (*ETC Designation Order*); see also *Virginia Cellular, LLC Petition for Designation as an Eligible Telecommunications Carrier for the Commonwealth of Virginia*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 1563, 1564, 1565, 1575-76, 1584-85, paras. 1, 4, 27, 28, 46 (2004) (*Virginia Cellular Order*); *Highland Cellular, Inc. Petition for Designation as an Eligible Telecommunications Carrier for the Commonwealth of Virginia*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 6422, 6438, paras. 1, 33 (2004) (*Highland Cellular Order*).

³⁵ See *ETC Designation Order*, 20 FCC Rcd at 6380, para. 20 (citing *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Recommended Decision, 19 FCC Rcd 4259, para. 5 (Fed-State Jt. Bd. 2004)): 47 C.F.R. § 54.202.

³⁶ 47 C.F.R. § 54.209.

³⁷ 47 U.S.C. § 214(e)(6); 47 C.F.R. § 54.202(c). See *ETC Designation Order*, 20 FCC Rcd at 6388-96, paras. 40-57; *Virginia Cellular Order*, 19 FCC Rcd at 1575, para. 27; *Highland Cellular Order*, 19 FCC Rcd at 6431-32, para. 21. The Commission places the burden on the ETC applicant to demonstrate that the public interest is served. *ETC Designation Order*, 20 FCC Rcd at 6390, para. 44.

³⁸ *ETC Designation Order*, 20 FCC Rcd at 6389-90, paras. 42-43.

³⁹ 47 C.F.R. § 54.202(c).

⁴⁰ *ETC Designation Order*, 20 FCC Rcd at 6390, para. 43. In analyzing the public interest factors in this instance, there is no rural/non-rural distinction because Lifeline support, unlike high-cost support, is not determined based on whether the service area is rural or non-rural. See 47 C.F.R. § 54.403.

⁴¹ In addition, and on our own motion, we forbear from section 54.201(d)(1) of the Commission's rules, 47 C.F.R. § 54.201(d)(1). This section mirrors section 214(e) of the Act and requires that ETCs be facility-based, at least in part.

complying with the following conditions: (a) provide its Lifeline customers with 911 and enhanced 911 (E911) access regardless of activation status and availability of prepaid minutes; (b) provide its Lifeline customers with E911-compliant handsets and replace, at no additional charge to the customer, non-compliant handsets of existing customers who obtain Lifeline-supported service; (c) comply with conditions (a) and (b) as of the date it provides Lifeline service; (d) obtain a certification from each PSAP where Virgin Mobile provides Lifeline service confirming that Virgin Mobile provides its customers with 911 and E911 access or if, within 90 days of Virgin Mobile's request for certification, a PSAP has not provided the certification and the PSAP has not made an affirmative finding that Virgin Mobile does not provide its customers with access to 911 and E911 service within the PSAP's service area, Virgin Mobile may self-certify that it meets the basic and E911 requirements; (e) require its customers to self-certify at time of service activation and annually thereafter that they are the head of household and receive Lifeline-supported service only from Virgin Mobile; and (f) establish safeguards to prevent its customers from receiving multiple Virgin Mobile Lifeline subsidies at the same address.⁴² Finally, as explained below, within thirty days of the release of this order, we require Virgin Mobile to file with the Commission a plan outlining the measures it will take to implement these conditions.

13. Section 10 of the Act requires that the Commission forbear from applying any regulation or any provision of the Act to telecommunications services or telecommunications carriers, or classes thereof, in any or some of its or their geographic markets, if the Commission determines that the three conditions set forth in section 10(a) are satisfied.⁴³ Specifically, section 10(a) provides that the Commission shall forbear from applying such provision or regulation if the Commission determines that:

- (1) enforcement of such regulation or provision is not necessary to ensure that the charges, practices, classifications, or regulations by, for, or in connection with that telecommunications carrier or telecommunications service are just and reasonable and are not unjustly or unreasonably discriminatory;
- (2) enforcement of such regulation or provision is not necessary for the protection of consumers; and
- (3) forbearance from applying such provision or regulation is consistent with the public interest.⁴⁴

For the reasons discussed below regarding our conditional grant of Virgin Mobile's forbearance request, we find that forbearance from section 54.201(d)(1) is warranted.

⁴² See *TracFone Forbearance Order*, 20 FCC Rcd at 15098-99. Commenters have raised concerns about the administrative costs, complexities, and burdens of granting Virgin Mobile's Forbearance Petition and its associated ETC designation petitions. See USTelecom Comments at 2; PA PUC Comments at 2. We find that granting Virgin Mobile this conditional forbearance will serve to further the statutory goal of providing telecommunications access to low-income subscribers while establishing the necessary safeguards to protect the universal service fund and the functioning of the low-income support mechanism. To the extent, however, that our predictive judgment proves incorrect and these conditions prove to be inadequate safeguards, the parties can file appropriate petitions with the Commission and the Commission has the option of reconsidering this forbearance ruling. See *Petition for Forbearance of the Verizon Telephone Companies Pursuant to 47 U.S.C. § 160(c)*, WC Docket No. 01-338, Memorandum Opinion and Order, 19 FCC Rcd 21496, 21508-9, para. 26 n.85 (2004); see also *Petition of SBC Communications Inc. for Forbearance from Structural Separations Requirements of Section 272 of the Communications Act of 1934, As Amended, and Request for Relief to Provide International Directory Assistance Services*, CC Docket No. 97-172, Memorandum Opinion and Order, 19 FCC Rcd 5211, 5223-24, para. 19 n.66 (2004); *Cellnet Communications, Inc. v. FCC*, 149 F.3d 429, 442 (6th Cir. 1998). Additionally, we expect that the conditions we impose here will be incorporated into any grant of the ETC designation petitions and any violation of such conditions may result in loss of ETC status.

⁴³ 47 U.S.C. § 160(a).

⁴⁴ *Id.*

14. In addition, when considering the public interest prong under section 10(a)(3) of the Act, the Commission must consider “whether forbearance ... will promote competitive market conditions.”⁴⁵ If the Commission determines that such forbearance will promote competition among providers of telecommunications services, that determination may be the basis for a Commission finding that forbearance is in the public interest.⁴⁶ Forbearance is warranted, however, only if all three prongs of the test are satisfied. For the reasons explained below, we find that Virgin Mobile satisfies all three prongs.

15. As in the *TracFone Forbearance Order*, in analyzing Virgin Mobile’s Forbearance Petition we must consider the statutory goals of two related but different provisions of the Act.⁴⁷ We first examine the statutory goals of universal service in section 254 of the Act specifically in the context of “low-income consumers.”⁴⁸ We then consider the statutory purpose underpinning the facilities requirement in section 214(e) of the Act as it relates to carriers qualifying for federal low-income universal service support.⁴⁹ After careful examination of the regulatory goals of universal service as applied to low-income consumers, we determine that a facilities requirement for ETC designation is not necessary to ensure that a pure wireless reseller’s charges, practices, classifications or regulations are just and reasonable when that carrier seeks such status solely for the purpose of providing Lifeline-supported services. Indeed, for the reasons provided below, we find that the facilities requirement impedes greater utilization of Lifeline-supported services provided by a pure wireless reseller.

16. Universal service has been a fundamental goal of federal telecommunications regulation since the passage of the Communications Act of 1934.⁵⁰ Congress renewed its concern for low-income consumers in the Telecommunications Act of 1996 when it established the principles that guide the advancement and preservation of universal service.⁵¹ Specifically, the Act directs the Commission to consider whether “consumers in all regions of the Nation, *including low-income consumers* and those in rural, insular, and high cost areas, ... have access to telecommunications [services] ... at rates that are reasonably comparable to rates charged ... in urban areas.”⁵² We therefore examine the facilities requirement from which Virgin Mobile seeks forbearance in light of the statute’s goal of providing low-income consumers with access to telecommunications services.

17. Just and Reasonable: As an initial matter, we note that a provision or regulation is “necessary” if there is a strong connection between the requirement and regulatory goal.⁵³ Section 10(a)(1) of the Act requires that we consider whether enforcement of the facilities-based requirement of section 214(e) for a pure wireless reseller that seeks ETC designation for Lifeline support only is necessary to ensure that the charges, practices, classifications or regulations are just and reasonable and not unjustly or unreasonably discriminatory.⁵⁴

⁴⁵ 47 U.S.C. § 160(b).

⁴⁶ *Id.*

⁴⁷ *TracFone Forbearance Order*, 20 FCC Rcd at 15099-100, para. 6.

⁴⁸ 47 U.S.C. § 254(b)(3).

⁴⁹ 47 U.S.C. § 214(e).

⁵⁰ 47 U.S.C. § 151 (“to make available, so far as possible, *to all the people* of the United States ... a rapid, efficient, Nation-wide, and world-wide wire and communication service with adequate facilities at reasonable rates”) (emphasis added).

⁵¹ 47 U.S.C. § 254(b); see *Universal Service First Report and Order*, 12 FCC Rcd at 8789, para. 21 and 8793, para. 27.

⁵² 47 U.S.C. § 254(b)(3) (emphasis added).

⁵³ See *CTIA v. FCC*, 330 F.3d 502, 512 (D.C. Cir. 2003).

⁵⁴ 47 U.S.C. § 160(a)(1); 47 U.S.C. § 214(e).

18. As the Commission found in the *TracFone Forbearance Order*, the facilities requirement is not necessary to ensure that Virgin Mobile's charges, practices, and classifications are just and reasonable and not unjustly or unreasonably discriminatory where it is providing Lifeline service only. As discussed above, in the *Universal Service First Report and Order* the Commission declined to extend ETC status to pure resellers because it was concerned about double recovery of universal service support.⁵⁵ In making this decision, however, the Commission considered the issue in the context of wireline resellers and without differentiating among the types of universal service support and the basis of distribution. Lifeline support, designed to reduce the monthly cost of telecommunications services for eligible consumers, is distributed on a per-customer basis and is directly reflected in the price that the eligible customer pays.⁵⁶ Because it is customer-specific, a carrier who loses a Lifeline customer to a reseller would no longer receive the Lifeline support to pass through to that customer. The issue of double-recovery about which the Commission was concerned in the *Universal Service First Report and Order* was applicable only when the underlying wholesale provider was an incumbent LEC subject to regulated resale rates under section 251(c)(4).⁵⁷ In that case, the Commission was concerned that a reseller would receive both the benefit of the statutorily-mandated lower resale rates as well as receiving the universal service subsidy for serving the Lifeline customer.⁵⁸ That, however, is not the case before us. Because Virgin Mobile's CMRS wholesale provider, Sprint Nextel, is not subject to section 251(c)(4) resale obligations, the resold services do not reflect a reduction in price due to Lifeline support.⁵⁹ Therefore, we find that allowing Virgin Mobile to receive Lifeline support directly from the fund would not result in double recovery to Virgin Mobile and that the concern raised by the Commission in the *Universal Service First Report and Order* does not apply here.

19. As in the *TracFone Forbearance Order*, we find that Virgin Mobile, as a reseller, is by definition subject to competition and that this competition ensures that its rates are just and reasonable and not unjustly or unreasonably discriminatory.⁶⁰ We note that Virgin Mobile's Lifeline offering will compete with at least one other Lifeline offering, whether from the underlying CMRS provider, if this provider is an ETC, or from the incumbent wireline carrier.⁶¹ We also believe that this competition will spur innovation amongst carriers in their Lifeline offerings, expanding the choice of Lifeline products for eligible consumers. We note that Virgin Mobile purchases wireless network services on a wholesale basis from Sprint Nextel and manages and markets the entire customer relationship.⁶²

20. For the reasons provided above, we find that the requirements of the first prong of section 10(a) are met. Where, as here, the wireless reseller is forgoing all universal service support but Lifeline, which is customer-specific and is designed to make telecommunication service affordable to eligible consumers, the facilities requirement is unnecessary to preserve the integrity of the universal service program or the fund. By limiting Virgin Mobile's eligibility to Lifeline support, the facilities requirement is not necessary to ensure that Virgin Mobile's charges, practices, and classifications are just and reasonable.

⁵⁵ See *supra* para. 7: *Universal Service First Report and Order*, 12 FCC Rcd at 8861, 8873, 8875, paras. 151-152, 174, and 178.

⁵⁶ 47 C.F.R. §§ 54.401, 54.504.

⁵⁷ See *Universal Service First Report and Order*, 12 FCC Rcd at 8876, para. 179; 47 C.F.R. § 251(c)(4).

⁵⁸ See *Universal Service First Report and Order*, 12 FCC Rcd at 8876, para. 179.

⁵⁹ Virgin Mobile Reply Comments at 5.

⁶⁰ Forbearance Petition at 8; Virgin Mobile Reply Comments at 3.

⁶¹ See 47 C.F.R. § 54.405(a) (requiring ETCs to offer Lifeline service).

⁶² Forbearance Petition at 2. Virgin Mobile states that its customers pay in advance for its service without credit checks or long-term service contracts. *Id.*

21. Consumer Protection. Section 10(a)(2) requires that we consider whether enforcement of the facilities-based requirement of section 214(e) for a pure wireless reseller that seeks ETC designation only for Lifeline support is necessary for the protection of consumers. We find that imposing a facilities requirement on a pure wireless reseller is not necessary for the protection of consumers subject to the conditions described below. Specifically, we conclude that forbearance from this provision will actually benefit consumers. Indeed, if Virgin Mobile is ultimately granted limited ETC status, it would be offering Lifeline-eligible consumers a choice of providers for accessing telecommunications services not available to such consumers today. The prepaid feature may be an attractive alternative for such consumers who need the mobility, security, and convenience of a wireless phone but who are concerned about usage charges or long-term contracts. We also note that Virgin Mobile states that its handsets are capable of transmitting enhanced 911 information to the appropriate PSAP.⁶³

22. Given the importance of public safety, we condition this grant of forbearance on Virgin Mobile's compliance with the E911 requirements applicable to wireless resellers, as modified below, for all Lifeline customers.⁶⁴ In light of the condition discussed below, that Virgin Mobile ensure its customers receive only one Lifeline-supported service, we find it essential that Virgin Mobile's Lifeline-supported service be capable of providing emergency access. Given the possibility that this Lifeline-supported service will be the customers' only means of accessing emergency personnel, we require that Virgin Mobile provide its Lifeline customers with access to basic and E911 service immediately upon activation of service.⁶⁵ To demonstrate compliance with this condition, Virgin Mobile must obtain a certification from each PSAP where it provides Lifeline service confirming that Virgin Mobile provides its customers with access to basic and E911 service. Virgin Mobile must furnish copies of the PSAP certifications to the Commission upon request.⁶⁶ To ensure that the benefits of Lifeline service are made available to Virgin Mobile's customers in a timely manner, however, we allow Virgin Mobile to self-certify compliance with the 911 and E911 availability condition if, within 90 days of Virgin Mobile's request, a PSAP has not provided the certification and the PSAP has not made an affirmative finding that Virgin Mobile does not provide its customers with access to 911 and E911 service within the PSAP's service area.⁶⁷ In making a request for certification, Virgin Mobile must notify the PSAP that Virgin Mobile has the option to self-certify within 90 days of the request if the PSAP has not provided the certification and the PSAP has not made an affirmative finding that Virgin Mobile does not provide its customers with access to 911 and E911 service. Virgin Mobile may not self-certify compliance until 90 days after it has provided a PSAP with notification of the 90-day self-certification period adopted in this

⁶³ Virgin Mobile Reply Comments at 8 (handsets compliant with 47 C.F.R. § 20.18(h)).

⁶⁴ In their jointly-filed comments NASUCA and PULP raise concerns about Virgin Mobile's ability to provide adequate 911 service if the TracFone conditions are not also imposed on Virgin Mobile. If the TracFone conditions are imposed on Virgin Mobile, NASUCA/PULP support grant of the Forbearance Petition. See NASUCA/PULP Comments at 4; NASUCA Reply Comments at 3.

⁶⁵ Under section 20.18(m) of our rules, wireless resellers have an independent obligation, beginning December 31, 2006, to provide access to basic and E911 service, to the extent that the underlying facilities-based licensee has deployed the facilities necessary to deliver E911 information to the appropriate PSAP. 47 C.F.R. § 20.18(m). Section 20.18(m) further provides that resellers have an independent obligation to ensure that all handsets or other devices offered to their customers for voice communications are location-capable. *Id.*

⁶⁶ We recognize that, as a practical matter, if Virgin Mobile's underlying facilities-based licensee has not deployed the facilities necessary to deliver E911 information to the appropriate PSAP, Virgin Mobile will not be able to offer Lifeline-supported service to customers residing in that area.

⁶⁷ If a PSAP has conducted testing and notified Virgin Mobile within the 90-day period of concerns regarding the ability of Virgin Mobile customers to access 911 and E911 services, Virgin Mobile may not self-certify compliance until it has addressed the PSAP's concerns (for example, issues with Virgin Mobile's underlying wireless provider concerning access to 911 and E911 services), such that the PSAP can provide the required certification. In this circumstance, Virgin Mobile may self-certify 180 days after requesting certification from the PSAP if the PSAP does not approve or deny the certification within that period.

order. Virgin Mobile also may not make such a self-certification until it has provided a PSAP with all of the information and/or equipment requested by the PSAP in analyzing Virgin Mobile's ability to provide 911 and E911 service to its customers. If Virgin Mobile makes such a self-certification, Virgin Mobile must obtain from each of its underlying carriers that provide service to Virgin Mobile in the area served by that PSAP certification that the carriers route 911 and E911 calls from Virgin Mobile customers to the PSAP in the same manner that they route 911 and E911 calls from their own customers. Virgin Mobile is required to retain such underlying carrier certifications and provide them to the Commission upon request. Virgin Mobile must provide PSAPs with copies of any self-certifications at the time they are filed. If after Virgin Mobile makes a self-certification a PSAP finds that Virgin Mobile does not provide its customers with 911 and E911 access, upon receiving notice of this finding Virgin Mobile must immediately notify the Commission of this finding and explain how it plans to come into compliance with this condition.

23. As an additional condition, Virgin Mobile must provide only E911-compliant handsets to its Lifeline customers, and must replace any non-compliant handset of an existing customer that obtains Lifeline-supported service with an E911-compliant handset, at no charge to the customer. The Commission has an obligation to promote "safety of life and property" and to "encourage and facilitate the prompt deployment throughout the United States of a seamless, ubiquitous, and reliable end-to-end infrastructure" for public safety.⁶⁸ The provision of 911 and E911 services is critical to our nation's ability to respond to a host of crises, and this Commission has a longstanding and continuing commitment to a nationwide communications system that promotes the safety and welfare of all Americans, including Lifeline customers.⁶⁹ We believe that these conditions are necessary to ensure that Virgin Mobile's Lifeline customers have meaningful access to emergency services. We reiterate that, with the possibility that the Lifeline service will be the customer's only access to emergency services and given the potential gravity of harm if such Lifeline customers cannot obtain such access, we believe that these conditions will further the protection of such Lifeline customers.

24. We are not persuaded by comments regarding the impact on the size of the universal service fund and the associated contribution obligation if we grant the Forbearance Petition.⁷⁰ Because section 10(a)(2) requires that we consider the welfare of all "consumers," we must consider the effect a grant of this petition will have on consumers who will likely shoulder the effects of any increased contribution obligation since carriers are permitted to recover their contribution obligations from customers.⁷¹ If Virgin Mobile is able to obtain ETC designation for Lifeline-only services, we do not expect this to significantly burden the universal service fund and thus negatively affect consumers through increased pass-through charges of the carriers' contribution obligations. The Commission has recognized the potential growth of the fund associated with high-cost support distributed to competitive ETCs.⁷² Virgin Mobile, however, would not be eligible for high-cost support. In 2007, low-income

⁶⁸ *Applications of Nextel Communications, Inc. and Sprint Corporation For Consent to Transfer Control of Licenses and Authorizations*, WT Docket No. 05-63, Memorandum Opinion and Order, 20 FCC Rcd 13967, 14020, para. 144 (2005).

⁶⁹ *Id.*

⁷⁰ See, e.g., PA PUC Comments at 4.

⁷¹ See 47 C.F.R. § 54.712.

⁷² See *Federal-State Joint Board on Universal Service, Virginia Cellular, LLC Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 1563, 1577, para. 31 (2004); see also *Federal-State Joint Board on Universal Service, Highland Cellular, Inc. Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 6422, 6433-4, para. 25 (2004); *High-Cost Universal Service Support; Federal-State Joint Board on Universal Service, Alltel Communications, Inc., et al. Petitions for Designation as Eligible Telecommunications Carriers, RCC Minnesota, Inc. and RCC Atlantic, Inc. New Hampshire ETC Designation Amendment*, WC Docket No. 05-337, CC Docket No.

support accounted for only 11.8 percent of the distribution of the total universal service fund; whereas, high-cost support accounted for 61.06 percent.⁷³ Any increase in the size of the fund would be minimal and is outweighed by the benefit of increasing eligible participation in the Lifeline program, furthering the statutory goal of providing access to low-income consumers. Significantly, granting Virgin Mobile's Forbearance Petition will not have any effect on the number of persons eligible for Lifeline support.

25. We further safeguard the fund by imposing additional conditions on this grant of forbearance. Specifically, as a further condition of this grant of forbearance and in addition to all other required certifications under the program, we require that Virgin Mobile require its Lifeline customers to self-certify under penalty of perjury upon service activation and then annually thereafter that they are the head of household and only receive Lifeline-supported service from Virgin Mobile.⁷⁴ The penalties for perjury must be clearly stated on the certification form. Additionally, to further strengthen this requirement, we require that Virgin Mobile track its Lifeline customer's primary residential address and prohibit more than one supported Virgin Mobile service at each residential address.⁷⁵ We are confident that these conditions will eliminate concerns regarding Virgin Mobile's customers receiving more than one Lifeline subsidy per household.

26. Some commenters expressed concerns about Virgin Mobile distributing its service through retail outlets.⁷⁶ The PA PUC argues that Virgin Mobile will not have the requisite control over the retailer's employees to ensure compliance with Lifeline rules and certifications.⁷⁷ We recognize this possibility and thus, as required in the *TracFone Forbearance Order*, we also require that Virgin Mobile distribute its Lifeline service directly to its Lifeline customers. Specifically, while customers may purchase handsets at Virgin Mobile's retail outlets, we require that Virgin Mobile deal directly with the customer to certify and verify the customer's Lifeline eligibility. Virgin Mobile commits to implementing procedures that are analogous to the procedures discussed in the *TracFone Forbearance Order*.⁷⁸ Thus, Virgin Mobile must have direct contact with the customer, whether by telephone, fax, Internet, in-person consultation or otherwise, when establishing initial and continued eligibility.

27. In light of the conditions we have outlined here, we believe that appropriate safeguards are in place to deter waste, fraud, and abuse. We strive to balance our objective of increasing participation in the low-income program with our objective of preventing and deterring waste, fraud, and abuse. We find that we have struck the appropriate balance here. We are also mindful of the fact that other prepaid pure wireless carriers may similarly seek eligibility for Lifeline-only support. Given the

96-45. Order. 23 FCC Rcd 8834, 8837-38, paras. 6-7 (2008).

⁷³ *Trends in Telephone Service*. Wireline Competition Bureau, Federal Communications Commission, Table 19.1 and Chart 19.1 (Aug. 2008). As of March 2007, the average monthly federal support per non-tribal Lifeline customer was \$8.57. *Id.* at Table 19.7. See 47 C.F.R. § 54.403. Tribal customers are eligible for up to an additional \$25 per month in Lifeline support. 47 C.F.R. § 54.403(a)(4).

⁷⁴ To monitor compliance, we require that Virgin Mobile maintain the self-certifications and provide such documentation to the Commission upon request.

⁷⁵ Virgin Mobile has agreed to meet this and all of the conditions required of TracFone in the *TracFone Forbearance Order*. See July 10 *Ex Parte* Letter at 2; October 24 *Ex Parte* Letter, Attach at 9. These conditions are in addition to, and do not supplant, the certification and verification eligibility already required by our rules for federal default states and any similar state rules for the non-federal default states. See, e.g., 47 C.F.R. § 54.410 (requiring initial certification and annual verification of eligibility).

⁷⁶ See NASUCA Reply Comments at 2; PA PUC Comments at 5.

⁷⁷ PA PUC Comments at 5.

⁷⁸ Virgin Mobile Reply Comments at 9. The Commission rejected the point of sales procedure that would allow the prospective Lifeline customers to submit qualifying information to the retail vendor in the *TracFone Forbearance Order*. *TracFone Forbearance Order*, 20 FCC Rcd at 15104, para. 19.

safeguards we put in place aimed at ensuring that only eligible consumers receive such support and that they receive such support only once, we do not believe that similar requests will have a detrimental impact on the fund. We note that to the extent any similarly situated prepaid wireless reseller seeks forbearance from these requirements for the purpose of providing only Lifeline support, it will be expected to comply with all the conditions we imposed upon TracFone, which Virgin Mobile has agreed to do.⁷⁹

28. Accordingly, we find that, subject to the 911 and E911 conditions and the self-certification and address limitation conditions set out above, the ETC facilities-based requirement is not necessary for consumer protection. We thus conclude that the second prong of section 10(a) is satisfied.

29. Public Interest. Section 10(a)(3) requires that we consider whether enforcement of the facilities-based requirement of section 214(e) for a pure wireless reseller that seeks ETC designation for Lifeline support only is in the public interest. In this instance, based on the record before us, we find that the statutory goal of providing telecommunications access to low-income consumers outweighs the requirement that Virgin Mobile own facilities, where Virgin Mobile, should it be designated an ETC, will be eligible only for Lifeline support. Thus, we find that requiring Virgin Mobile, as a wireless reseller, to own facilities does not necessarily further the statutory goals of the low-income program, which is to provide support to qualifying low-income consumers throughout the nation, regardless of where they live.

30. The Lifeline program is designed to reduce the monthly cost of telecommunications service for qualifying low-income consumers.⁸⁰ Presently only about one-third of households eligible for low-income assistance actually subscribe to the program.⁸¹ As noted in the *TracFone Forbearance Order*, we expanded eligibility criteria and outreach guidelines for federal default states in an effort to increase participation.⁸² In 2005, the Commission launched a joint initiative with the National Association of Regulatory Utility Commissioners to raise awareness of our Lifeline and Link-Up programs among low-income consumers.⁸³ We believe even more can be done to further expand participation by those subscribers that qualify and thus further the statutory goal of section 254(b). Therefore, consistent with the Commission's assertion in the *Universal Service First Report and Order* concerning under-utilization of the program, we conclude it is appropriate to consider the relief requested with the goal of expanding eligible participation in the program.⁸⁴ With only about one-third of Lifeline-eligible households actually subscribing, we believe that granting Virgin Mobile's Forbearance Petition serves the public interest in that it should expand participation of qualifying consumers. Accordingly, we conclude that forbearing from the facilities requirement for Lifeline support only, subject to the conditions set forth above, satisfies the requirements of section 10(a)(3).

31. Further, we reject USTelecom's argument that the Act does not allow carriers to pick and choose the type of universal service support that they will receive.⁸⁵ Consistent with the *TracFone*

⁷⁹ July 10 *Ex Parte* Letter at 2; October 24 *Ex Parte* Letter. Certain commenters advocate for the imposition of the TracFone conditions. See NASUCA/PULP Comments at 5; USTelecom Comments at 1-2; NASUCA Reply Comments at 1-2.

⁸⁰ 47 C.F.R. § 54.401. See Virgin Mobile Reply Comments at 6-7.

⁸¹ *Lifeline and Link-Up*, WC Docket No. 03-109, Report and Order and Further Notice of Proposed Rulemaking, 19 FCC Rcd 8302, 8305, para. 1 and Appendix K at Table 1.B (2004).

⁸² *Id.* at 8305, para 1.

⁸³ *FCC and NARUC Launch "Lifeline Across America" to Raise Awareness of Lifeline and Link-Up Programs*, News Release (July 26, 2005).

⁸⁴ *Universal Service First Report and Order*, 12 FCC Rcd at 8972, para. 370.

⁸⁵ USTelecom Comments at 2.

Forbearance Order, we find it appropriate to exercise our forbearance authority under section 10(a)(1) of the Act to separate low-income support from high-cost for Virgin Mobile because the forbearance test is satisfied and grant of forbearance will benefit low-income consumers. USTelecom also states that the Forbearance Petition should be addressed in a broader docket that focuses on stabilizing and modernizing the universal service fund. Again, we disagree with this assertion. As discussed above, Lifeline support has been underutilized, and Virgin Mobile will not receive any high-cost support, which has been the primary source of concern in the growth of the universal service fund.⁸⁶

B. ETC Designation

1. Commission Authority to Perform the ETC Designation

32. Virgin Mobile has demonstrated that, except for the Pennsylvania Public Utility Commission, the relevant state commissions lack authority to perform the requested limited ETC designations, and the Commission has authority to consider Virgin Mobile's petitions under section 214(e)(6) of the Act. Each petition includes an affirmative statement from the relevant state commission providing that ETC designation should be sought from the Commission.⁸⁷ Accordingly, we find the relevant state commissions lack jurisdiction to designate Virgin Mobile as an ETC and that this Commission therefore has authority to perform the requested limited ETC designations under section 214(e)(6).⁸⁸

33. On February 26, 2009, the Pennsylvania Public Utility Commission announced that, effective as of that date, it will exercise jurisdiction to designate wireless carriers as ETCs pursuant to section 214(e)(2) of the Act.⁸⁹ In light of this development, and because section 214(e)(2) of the Act gives state commissions the primary responsibility for performing ETC designations, we dismiss without prejudice the petition filed by Virgin Mobile seeking designation as an ETC in Pennsylvania. Virgin Mobile may re-file its petition with the Pennsylvania Public Utility Commission.

2. Analysis of the Eligibility Requirements

34. Offering the Services Designated for Support. Virgin Mobile has demonstrated, through the required certifications and related filings, that it now offers or will offer upon designation as a limited ETC the services supported by the Lifeline program.⁹⁰ We disagree with NASUCA/PULP who argue that Virgin Mobile cannot offer toll limitation service.⁹¹ As discussed above, we find that the prepaid nature of Virgin Mobile's service offering works as an effective toll control.⁹²

⁸⁶ See NASUCA Reply Comments at 2; Virgin Mobile Reply Comments at 4.

⁸⁷ New York Petition at 5-6 and Exh.1; Virginia Petition at 5-6 and Exh.1; North Carolina Petition at 5-6 and Exh.1; Tennessee Petition at 5-6 and Exh.1.

⁸⁸ 47 U.S.C. § 214(e)(6).

⁸⁹ See Letter from Joseph K. Witmer, Assistant Counsel, Pennsylvania Public Utility Commission, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 96-45 (filed Feb. 26, 2009) (attaching February 26, 2009 Pennsylvania Commission decision); 47 U.S.C. § 214(e)(2).

⁹⁰ 47 C.F.R. §§ 54.410(a), 54.101(a)(1)-(a)(9); see New York Petition at 9-11; Virginia Petition at 9-11; North Carolina Petition at 10-12; Tennessee Petition at 10-12.

⁹¹ See NASUCA/PULP Comments at 5 and n.14.

⁹² See *supra* para. 21; see also *TracFone ETC Order*, 23 FCC Rcd at 6212, para. 15.

35. Offering the Supported Services Using a Carrier's Own Facilities. As discussed above, we conditionally grant Virgin Mobile forbearance from the facilities requirement for purposes of this limited ETC designation, permitting Virgin Mobile to offer the supported services via resale only.⁹³

36. Advertising the Supported Services. Virgin Mobile has demonstrated that it satisfies the requirement of section 214(e)(1)(B) to advertise the availability of the supported services and the related charges "using media of general distribution."⁹⁴ Virgin Mobile has also stated that, in compliance with the Commission's Lifeline rules, it will advertise the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for those services.⁹⁵

37. Additional Eligibility Requirements. Virgin Mobile satisfies the applicable eligibility requirements set forth in the *ETC Designation Order*, described above.⁹⁶

3. Public Interest Analysis

38. We find that Virgin Mobile's universal service Lifeline offering will provide a variety of benefits to Lifeline-eligible consumers including increased consumer choice,⁹⁷ high-quality service offerings,⁹⁸ and mobility.⁹⁹ In addition, the prepaid feature, which essentially functions as a toll control feature, may be an attractive alternative to Lifeline-eligible consumers who are concerned about usage charges or long-term contracts.

39. As in the *TracFone ETC Order*, we condition Virgin Mobile's ETC designation for Lifeline support in New York, Virginia, North Carolina and Tennessee on Virgin Mobile's certification that it is in full compliance with any applicable 911/E911 obligations, including obligations relating to the provision, and support, of 911 and E911 service.¹⁰⁰ Subject to this condition, we find, on balance, that the

⁹³ See *supra* para. 12.

⁹⁴ 47 U.S.C. § 214(e)(1)(B); see New York Petition at 12; Virginia Petition at 11; North Carolina Petition at 13; Tennessee Petition at 13.

⁹⁵ 47 C.F.R. § 54.405(b); see New York Petition at 12; Virginia Petition at 11; North Carolina Petition at 13; Tennessee Petition at 13.

⁹⁶ See *supra* para. 10; *ETC Designation Order*, 20 FCC Rcd at 6380, para. 20; 47 C.F.R. §§ 54.202(a), 54.209. For example, Virgin Mobile has committed to provide high-quality service, as demonstrated by committing to comply with the Consumer Code for Wireless Service of the Cellular Telecommunications Industry Association (CTIA), and to serve the designated areas within a reasonable time. Letter from Peter Lurie, Virgin Mobile USA L.P., to Marlene H. Dortch, Federal Communications Commission, CC Docket No. 96-45, at 1-2 (filed Feb. 11, 2009) (February 11 *Ex Parte* Letter). Because Virgin Mobile is a pure reseller eligible for Lifeline support only, we do not require Virgin Mobile to demonstrate that it satisfies the network build-out and improvement requirements in section 54.202(a)(1)(ii) or to provide a certification that it acknowledges that the Commission may require it to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area pursuant to section 54.202(a)(5). 47 C.F.R. §§ 54.202(a)(1)(ii) and (a)(5).

⁹⁷ See New York Petition at 14; Virginia Petition at 13; North Carolina Petition at 15; Tennessee Petition at 15.

⁹⁸ For example, Virgin Mobile committed that it will comply with the Consumer Code for Wireless Service of the CTIA. February 11 *Ex Parte* Letter at 2.

⁹⁹ See, e.g., New York Amendment at 4-5; Virginia Amendment at 4-5. As noted in the *PSC Alabama Order*, the mobility of telecommunications assists consumers in rural areas who often must drive significant distances to places of employment, stores, schools, and other locations. *PSC Alabama ETC Designation Order*, 20 FCC Rcd at 6861, para. 25. Moreover, the availability of a wireless universal service offering also provides access to emergency services that can mitigate the unique risks of geographic isolation associated with living in rural communities. *Id.*

¹⁰⁰ See *TracFone ETC Order*, 23 FCC Rcd at 6206, 6213, para. 16. See NASUCA/PULP Comments at 4 (concerns about Virgin Mobile's 911 capabilities are assuaged by imposing TracFone conditions).

advantages of designating Virgin Mobile as a limited ETC in the designated service areas outweigh any potential disadvantages.¹⁰¹

4. Designated Service Areas

40. Based on the foregoing, we hereby designate Virgin Mobile as a limited ETC, eligible only for Lifeline support, in its licensed service areas in New York, Virginia, North Carolina, and Tennessee.¹⁰² In designating Virgin Mobile as a limited ETC, we clarify that Virgin Mobile's designated service areas do not encompass federally-recognized tribally-owned lands.¹⁰³

5. Regulatory Oversight and Compliance Plan

41. Under section 254(e) of the Act, Virgin Mobile is required to use the specific universal service support it receives "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."¹⁰⁴ An ETC receiving Lifeline support uses that support as intended when it reduces the price of its telecommunications services by the amount of the support for the eligible consumer.¹⁰⁵ Lifeline assistance shall be made available to qualifying low-income consumers after Virgin Mobile's compliance plan has been approved by the Wireline Competition Bureau as discussed below,¹⁰⁶ and the Universal Service Administrative Company (USAC) confirms that Virgin Mobile's Lifeline service offering satisfies the criteria in our rules and complies with the conditions imposed in this order.¹⁰⁷ In addition, Virgin Mobile must report certain information to the Commission and to USAC pursuant to section 54.209 of the Commission's rules.¹⁰⁸

42. We find that reliance on Virgin Mobile's commitments to meet these requirements is reasonable and consistent with the public interest and the Act and the Fifth Circuit decision in *Texas*

¹⁰¹ As discussed above, we find that any effect on the universal service fund would be minimal, limited to the Lifeline program, and outweighed by the benefit of increasing eligible participation in the Lifeline program. See *supra* para. 23. See also *TracFone Forbearance Order*, 20 FCC Rcd 15103-04, para. 17. In addition, we need not perform a creamskimming analysis because Virgin Mobile is seeking eligibility for Lifeline support only.

¹⁰² Under this limited ETC designation, Virgin Mobile will not be eligible for support for Link Up or toll-limitation service under the low-income program, nor will it be eligible for high-cost support, or for schools and libraries and rural health care support as an ETC. Non-ETCs, however, may participate in certain aspects of the schools and libraries or rural health care programs. See *supra* n.10. See also *TracFone Forbearance Order*, 20 FCC Rcd at 15097, para. 3 & n.12.

¹⁰³ Virgin Mobile states that it does not request ETC designation for tribal lands. See February 11 *Ex Parte Letter* at n.4.

¹⁰⁴ 47 U.S.C. § 254(e). Because Virgin Mobile is not eligible to receive high-cost support, we do not require it to provide high-cost certifications under §§ 54.313 and 54.314 of our rules. See 47 C.F.R. §§ 54.313, 54.314.

¹⁰⁵ See *TracFone Forbearance Order*, 20 FCC Rcd at 15105-06, para. 26.

¹⁰⁶ See *infra* para. 44.

¹⁰⁷ See 47 C.F.R. §54.401(d). As noted above, we find that Virgin Mobile's service offering meets the criteria for service and functionality contained in our rules. See *supra* III(B)(2).

¹⁰⁸ See 47 C.F.R. § 54.209(a) (specifying the information to be included in the annual reports submitted by ETCs): *ETC Designation Order*, 20 FCC Rcd at 6400-6402, paras. 68-69; see also *Virginia Cellular Order*, 19 FCC Rcd at 1584, para. 46 & n.140 (anticipating that annual submissions will encompass only the ETC's designated service areas). As noted above, as a pure reseller eligible for Lifeline support only, we do not require Virgin Mobile to report on network build-out and improvements or to certify that it acknowledges that the Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area. See *supra* n. 33.

*Office of Public Utility Counsel v. FCC.*¹⁰⁹ These requirements will further the Commission's goal of ensuring that Virgin Mobile satisfies its obligation under section 214(e) of the Act to provide the services supported by the Lifeline program throughout its designated service areas.

43. Finally, we note that the Commission may institute an inquiry on its own motion to examine any ETC's records and documentation to ensure that the universal service support an ETC receives is being used for the purpose for which it was intended.¹¹⁰ Virgin Mobile will be required to provide such records and documentation to the Commission and USAC upon request. If Virgin Mobile fails to fulfill the requirements of the Act, our rules, or the terms of this order after it begins receiving universal service Lifeline support, the Commission may revoke its limited ETC designation.¹¹¹ The Commission may also assess forfeitures for violations of its rules and orders.¹¹²

44. Within thirty days of the release of this order, we require that Virgin Mobile file with the Commission a plan outlining the measures it will take to implement the conditions in this order. This plan will be placed on public notice and comments will be sought on the plan. Virgin Mobile's ETC designations granted in this order will not be effective until the Wireline Competition Bureau has approved the compliance plan.

IV. ANTI-DRUG ABUSE ACT CERTIFICATION

45. Under section 5301 of the Anti-Drug Abuse Act of 1988, no applicant is eligible for any new, modified, or renewed instrument of authorization from the Commission, including authorizations issued under section 214 of the Act, unless the applicant certifies that neither it, nor any party to its application, is subject to a denial of federal benefits, including Commission benefits.¹¹³ Virgin Mobile has provided certifications consistent with the requirements of the Anti-Drug Abuse Act of 1988.¹¹⁴ We find that Virgin Mobile has satisfied the requirements of the Anti-Drug Abuse Act of 1988, as codified in sections 1.2001-1.2003 of the Commission's rules.¹¹⁵

¹⁰⁹ In *TOPUC*, the Fifth Circuit held that nothing in section 214(e)(2) of the Act prohibits states from imposing additional eligibility conditions on ETCs as part of their designation process. See *Texas Office of Public Utility Counsel v. FCC*, 183 F.3d 393, 417-18 (5th Cir. 1999) (*TOPUC*). Consistent with this holding, we find that nothing in section 214(e)(6) prohibits the Commission from imposing additional conditions on ETCs when such designations fall under our jurisdiction.

¹¹⁰ 47 U.S.C. §§ 220, 403.

¹¹¹ See *Federal-State Joint Board on Universal Service, Western Wireless Corporation Petition for Preemption of an Order of the South Dakota Public Utilities Commission*, CC Docket No. 96-45, Declaratory Ruling, 15 FCC Rcd 15168, 15174, para. 15 (2000); 47 U.S.C. § 254(e); see also *TracFone Forbearance Order*, 20 FCC Rcd at 15099, para. 6, n.25.

¹¹² See 47 U.S.C. § 503(b).

¹¹³ 21 U.S.C. § 862; 47 C.F.R. § 1.2002(a)-(b). Section 1.2002(b) provides that a "party to the application" shall include: "(1) If the applicant is an individual, that individual; (2) If the applicant is a corporation or unincorporated association, all officers, directors, or persons holding 5% or more of the outstanding stock or shares (voting and/or nonvoting) of the petitioner; and (3) If the application is a partnership, all non-limited partners and any limited partners holding a 5% or more interest in the partnership." 47 C.F.R. § 1.2002(b). See *Section 214(e)(6) Public Notice*, 12 FCC Rcd at 22949.

¹¹⁴ See New York Petition at 15 and Exh. 2; Virginia Petition at 15 and Exh. 2; North Carolina Petition at 16 and Exh. 2; Tennessee Petition at 16 and Exh. 2.

¹¹⁵ 47 C.F.R. §§ 1.2001-2003.

V. ORDERING CLAUSES

46. Accordingly, IT IS ORDERED that, pursuant to sections 4(i), 10, 214, and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 160, 214, and 254, the petition for forbearance filed by Virgin Mobile USA, L.P. on December 5, 2007, IS GRANTED subject to the conditions set forth above and, on our own motion, we forbear from enforcing section 54.201(1)(d) of the Commission's rules, 47 C.F.R. § 54.201(1)(d), as discussed above.

47. IT IS FURTHER ORDERED that, pursuant to the authority contained in section 214(e)(6) of the Communications Act of 1934, as amended, 47 U.S.C. § 214(e)(6), Virgin Mobile USA, L.P. IS DESIGNATED AN ELIGIBLE TELECOMMUNICATIONS CARRIER eligible only for Lifeline support in its licensed service areas in New York, Virginia, North Carolina, and Tennessee to the extent described in this order and subject to the conditions set forth herein, effective upon approval by the Wireline Competition Bureau of Virgin Mobile's compliance plan.

48. IT IS FURTHER ORDERED that, pursuant to section 214(e) of the Communications Act, 47 U.S.C. § 214(e), Virgin Mobile USA, L.P.'s petition for eligible telecommunications carrier designation in the commonwealth of Pennsylvania IS DISMISSED WITHOUT PREJUDICE to the extent described herein.

49. IT IS FURTHER ORDERED that Virgin Mobile USA, L.P. SHALL SUBMIT a compliance plan within 30 days of the release date of this order.

50. IT IS FURTHER ORDERED that Virgin Mobile USA, L.P. SHALL SUBMIT additional information pursuant to section 54.209 of the Commission's rules, 47 C.F.R. § 54.209, no later than October 1, 2009, as part of its annual reporting requirements.

51. IT IS FURTHER ORDERED that, pursuant to sections 1.103(a) and 1.4(b)(2) of the Commission's rules, 47 C.F.R. §§ 1.103(a) and 1.4(b)(2), this order SHALL BE effective upon release.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

EXHIBIT 3

**DECEMBER 29, 2010 FCC ORDER DESIGNATING
VIRGIN MOBILE FACILITIES BASED ETC**

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of
Telecommunications Carriers Eligible for
Universal Service Support
Virgin Mobile USA, L.P. Petition for Designation
as an Eligible Telecommunications Carrier
in the State of Alabama
Virgin Mobile USA, L.P. Petition for Designation
as an Eligible Telecommunications Carrier
in the State of Connecticut
Virgin Mobile USA, L.P. Petition for Designation
as an Eligible Telecommunications Carrier
in the District of Columbia
Virgin Mobile USA, L.P. Petition for Designation
as an Eligible Telecommunications Carrier
in the State of Delaware
Virgin Mobile USA, L.P. Petition for Designation
as an Eligible Telecommunications Carrier
in the State of New Hampshire

WC Docket No. 09-197

ORDER

Adopted: December 29, 2010

Released: December 29, 2010

By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. This order addresses five petitions filed by Virgin Mobile USA, L.P. (Virgin Mobile) pursuant to section 214(e)(6) of the Communications Act of 1934, as amended (the Act), and section 54.202 of the Commission's rules. Virgin Mobile seeks designation as an eligible telecommunications carrier (ETC) for the limited purpose of receiving federal universal service Lifeline support in its licensed service areas in Alabama, Connecticut, Delaware, New Hampshire, and the District of Columbia. As

1 47 U.S.C. § 214(e)(6); 47 C.F.R. § 54.202; see Petition of Virgin Mobile USA, L.P. for ETC Designation in the State of Alabama, WC Docket No. 09-197 (filed Jan. 15, 2010) (Virgin Mobile Alabama Petition); Petition of Virgin Mobile USA, L.P. for ETC Designation in the State of Connecticut, WC Docket No. 09-197 (filed Feb. 17, 2010) (Virgin Mobile Connecticut Petition); Petition of Virgin Mobile USA, L.P. for ETC Designation in the State of Delaware, WC Docket No. 09-197 (filed Feb. 17, 2010) (Virgin Mobile Delaware Petition); Petition of Virgin Mobile USA, L.P. for ETC Designation in the District of Columbia, WC Docket No. 09-197 (filed Feb. 17, 2010) (Virgin Mobile DC Petition); Petition of Virgin Mobile USA, L.P. for ETC Designation in the State of New Hampshire, WC Docket No. 09-197 (filed Feb. 17, 2010) (Virgin Mobile New Hampshire Petition) (collectively, Virgin Mobile ETC Petitions).

discussed more fully below, we conditionally grant Virgin Mobile's petitions for limited designation as an ETC. In so doing, we find that while Virgin Mobile meets the eligibility requirements of section 214(e)(6) of the Act and the Commission's rules to be designated as an ETC, the public interest requires that Virgin Mobile comply with specific conditions, including fulfillment of certain voluntary commitments, designed to promote public safety among Lifeline customers and safeguard against waste, fraud, and abuse in the Lifeline program.²

II. BACKGROUND

A. The Act

2. Section 254(e) of the Act provides that "only an eligible telecommunications carrier designated under section 214(e) shall be eligible to receive specific federal universal service support."³ Pursuant to section 214(e)(1)(A) and (B), a common carrier designated as an ETC must offer and advertise the services supported by the federal universal service support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services throughout its designated service area.⁴

3. Section 214(e)(2) of the Act gives state commissions the primary responsibility for designating ETCs in their states.⁵ Section 214(e)(6) directs the Commission, upon request, to designate as an ETC "a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission."⁶ Under section 214(e)(6), the Commission may, with respect to an area served by a rural telephone company, and shall, in all other cases, designate more than one common carrier as an ETC for a designated service area, consistent with the public interest, convenience, and necessity, so long as the requesting carrier meets the requirements of section 214(e)(1).⁷ Before designating an additional ETC for an area served by a rural telephone company, the Commission must determine that the designation is in the public interest.⁸ The Wireline Competition Bureau (Bureau) has delegated authority to consider ETC designation requests.⁹

B. Commission Requirements for ETC Designation

4. An ETC petition must contain the following: (1) a certification and brief statement of supporting facts demonstrating that the petitioner is "not subject to the jurisdiction of a state commission"; (2) a certification that the petitioner offers all services designated for support by the Commission pursuant to section 254(c) of the Act; (3) a certification that the petitioner offers the supported services "either using its own facilities or a combination of its own facilities and resale of another carrier's services"; (4) a description of how the petitioner "advertise[s] the availability of the [supported] services and the charges therefor using media of general distribution"; and (5) if the petitioner

² 47 U.S.C. § 214(e)(6); 47 C.F.R. § 54.202.

³ 47 U.S.C. § 254(e).

⁴ 47 U.S.C. § 214(e)(1)(A), (B).

⁵ 47 U.S.C. § 214(e)(2).

⁶ 47 U.S.C. § 214(e)(6).

⁷ *Id.*

⁸ *Id.*

⁹ See *Procedures for FCC Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act*, CC Docket No. 96-45, Public Notice, 12 FCC Rcd 22947, 22948 (1997) (*Section 214(e)(6) Public Notice*).

is not a rural telephone company, a detailed description of the geographic service area for which it requests an ETC designation from the Commission.¹⁰

5. In addition, an ETC applicant must demonstrate: (1) a commitment and ability to provide service, including providing service to all customers within its proposed service area; (2) how it will remain functional in emergency situations; (3) that it will satisfy consumer protection and service quality standards; (4) that it offers local usage comparable to that offered by the incumbent local exchange carrier (LEC); and (5) an understanding that it may be required to provide equal access if all other ETCs in the designated service area relinquish their designations pursuant to section 214(e)(4) of the Act.¹¹

6. Prior to designating an ETC pursuant to section 214(e)(6), the Commission must determine whether such designation is in the public interest.¹² In determining the public interest, the Commission considers the benefits of increased consumer choice and the unique advantages and disadvantages of the applicant's service offering.¹³ As the Commission noted in the *ETC Designation Order*, the same factors may warrant a different outcome depending on the specifics of the proposed service area and whether it is served by a rural or a non-rural telephone company.¹⁴ In particular, the Commission limits its creamskimming analysis to designations in areas served by rural telephone companies.¹⁵

C. Federal Universal Service Lifeline Support

7. The federal universal service Lifeline program is designed to reduce the monthly cost of telecommunications service for qualifying consumers. Lifeline provides low-income consumers with

¹⁰ *Id.*

¹¹ See *Federal-State Joint Board on Universal Service*, CC Docket No. 95-45, Report and Order, 20 FCC Rcd 6371, 6380, para. 20 (2005) (*ETC Designation Order*) (citing *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Recommended Decision, 19 FCC Rcd 4259, 4261, para. 5 (Fed-State Jt. Bd. 2004)). These requirements are mandatory for all ETCs designated by the Commission. See 47 C.F.R. § 54.202(a), (b).

¹² 47 U.S.C. § 214(e)(6); 47 C.F.R. § 54.202(c); see also *ETC Designation Order*, 20 FCC Rcd at 6388-96, paras. 40-57; *Federal-State Joint Board on Universal Service; Virginia Cellular, LLC Petition for Designation as an Eligible Telecommunications Carrier in Virginia*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 1563, 1575, para. 27 (2005) (*Virginia Cellular Order*); *Federal-State Joint Board on Universal Service; Highland Cellular, Inc. Petition for Designation as an Eligible Telecommunications Carrier for the Commonwealth of Virginia*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 6422, 6431-32, para. 21 (2004) (*Highland Cellular Order*). The Commission places the burden on the ETC applicant to demonstrate that designation will serve the public interest. *ETC Designation Order*, 20 FCC Rcd at 6390, para. 44. The Commission adopted a single set of criteria for evaluating the public interest for ETC designations for areas served by both rural and non-rural carriers. *Id.* at 6389-90, paras. 42-43; see also *Virginia Cellular Order*, 19 FCC Rcd at 1564, 1565, 1575-76, 1584-85, paras. 1, 4, 27, 28, 46; *Highland Cellular Order*, 19 FCC Rcd at 6422, 6439-40, paras. 1, 33.

¹³ 47 C.F.R. § 54.202(c).

¹⁴ *ETC Designation Order*, 20 FCC Rcd at 6390, para. 43. Section 3 of the Act defines the term "rural telephone company." See 47 U.S.C. § 153(37).

¹⁵ *ETC Designation Order*, 20 FCC Rcd at 6389-90, paras. 42-43. The term "creamskimming" refers to an entity offering service only to those customers who are the least expensive to serve. See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 8881-82, para. 189 (1997) (subsequent history omitted) (*Universal Service First Report and Order*). If an ETC applicant seeks designation below the study area level of a rural telephone company, the Commission conducts a creamskimming analysis to compare the population density of the wire centers in which the ETC applicant seeks designation against that of the wire centers in the study area in which the ETC applicant does not seek designation. *ETC Designation Order*, 20 FCC Rcd at 6392-95, paras. 48-53.

discounts of up to \$10.00 off of the monthly cost of telephone service.¹⁶ Enhanced Lifeline provides qualifying low-income individuals living on tribal lands with up to \$25.00 in additional discounts off the monthly cost of telephone service.¹⁷

D. Virgin Mobile Petitions

8. Virgin Mobile is a commercial mobile radio service (CMRS) provider of prepaid wireless telecommunications services. In 2009, the Commission designated Virgin Mobile as a limited ETC, eligible to receive only universal service Lifeline support in its licensed service areas in New York, Virginia, North Carolina, and Tennessee.¹⁸ The Commission conditioned Virgin Mobile's limited ETC designation for Lifeline support on Virgin Mobile's certification that it comply with any applicable 911 and enhanced 911 (E911) obligations, including obligations relating to the provision and support of 911 and E911 services.¹⁹

9. Because Virgin Mobile was a non-facilities-based CMRS provider, the Commission also conditionally granted Virgin Mobile's request for forbearance from the statutory requirement that an ETC serve its customers using its own facilities.²⁰ Among other things, the Commission conditionally granted Virgin Mobile's forbearance request on its agreement to obtain a certification from each Public Safety Answering Point (PSAP) where Virgin Mobile provides Lifeline service confirming that Virgin Mobile provides its customers with 911 and E911 access or, under certain conditions, self-certifying that it provides such access.²¹ The Commission also required Virgin Mobile to file a compliance plan, outlining the measures that it would take to implement each condition.²² The Bureau approved Virgin Mobile's compliance plan on October 29, 2009.²³

10. Virgin Mobile filed the instant petitions seeking designation as an ETC, eligible to receive universal service Lifeline support for its entire service area in Alabama, Connecticut, Delaware,

¹⁶ See 47 C.F.R. § 54.401(a); see also FCC, Lifeline Across America, http://www.lifeline.gov/lifeline_Consumers.html (last visited Dec. 15, 2010).

¹⁷ See 47 C.F.R. § 54.405(a)(4).

¹⁸ See *Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A); Petitions for Designation as an Eligible Telecommunications Carrier in the States of New York, North Carolina, Pennsylvania, Tennessee and Virginia*, CC Docket No. 96-45, Order, 24 FCC Rcd 3381 (2009) (*Virgin Mobile Forbearance/ETC Order*).

¹⁹ *Id.* at 3395, para. 39.

²⁰ *Id.* at 3386, para. 12.

²¹ *Id.* at 3390-91, para. 22. The Commission also required Virgin Mobile to: (1) provide its Lifeline customers with 911 and E911 access regardless of activation status and availability of prepaid minutes; (2) provide its Lifeline customers with E911-compliant handsets and replace, at no additional charge to the customer, non-compliant handsets of existing customers who obtain Lifeline-supported service; (3) comply with conditions (1) and (2) as of the date it provides Lifeline service; (4) require its customers to self-certify at time of service activation and annually thereafter that they are the head of household and receive Lifeline-supported service only from Virgin Mobile; (5) establish safeguards to prevent its customers from receiving multiple Virgin Mobile Lifeline subsidies at the same address; and (6) deal directly with customers to certify and verify the customer's Lifeline eligibility. See *id.* at 3386-87, 3390-93, paras. 12, 21-28.

²² *Id.* at 3387, 3397, paras. 12, 23.

²³ See *Federal-State Joint Board on Universal Service; Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A); Petition for Designation as an Eligible Telecommunications Carrier in the States of New York, North Carolina, Pennsylvania, Tennessee and Virginia*, CC Docket No. 96-45, Order, 24 FCC Rcd 13413 (2009) (*Virgin Mobile Compliance Plan Order*).

New Hampshire, and the District of Columbia.²⁴ Virgin Mobile states that it will offer Lifeline customers prepaid Lifeline services free of charge.²⁵ In its petitions, Virgin Mobile maintains that it satisfies all the statutory and regulatory requirements for designation as a limited ETC in these areas. On November 24, 2009, Virgin Mobile became a wholly owned subsidiary of Sprint Nextel Corporation (Sprint Nextel), a facilities-based wireless provider.²⁶ Virgin Mobile asserts that, with this acquisition, it is no longer a reseller of telecommunications services and therefore does not need forbearance from the facilities requirement. Virgin Mobile also asserts that as a facilities-based provider, it should not be required to obtain certification from each PSAP where it provides Lifeline service.²⁷

11. On December 14, 2010, Virgin Mobile filed a letter in which it voluntarily commits to implement procedures to combat the potential for waste, fraud, and abuse with respect to its provision of Lifeline services throughout the United States. Specifically, Virgin Mobile commits to implementing a non-usage policy (i.e., a policy for discontinuance of service in the event of non-usage), to work with state commissions to combat duplicative support for households that receive Lifeline service from more than one ETC, and to work with the Commission to develop industry-wide procedures that effectively curtail waste, fraud, and abuse.²⁸ Virgin Mobile requests that the Commission incorporate these procedures into the compliance plan previously approved by the Bureau and agrees to be bound by its commitments in all states where it provides Lifeline services.²⁹

III. DISCUSSION

A. Commission Authority to Perform the ETC Designation

12. Virgin Mobile provided an “affirmative statement” from the Public Service Commission of the District of Columbia (DC Commission) and each of the relevant state commissions providing that each commission lacks jurisdiction to perform the requested ETC designation and that the Commission

²⁴ See Virgin Mobile Alabama Petition; Virgin Mobile Connecticut Petition; Virgin Mobile Delaware Petition; Virgin Mobile DC Petition; Virgin Mobile New Hampshire Petition. The Bureau released public notices seeking comment on each of Virgin Mobile ETC Petitions. *Comment Sought on Petition of Virgin Mobile for Limited Designation as an Eligible Telecommunications Carrier in Alabama*, WC Docket No. 09-197, Public Notice, 25 FCC Rcd 965 (Wireline Comp. Bur. 2010); *Comment Sought on Petition of Virgin Mobile for Limited Designation as an Eligible Telecommunications Carrier in Connecticut, Delaware, New Hampshire, and the District of Columbia*, WC Docket No. 09-197, Public Notice, 25 FCC Rcd 1981 (Wireline Comp. Bur. 2010). A list of commenters is provided in Appendix A of this order.

²⁵ Virgin Mobile states that through its branded prepaid Lifeline service, “Assurance Wireless Brought to You by Virgin Mobile,” it will offer free voice services and a variety of other standard features such as voicemail and call waiting services. Virgin Mobile indicates that new customers may elect to receive a free Assurance Wireless-branded handset with E911 functionality. See Virgin Mobile Alabama Petition at 8; Virgin Mobile Connecticut Petition at 8; Virgin Mobile Delaware Petition at 7–8; Virgin Mobile DC Petition at 7–8; Virgin Mobile New Hampshire Petition at 8; see also *Virgin Mobile Compliance Plan Order*, 24 FCC Rcd at 13418, para. 11 & n.33 (reminding Virgin Mobile that all Lifeline customers must have E911-compliant handsets if Virgin Mobile is to be eligible to receive support).

²⁶ Virgin Mobile Alabama Petition at 2 n.2; Virgin Mobile Connecticut Petition at 2 n.2; Virgin Mobile Delaware Petition at 2 n.2; Virgin Mobile DC Petition at 2 n.2; Virgin Mobile New Hampshire Petition at 2 n.2.

²⁷ Virgin Mobile Alabama Petition at 9; Virgin Mobile Connecticut Petition at 9; Virgin Mobile Delaware Petition at 8–9; Virgin Mobile DC Petition at 8–9; Virgin Mobile New Hampshire Petition at 9.

²⁸ Virgin Mobile December 14 *Ex Parte* Letter at 2–3.

²⁹ *Id.* at 1–2.

has authority to consider Virgin Mobile's petition under section 214(e)(6) of the Act.³⁰ Virgin Mobile therefore has demonstrated that it is not subject to the jurisdiction of the Alabama Public Service Commission (Alabama Commission), Connecticut Department of Public Utility Control (Connecticut Commission), Delaware Public Service Commission (Delaware Commission), New Hampshire Public Utilities Commission (New Hampshire Commission), or the DC Commission. Accordingly, we find that the commissions lack jurisdiction to designate Virgin Mobile as an ETC and this Commission has authority to perform the requested ETC designations.³¹

B. Analysis of Eligibility Requirements

13. *Offering the Services Designated for Support.* Virgin Mobile has demonstrated through its filing and certifications that it now offers or will offer upon designation as a limited ETC, the services supported by the Lifeline program.³² Virgin Mobile states that it now provides the services and functionalities enumerated in section 54.101(a) of the Commission's rules throughout its licensed service areas.³³

14. With respect to providing access to emergency services, Virgin Mobile states that it provides nationwide access to 911 emergency services for all of its customers.³⁴ Virgin Mobile also states that it complies with the Commission's regulations governing the deployment and availability of E911 compatible handsets.³⁵ Given the nature of Virgin Mobile's service offering, as well as the possibility that Virgin Mobile's Lifeline supported service will be the customer's only means of accessing emergency personnel, we require Virgin Mobile (1) to provide its Lifeline customers with 911 and E911 access regardless of activation status and availability of prepaid minutes and (2) to provide E911-compliant handsets to all of its Lifeline customers, and to replace, at no charge to the customer, any non-compliant handset of an existing customer that obtains Lifeline-supported services with an E911-compliant handset, consistent with prior determinations by the Commission.³⁶ We find that continuing to require Virgin Mobile to comply with these additional requirements promotes public safety among Lifeline customers.

³⁰ Virgin Mobile Alabama Petition at 5–6, Exh. 1; Virgin Mobile Connecticut Petition at 5–6, Exh. 1; Virgin Mobile Delaware Petition at 5–6, Exh. 1; Virgin Mobile DC Petition at 5–6, Exh. 1; Virgin Mobile New Hampshire Petition at 5–6, Exh.1.

³¹ 47 U.S.C. § 214(e)(6).

³² See Virgin Mobile Alabama Petition at 12–14; Virgin Mobile Connecticut Petition at 10–13; Virgin Mobile Delaware Petition at 10–12; Virgin Mobile DC Petition at 10–12; Virgin Mobile New Hampshire Petition at 10–13.

³³ Specifically, Virgin Mobile certifies that it provides voice grade access to the public switched telephone network, local usage, dual-tone multi-frequency (DTMF) signaling, access to 911 emergency services, the functional equivalent of single-party service, access to operator services, access to interexchange services, and access to directory assistance for qualifying low-income customers. See Virgin Mobile Alabama Petition at 11; Virgin Mobile Connecticut Petition at 10; Virgin Mobile Delaware Petition at 10; Virgin Mobile DC Petition at 10; Virgin Mobile New Hampshire Petition at 10. The Commission previously found that the prepaid nature of Virgin Mobile's Lifeline offering essentially functions as a toll control feature, which is required under the Act and the Commission's rules. See *Virgin Mobile Forbearance/ETC Order*, 24 FCC Rcd at 3394, para. 34. Virgin Mobile also states that it commits to complying with (1) any minimum local usage requires adopted by the Commission; and (2) the Commission's regulations governing the deployment and availability of E911 compatible handsets. See Virgin Mobile Alabama Petition at 10–13; Virgin Mobile Connecticut Petition at 10–13; Virgin Mobile Delaware Petition at 10–12; Virgin Mobile DC Petition at 10–12; Virgin Mobile New Hampshire Petition at 10–13.

³⁴ Virgin Mobile Alabama Petition at 12; Virgin Mobile Connecticut Petition at 12; Virgin Mobile Delaware Petition at 11; Virgin Mobile DC Petition at 11; Virgin Mobile New Hampshire Petition at 12.

³⁵ *Id.*

³⁶ See *Virgin Mobile Forbearance/ETC Order*, 24 FCC Rcd at 3391, para. 23.

15. *Offering the Supported Services Using a Carrier's Own Facilities.* We also find that Virgin Mobile, a wholly owned affiliate of Sprint Nextel, “owns” Sprint Nextel’s facilities for purposes of the facilities requirement in section 214(e) of the Act. Prior to Sprint Nextel’s acquisition of Virgin Mobile, Sprint Nextel provided the nationwide wireless backbone, including all network infrastructure and wireless transmission facilities for Virgin Mobile’s service.³⁷ Virgin Mobile purchased wireless network services on a wholesale basis from Sprint Nextel. With Sprint Nextel’s acquisition of Virgin Mobile, the wholesaler-reseller relationship changed such that Virgin Mobile now enjoys “beneficial use of Sprint’s wireless facilities” without arm’s length transactions or purchase of service from Sprint.³⁸ Based on these facts, we find that Virgin Mobile has its “own facilities” for the purposes of the section 214(e)(1) facilities requirement. Accordingly, we find that Virgin Mobile no longer needs forbearance and need not comply with the obligations imposed as conditions of forbearance from the Act’s facilities requirement, except as otherwise specified herein, before receiving universal service support. Instead, as with other facilities-based carriers, Virgin Mobile must offer the supported services using its own facilities or a combination of its own facilities and the resale of another carrier’s services.³⁹

16. We disagree with comments suggesting that Virgin Mobile cannot treat its parent’s facilities as its own because the two are distinct legal entities or because Virgin Mobile has a distinct brand and customer base from Sprint.⁴⁰ The Commission has previously rejected a formalistic definition of what constitutes a carrier’s “own facilities” under section 214(e) in favor of a more flexible approach that meets the goals of universal service.⁴¹ We also disagree with the suggestions of some that the definitions of “facilities-based carrier” or “reseller” found elsewhere in federal law must apply here.⁴² As the Commission noted in the *Universal Service First Report and Order*, the section 214(e) facilities requirement must be construed in light of the goals of the Act.⁴³ Thus, while we may look to the definitions used in other contexts, those definitions do not bind or constrict our interpretation.

17. *Advertising Supported Services.* Virgin Mobile has committed to advertise the availability of the supported services using media of general distribution.⁴⁴ In addition, Virgin Mobile has

³⁷ See Virgin Mobile USA L.P. Petition for Forbearance, CC Docket No. 96-45 (filed Dec. 5, 2007).

³⁸ Letter from Antoinette Cook Bush, Counsel, Virgin Mobile USA, L.P., to Marlene H. Dortch, Secretary, FCC, at 2 & 3 n.7 (June 9, 2009) (Virgin Mobile June 9 *Ex Parte* Letter). The Commission previously concluded that entities “enjoying the beneficial use of property” may consider that property their “own.” See *Universal Service First Report and Order*, 12 FCC Rcd at 8865, para. 158.

³⁹ Our decision here does not modify the previously established conditions for Virgin Mobile’s limited ETC designation in New York, North Carolina, Tennessee, and Virginia. Virgin Mobile is obligated to comply with all the conditions in the *Virgin Mobile Forbearance/ETC Order* in those states. See Virgin Mobile Reply at 7 n.9 (acknowledging continuing conditions). We also emphasize that our decision here does not limit the Commission’s ability in the future to condition ETC designation of a prepaid wireless service provider on compliance with obligations designed to protect the public interest.

⁴⁰ See AUA Comments at 4–5.

⁴¹ See *Universal Service First Report and Order*, 12 FCC Rcd at 8865–66, paras. 158–61.

⁴² See Supplemental information submitted by Sheila Stickel, President and Executive Director, Advocates for Universal Access, LLC, at 2 n.3 (filed Apr. 30, 2010) (citing a definition of “facilities-based carrier” found in 18 U.S.C. § 1829); Virgin Mobile June 9 *Ex Parte* Letter at 3 (citing a definition of “reseller” found in a Commission report).

⁴³ See *Universal Service First Report and Order*, 12 FCC Rcd at 8866, para. 161.

⁴⁴ Virgin Mobile Alabama Petition at 5–6, Exh. 1; Virgin Mobile Connecticut Petition 14; Virgin Mobile New Hampshire Petition at 14; Virgin Mobile Delaware Petition at 14; Virgin Mobile DC Petition at 14.

committed to advertising and promoting the availability of Lifeline services in a manner reasonably designed to reach those likely to qualify for Lifeline.⁴⁵

18. *Additional Eligibility Requirements.* Virgin Mobile also satisfies the eligibility requirements set forth in the *ETC Designation Order*, described above, or must make such showings in its first annual reports under section 54.209 of the Commission's rules.⁴⁶

C. Public Interest Analysis

19. We find that Virgin Mobile's universal service offering will provide a variety of benefits to Lifeline-eligible consumers including increased consumer choice, high-quality service offerings, and mobility. In addition, Virgin Mobile's prepaid feature may be attractive to Lifeline-eligible consumers who might otherwise be reluctant to subscribe to telephone service because of concerns about usage charges and long-term contracts. We note that we do not need to perform a creamskimming analysis because Virgin Mobile is eligible for Lifeline support only.⁴⁷

20. Consistent with previous findings of the Commission and the goals of promoting the public interest and safeguarding the Lifeline fund, we condition Virgin Mobile's limited ETC designation in Alabama, Connecticut, Delaware, New Hampshire, and the District of Columbia on Virgin Mobile: (a) requiring each customer to self-certify at time of service activation and annually thereafter that he or she is the head of household and receives Lifeline-supported service only from that carrier; (b) establishing safeguards to prevent its customers from receiving multiple Lifeline subsidies from that carrier at the same address; (c) dealing directly with the customer to certify and verify the customer's Lifeline eligibility; (d) certifying that it is in full compliance with any applicable 911/E911 obligations, including obligations relating to the provision, and support, of 911 and E911 service for each state in which we designate it as a limited ETC.⁴⁸

21. The Commission has recognized that the potential for more than one Lifeline-supported service per eligible consumer is an industry-wide problem.⁴⁹ To help alleviate this concern as it relates to Virgin Mobile customers, Virgin Mobile must require its Lifeline customers to self-certify under penalty of perjury upon service activation, and then annually thereafter, that they are the head of household and only receive Lifeline-supported services from Virgin Mobile. Virgin Mobile must ensure that the penalty for perjury is clearly stated on the certification form. Virgin Mobile must also track its Lifeline customer's primary residential address and prohibit more than one supported Virgin Mobile service at each residential address. Additionally, Virgin Mobile must maintain the self-certification and provide the documentation to the Commission upon request.

22. In order to ensure that Virgin Mobile complies with the conditions and requirements herein, Virgin Mobile must distribute its Lifeline service directly to its Lifeline customers. Customers may purchase handsets at Virgin Mobile's retail stores, but Virgin Mobile must deal directly with the

⁴⁵ *Id.*

⁴⁶ See *supra* para. 5; *ETC Designation Order*, 23 FCC Rcd at 6380, para. 20; 47 C.F.R. §§ 54.202(a), 54.209; see Virgin Mobile ETC Petitions.

⁴⁷ *Federal-State Joint Board on Universal Service; TracFone Wireless, Inc. Petition for Designation as an Eligible Telecommunications Carrier in the State of New York et al.*, CC Docket No. 96-45, Order, 23 FCC Rcd 6206, 6213 n.47 (2008) (*TracFone ETC Designation Order*).

⁴⁸ See *Virgin Mobile Forbearance/ETC Order*, 24 FCC Rcd at 3392, 3395, paras. 25–26, 39.

⁴⁹ See *id.* at 3392, para. 25; *TracFone Forbearance Order*, 20 FCC Rcd at 15103, para. 18; see also *infra* para. 24.

customer to certify and verify the customer's Lifeline eligibility. When establishing initial and continued eligibility, Virgin Mobile must have direct contact with the Lifeline customer.⁵⁰

23. We also find that requiring Virgin Mobile to comply with state-level 911 and E911 requirements as a condition to its limited ETC designation serves the public interest.⁵¹ We therefore condition Virgin Mobile's designations as an ETC eligible for Lifeline support in each state on its certification that it is in full compliance with any applicable 911 and E911 obligations, including obligations relating to the provision and support of 911 and E911 services.

24. As previously noted, Virgin Mobile has voluntarily committed to implementing certain procedures to guard against waste, fraud, and abuse of its Lifeline service. In support of efforts to combat duplicative support in the Lifeline program, Virgin Mobile has voluntarily committed to providing state commissions with data that will enable the states to track whether some consumers are enrolled in more than one Lifeline program. Specifically, Virgin Mobile agrees (a) to "make available state-specific customer data, including name and address, to each state PUC where it operates for the purpose of permitting the PUC to determine whether an existing Assurance Wireless Lifeline customer receives Lifeline service from another carrier," (b) to "promptly investigate any notification that it receives from a state PUC that one of its customers already receives Lifeline service from another carrier," and (c) to "immediately deactivate the customer's Lifeline service and Virgin Mobile will no longer report that customer on USAC Form 497" if Virgin Mobile's "investigation conclude[s] that the customer receives Lifeline services from another carrier in violation of the Commission's regulations."⁵² To guard against waste in the Lifeline program, Virgin Mobile also voluntarily commits to implementing a non-usage policy in all states where it provides Lifeline service. Virgin Mobile's non-usage policy would require Virgin Mobile to identify customers that have not used its Lifeline service for 60 days and not seek support for such customers if they do not actively use the Lifeline service during a 30-day grace period.⁵³ Virgin Mobile promises to comply with these commitments within 30 days of the effective date of this order.⁵⁴

25. We find it appropriate and in the public interest to accept Virgin Mobile's voluntary commitments, as described above, and condition Virgin Mobile designation as a limited ETC in Alabama, Connecticut, Delaware, New Hampshire, and the District of Columbia, as well as its continued ETC

⁵⁰ Direct contact may include telephone, fax, Internet, in-person consultation or otherwise, but may not include "point of sale procedures" that allow the Lifeline customers to submit qualifying information to the retail vendor. See *Virgin Mobile Forbearance/ETC Order*, 24 FCC Rcd at 3392, para. 26; *TracFone Forbearance Order*, 20 FCC Rcd at 15104, para. 19.

⁵¹ See *Virgin Mobile Forbearance/ETC Order*, 24 FCC Rcd at 3395, para. 39; *TracFone ETC Designation Order*, 23 FCC Rcd at 15104, para. 16.

⁵² Virgin Mobile December 14 *Ex Parte* Letter at 2.

⁵³ See *id.* ("Virgin Mobile will implement a 60-day inactivity policy in all states where it provides Lifeline services, unless directed otherwise by a state public utility commission ('PUC'). Under this policy, if no usage appears on a Virgin Mobile Lifeline customer's account during any continuous 60-day period, Virgin Mobile will promptly notify the customer that the customer is no longer eligible for Virgin Mobile Lifeline service subject to a 30-day grace period. During the 30-day grace period, the customer's account will remain active, but Virgin Mobile will engage in outreach efforts to determine whether the customer desires to remain on Virgin Mobile's Lifeline service. If the customer's account does not show any customer-specific activity during the grace period (such as making or receiving a voice call, receiving or sending a text message, downloading data or adding money to the account), Virgin Mobile will deactivate Lifeline services for that customer. In addition, the Company will not seek to recover a federal Universal Service Fund subsidy for the free minutes provided to the customer during the grace period or thereafter report that customer on its USAC Form 497.").

⁵⁴ *Id.*

designation in New York, North Carolina, Tennessee, and Virginia, on the company's fulfillment of these commitments.

26. In sum, subject to the above stated conditions, we find that designating Virgin Mobile as an ETC eligible only to receive Lifeline support is in the public interest.

D. Designated Service Areas

27. Based on the foregoing, we designate Virgin Mobile as a limited ETC, eligible only for Lifeline support, in its licensed service area in Alabama, Connecticut, Delaware, the District of Columbia, and New Hampshire as provided in Appendices B and C of this order.

E. Regulatory Oversight

28. Under section 254(e) of the Act, Virgin Mobile is required to use the specific universal service support it receives "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."⁵⁵ An ETC receiving Lifeline support uses that support as intended when it reduces the price of its telecommunications services by the amount of the support for the eligible consumer.⁵⁶ Lifeline assistance shall be made available to qualifying low-income consumers after the Universal Service Administrative Company (USAC) confirms that Virgin Mobile complies with the conditions imposed in this order.⁵⁷

29. Virgin Mobile must meet and continue to meet each of the criteria required by the *ETC Designation Order*, and must submit information detailing how it has satisfied the criteria annually. These records and documentation must be filed with the Commission and USAC on October 1 of each year.⁵⁸ Virgin Mobile has also committed to providing applicable consumer protection and service quality standards.⁵⁹ In addition, Virgin Mobile must report certain information to the Commission and to USAC pursuant to section 54.209 of the Commission's rules.⁶⁰

30. We find that reliance on Virgin Mobile's commitments to meet these requirements is reasonable and consistent with the public interest and the Act. We conclude that these additional reporting requirements will further the Commission's goal of ensuring that Virgin Mobile satisfies its obligation under section 214(e) of the Act to provide the services supported by the Lifeline program throughout its designated service area.⁶¹

⁵⁵ 47 U.S.C. § 254(e). Because Virgin Mobile is not eligible to receive high-cost support, we do not require it to provide high-cost certifications under sections 54.313 and 54.314 of our rules. See 47 C.F.R. §§ 54.313, 54.314.

⁵⁶ See *TracFone Forbearance Order*, 20 FCC Rcd at 15105–06, para. 26.

⁵⁷ See 47 C.F.R. § 54.401(d). As noted above, we find that Virgin Mobile's service offering meets the criteria for service and functionality contained in our rules. See *supra* paras. 13–14.

⁵⁸ See *ETC Designation Order*, 20 FCC Rcd at 6401–02, paras. 68–69.

⁵⁹ See Virgin Mobile Alabama Petition at 15–16; Virgin Mobile Connecticut Petition at 15–17; Virgin Mobile Delaware Petition at 15–17; Virgin Mobile DC Petition at 15–17; Virgin Mobile New Hampshire Petition at 16–17.

⁶⁰ See 47 C.F.R. § 54.209(a) (specifying the information to be included in the annual reports submitted by ETCs); *ETC Designation Order*, 20 FCC Rcd at 6400–02, paras. 68–69; see also *Virginia Cellular Order*, 19 FCC Rcd at 1584, para. 46 & n.140 (anticipating that annual submissions will encompass only the ETC's designated service areas). Because Virgin Mobile will only be eligible for Lifeline support, we do not require Virgin Mobile to report on network build-out and improvements or to certify that it acknowledges that the Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area. See 47 C.F.R. § 54.209(a)(1), (8).

⁶¹ 47 U.S.C. § 214(e).

31. As previously noted, Virgin Mobile has an approved compliance plan that currently governs Virgin Mobile provision of Lifeline service in other states.⁶² In providing Lifeline services pursuant to the conditional ETC designations granted herein, Virgin Mobile must comply with the measures described in its existing compliance plan, as they relate to the conditions imposed herein and modified to reflect the additional voluntary commitments described in this order.⁶³

32. We note that the Commission may institute an inquiry on its own motion to examine Virgin Mobile's records and documentation to ensure that the universal service support it receives is being used for the purpose for which it was intended.⁶⁴ Virgin Mobile is required to provide such records and documentation to the Commission and USAC upon request. We further emphasize that, if Virgin Mobile fails to fulfill the requirements of the Act, the Commission's rules, or the terms of this order after it begins receiving universal service support, the Commission may exercise its authority to revoke Virgin Mobile's ETC designation.⁶⁵ The Commission also may assess forfeitures for violations of Commission rules and orders.⁶⁶

IV. ANTI-DRUG ABUSE ACT CERTIFICATION

33. Pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, no applicant is eligible for any new, modified, or renewed instrument of authorization from the Commission, including authorizations issued pursuant to section 214 of the Act, unless the applicant certifies that neither it, nor any party to its application, is subject to a denial of federal benefits, including Commission benefits.⁶⁷ Virgin Mobile has provided a certification consistent with the requirements of the Anti-Drug Abuse Act of 1988.⁶⁸ We find that Virgin Mobile's certification satisfies the requirements of the Anti-Drug Abuse Act of 1988, as codified in sections 1.2001–1.2003 of the Commission's rules.

⁶² See *supra* para. 9; see also Virgin Mobile USA, L.P. Compliance Plan, CC Docket No. 96-45 (filed Apr. 3, 2009); *Virgin Mobile Compliance Plan Order*, 24 FCC Rcd at 13413, para. 1 (approving that plan).

⁶³ We note that by accepting Virgin Mobile's voluntary commitments to implement a non-usage requirement in all states and to work with states to combat duplicative Lifeline service, we incorporate into the existing compliance plan Virgin Mobile's explanation of how it will comply with those commitments. See Virgin Mobile December 14 *Ex Parte* Letter at 1–2 (requesting the Commission to incorporate its description of how it will fulfill its voluntary commitments into its compliance plan as necessary). As such, Virgin Mobile may continue to receive support in New York, North Carolina, Tennessee, and Virginia so long as it complies with these commitments in those states within 30 days of the release of this order.

⁶⁴ 47 U.S.C. §§ 220, 403.

⁶⁵ See *Federal-State Joint Board on Universal Service; Western Wireless Corp. Petition for Preemption of an Order of the South Dakota Public Utilities Commission*, CC Docket No. 96-45, Declaratory Ruling, 15 FCC Rcd 15168, 15174, para. 15 (2000); see also 47 U.S.C. § 254(e).

⁶⁶ See 47 U.S.C. § 503(b).

⁶⁷ 21 U.S.C. § 862; 47 C.F.R. § 1.2002(a). Section 1.2002(b) provides that a "party to the application" shall include: "(1) If the applicant is an individual, that individual; (2) If the applicant is a corporation or unincorporated association, all officers, directors, or persons holding 5% or more of the outstanding stock or shares (voting/and or non-voting) of the petitioner; and (3) If the applicant is a partnership, all non-limited partners and any limited partners holding a 5% or more interest in the partnership." 47 C.F.R. § 1.2002(b); see *Section 214(e)(6) Public Notice*, 12 FCC Rcd at 22949.

⁶⁸ See Virgin Mobile Alabama Petition at 17, Exh. 2; Virgin Mobile Connecticut Petition at 18, Exh. 2; Virgin Mobile Delaware Petition at 17, Exh. 2; Virgin Mobile DC Petition at 18, Exh. 2; Virgin Mobile New Hampshire Petition at 18, Exh. 2.

V. ORDERING CLAUSES

34. ACCORDINGLY, IT IS ORDERED that, pursuant to the authority contained in section 214(e)(6) of the Communications Act of 1934, 47 U.S.C. § 214(e)(6), and pursuant to authority delegated in sections 0.91, 0.291, 1.3, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3, 54.722(a), Virgin Mobile USA, L.P. IS DESIGNATED AN ELIGIBLE TELECOMMUNICATIONS CARRIER eligible only for Lifeline support for portions of its licensed service areas in Alabama, Connecticut, the District of Columbia, Delaware, and New Hampshire, to the extent described in this order and subject to the conditions set forth herein.

35. IT IS FURTHER ORDERED that, pursuant to the authority contained in section 214(e)(6) of the Communications Act of 1934, 47 U.S.C. § 214(e)(6), and pursuant to authority delegated in sections 0.91, 0.291, 1.3, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3, 54.722(a), Virgin Mobile USA, L.P.'s designation as an eligible telecommunications carrier eligible only for Lifeline support in New York, North Carolina, Tennessee, and Virginia IS CONDITIONED on its implementation of the voluntary commitments in those states as described herein.

36. IT IS FURTHER ORDERED that Virgin Mobile USA, L.P. SHALL SUBMIT additional information pursuant to section 54.209 of the Commission's rules, 47 C.F.R. § 54.209, no later than October 1, 2011, as part of its annual reporting requirements.

37. IT IS FURTHER ORDERED that a copy of this order SHALL BE TRANSMITTED by the Wireline Competition Bureau to the Alabama Public Service Commission, Connecticut Department of Public Utility Control Delaware Public Service Commission, Public Service Commission of the District of Columbia, New Hampshire Public Utilities Commission, and the Universal Service Administrative Company.

38. IT IS FURTHER ORDERED that pursuant to section 1.102 of the Commission's rules, 47 C.F. R. § 1.102, this Order SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Sharon E. Gillett
Chief
Wireline Competition Bureau

APPENDIX A

List of Commenters

Comment Sought on Petition of Virgin Mobile for Limited Designation as an Eligible Telecommunications Carrier in Alabama, WC Docket No. 09-197, Public Notice, 25 FCC Rcd 965 (Wireline Comp. Bur. 2010)

Commenter

National Consumers League
National Emergency Number Association
TracFone Wireless, Inc.

Abbreviation

NCL/Grange
NENA
TracFone

Reply Commenter

Virgin Mobile USA, L.P.

Abbreviation

Virgin Mobile

Comment Sought on Petition of Virgin Mobile for Limited Designation as an Eligible Telecommunications Carrier in Connecticut, Delaware, New Hampshire, and the District of Columbia, WC Docket No. 09-197, Public Notice, 25 FCC Rcd 1981 (Wireline Comp. Bur. 2010)

Commenter

Advocates for Universal Access, LLC
TracFone Wireless, Inc.

Abbreviation

AUA
TracFone

Reply Commenter

Virgin Mobile USA, L.P.

Abbreviation

Virgin Mobile

APPENDIX B

Non-Rural Telephone Company Study Areas for Inclusion in Virgin Mobile's ETC Service Area

Alabama

BellSouth Telecommunications, Inc.
CenturyTel of Alabama, LLC (d/b/a CenturyLink)

Connecticut

AT&T Connecticut
Verizon Connecticut

District of Columbia

Verizon Washington, D.C., Inc.

Delaware

Verizon Delaware Inc.

New Hampshire

FairPoint Communications, Inc.

APPENDIX C

Rural Telephone Company Study Areas for Inclusion in Virgin Mobile's ETC Service Area**Alabama**

Alltel Alabama, Inc.
Ardmore Telephone Co.
Blountsville Telephone Co. (Otelco)
Brindlee Mountain Telephone Co. (Otelco)
Butler Telephone Co.
Castleberry Telephone Co.
Farmers Telephone Coop.
Frontier Communications of Lamar County, LLC
Frontier Communications of Alabama, LLC
Frontier Communications of the South, LLC
Graceba Total Communications, Inc.
GTC, Inc.
Gulf Telephone Co.
Hayneville Telephone Co.
Hopper Telecommunications Company, Inc. (Otelco)
Interstate Telephone Co.
Millry Telephone Co.
Mon-Cre Telephone Co.
National Telephone Co. of Alabama
New Hope Telephone Cooperative
Oakman Telephone Co.
Otelco Telephone, LLC
Peoples Telephone Co.
Pine Belt Telephone Co.
Ragland Telephone Co.
Roanoke Telephone Co.
Union Springs Telephone Co.
Valley Telephone Company, LLC

Connecticut

Woodbury Telephone Company

New Hampshire

Bretton Woods Telephone Co.
Dixville Telephone Co.
Dunbarton Telephone Co.
Granite State Telephone Inc.
Hollis Telephone Co. d/b/a TDS Telecom
Kearsarge Telephone Co. d/b/a TDS Telecom
Merrimack County Telephone Co d/b/a TDS Telecom
Northland Telephone Co. Union Telephone Co. Verizon
Wilton Telephone Co. d/b/a TDS Telecom

EXHIBIT 4

LIST OF NON-RURAL WIRE CENTERS

Non-Rural

CLLI	Company Name	Category	Coverage Status
ASLDMOXA	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
AVAMOX	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
CENLMOXA	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
CLMAMOX	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
CLMAMOXB	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
CLRKMOXA	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
CRANMOXA	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
HLVLMOX	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
MNFDMOX	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
RHPTMOXB	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
STGNMOXA	CENTURYTEL OF MISSOURI LLC (CNTL) DBA CENTURYLINK	ILEC	PARTIAL
DRDNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	FULL
OFLNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	FULL
STPRMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	FULL
WNVLMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	FULL
AGSTMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
BASNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
BASWMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
BDYLMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
BFLMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
BLEYMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
BLNDMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
BRBNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
CHMSMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
CNWYMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
CPFRMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
CRTMMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
CSVLMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
CUBAMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
DFNCMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
EKLDMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
EXTRMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
FOLYMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
FRLDMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
FRSTMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
FRSYMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
GALNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
HGHLMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
HLDVMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
HOLSMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
HRLYMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
HRMTMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
HWPNMOXB	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL

JMTWMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
JNBGMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
JNKNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
KMCYMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
LEBGMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
LSBGMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
MRFDMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
MSMLMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
MTVLMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
NINGMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
NWMLMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
OLMRMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
OZRKMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
PRRHMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
PSBGMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
PSTNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
RCBHMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
RDSPMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
SAFEMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
SHKNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
SMVIMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
SPRTMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
STJMMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
TROYMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
TXTNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
URBNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
VCHYMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
WLRGMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
WNFDMOX	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
WRCYMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
WRTNMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
WTLDMOXA	CENTURYTEL MISSOURI LLC (SOUTHWEST)DBA CENTURYLINK	ILEC	PARTIAL
DRNGMOPL	SOUTHWESTERN BELL	RBOC	FULL
ESSXMOAV	SOUTHWESTERN BELL	RBOC	FULL
FISKMOWO	SOUTHWESTERN BELL	RBOC	FULL
FNTNMO54	SOUTHWESTERN BELL	RBOC	FULL
HVTRMO67	SOUTHWESTERN BELL	RBOC	FULL
KSCYMO01	SOUTHWESTERN BELL	RBOC	FULL
KSCYMO04	SOUTHWESTERN BELL	RBOC	FULL
KSCYMO20	SOUTHWESTERN BELL	RBOC	FULL
KSCYMO21	SOUTHWESTERN BELL	RBOC	FULL
KSCYMO22	SOUTHWESTERN BELL	RBOC	FULL
KSCYMO24	SOUTHWESTERN BELL	RBOC	FULL
KSCYMO25	SOUTHWESTERN BELL	RBOC	FULL
KSCYMO44	SOUTHWESTERN BELL	RBOC	FULL
KSCYMO48	SOUTHWESTERN BELL	RBOC	FULL
LLBRMOOV	SOUTHWESTERN BELL	RBOC	FULL

MNCHMO59	SOUTHWESTERN BELL	RBOC	FULL
MRHSMONO	SOUTHWESTERN BELL	RBOC	FULL
MXVLMO60	SOUTHWESTERN BELL	RBOC	FULL
RISCMOEX	SOUTHWESTERN BELL	RBOC	FULL
SKSTMOGR	SOUTHWESTERN BELL	RBOC	FULL
SPFDMOTU	SOUTHWESTERN BELL	RBOC	FULL
STCHMO63	SOUTHWESTERN BELL	RBOC	FULL
STJSMODJ	SOUTHWESTERN BELL	RBOC	FULL
STLSMO02	SOUTHWESTERN BELL	RBOC	FULL
STLSMO04	SOUTHWESTERN BELL	RBOC	FULL
STLSMO05	SOUTHWESTERN BELL	RBOC	FULL
STLSMO06	SOUTHWESTERN BELL	RBOC	FULL
STLSMO07	SOUTHWESTERN BELL	RBOC	FULL
STLSMO20	SOUTHWESTERN BELL	RBOC	FULL
STLSMO21	SOUTHWESTERN BELL	RBOC	FULL
STLSMO23	SOUTHWESTERN BELL	RBOC	FULL
STLSMO25	SOUTHWESTERN BELL	RBOC	FULL
STLSMO26	SOUTHWESTERN BELL	RBOC	FULL
STLSMO27	SOUTHWESTERN BELL	RBOC	FULL
STLSMO41	SOUTHWESTERN BELL	RBOC	FULL
STLSMO42	SOUTHWESTERN BELL	RBOC	FULL
STLSMO43	SOUTHWESTERN BELL	RBOC	FULL
WARDMOMA	SOUTHWESTERN BELL	RBOC	FULL
ADRNMOAX	SOUTHWESTERN BELL	RBOC	PARTIAL
ADVMORA	SOUTHWESTERN BELL	RBOC	PARTIAL
AGNCMOAL	SOUTHWESTERN BELL	RBOC	PARTIAL
ANTOMO50	SOUTHWESTERN BELL	RBOC	PARTIAL
ARCHMOAX	SOUTHWESTERN BELL	RBOC	PARTIAL
ARGYMOPA	SOUTHWESTERN BELL	RBOC	PARTIAL
ARMSMOCR	SOUTHWESTERN BELL	RBOC	PARTIAL
ASGVMOOR	SOUTHWESTERN BELL	RBOC	PARTIAL
BLCYMORE	SOUTHWESTERN BELL	RBOC	PARTIAL
BLDLMOGU	SOUTHWESTERN BELL	RBOC	PARTIAL
BLFDMOLO	SOUTHWESTERN BELL	RBOC	PARTIAL
BLNGMOMY	SOUTHWESTERN BELL	RBOC	PARTIAL
BLSPMOCA	SOUTHWESTERN BELL	RBOC	PARTIAL
BNTNMOKI	SOUTHWESTERN BELL	RBOC	PARTIAL
BNTRMOFL	SOUTHWESTERN BELL	RBOC	PARTIAL
BNVLMOTU	SOUTHWESTERN BELL	RBOC	PARTIAL
BRFDMOCL	SOUTHWESTERN BELL	RBOC	PARTIAL
BSMRMOPE	SOUTHWESTERN BELL	RBOC	PARTIAL
BUFTMOHU	SOUTHWESTERN BELL	RBOC	PARTIAL
BWLGMOEA	SOUTHWESTERN BELL	RBOC	PARTIAL
CDHLM051	SOUTHWESTERN BELL	RBOC	PARTIAL
CDWLMOOL	SOUTHWESTERN BELL	RBOC	PARTIAL
CHFDMO52	SOUTHWESTERN BELL	RBOC	PARTIAL
CHFFMOTU	SOUTHWESTERN BELL	RBOC	PARTIAL

CHLCMOMI	SOUTHWESTERN BELL	RBOC	PARTIAL
CHTNMOMU	SOUTHWESTERN BELL	RBOC	PARTIAL
CLSPMOFI	SOUTHWESTERN BELL	RBOC	PARTIAL
CLSPMONO	SOUTHWESTERN BELL	RBOC	PARTIAL
CLVLMOCI	SOUTHWESTERN BELL	RBOC	PARTIAL
CLVRMOLU	SOUTHWESTERN BELL	RBOC	PARTIAL
CMPBMOCH	SOUTHWESTERN BELL	RBOC	PARTIAL
CMTNMODI	SOUTHWESTERN BELL	RBOC	PARTIAL
CMTNMONO	SOUTHWESTERN BELL	RBOC	PARTIAL
CNTRMOAM	SOUTHWESTERN BELL	RBOC	PARTIAL
CPGRMOED	SOUTHWESTERN BELL	RBOC	PARTIAL
CRJTMOMI	SOUTHWESTERN BELL	RBOC	PARTIAL
CRTHMOFL	SOUTHWESTERN BELL	RBOC	PARTIAL
CTVLMOED	SOUTHWESTERN BELL	RBOC	PARTIAL
DELTMOBW	SOUTHWESTERN BELL	RBOC	PARTIAL
DESTMOGI	SOUTHWESTERN BELL	RBOC	PARTIAL
DWNGMOFR	SOUTHWESTERN BELL	RBOC	PARTIAL
DXTRMOMA	SOUTHWESTERN BELL	RBOC	PARTIAL
EDINMOEX	SOUTHWESTERN BELL	RBOC	PARTIAL
ELDNMOEX	SOUTHWESTERN BELL	RBOC	PARTIAL
ELSBMOTW	SOUTHWESTERN BELL	RBOC	PARTIAL
EPRRMONI	SOUTHWESTERN BELL	RBOC	PARTIAL
EURKMO53	SOUTHWESTERN BELL	RBOC	PARTIAL
EXSPMOME	SOUTHWESTERN BELL	RBOC	PARTIAL
FLRVMOGE	SOUTHWESTERN BELL	RBOC	PARTIAL
FLTNMOMI	SOUTHWESTERN BELL	RBOC	PARTIAL
FRFRMOST	SOUTHWESTERN BELL	RBOC	PARTIAL
FRGVMOPL	SOUTHWESTERN BELL	RBOC	PARTIAL
FRHNMOTA	SOUTHWESTERN BELL	RBOC	PARTIAL
FRTNMOPL	SOUTHWESTERN BELL	RBOC	PARTIAL
FSTSMOYE	SOUTHWESTERN BELL	RBOC	PARTIAL
FYTTMOCH	SOUTHWESTERN BELL	RBOC	PARTIAL
GIDNMOHI	SOUTHWESTERN BELL	RBOC	PARTIAL
GRMLMOFR	SOUTHWESTERN BELL	RBOC	PARTIAL
GRSMMO55	SOUTHWESTERN BELL	RBOC	PARTIAL
HAYTMOFL	SOUTHWESTERN BELL	RBOC	PARTIAL
HGRGMO56	SOUTHWESTERN BELL	RBOC	PARTIAL
HGRGMO57	SOUTHWESTERN BELL	RBOC	PARTIAL
HIGBMOGL	SOUTHWESTERN BELL	RBOC	PARTIAL
HLBOMO66	SOUTHWESTERN BELL	RBOC	PARTIAL
HLCMMOSW	SOUTHWESTERN BELL	RBOC	PARTIAL
HNBLMOAC	SOUTHWESTERN BELL	RBOC	PARTIAL
HRNVMOPE	SOUTHWESTERN BELL	RBOC	PARTIAL
IMPRMO58	SOUTHWESTERN BELL	RBOC	PARTIAL
JCSNMOCI	SOUTHWESTERN BELL	RBOC	PARTIAL
JPLNMOMA	SOUTHWESTERN BELL	RBOC	PARTIAL
JSPRMOEX	SOUTHWESTERN BELL	RBOC	PARTIAL

KKVLMOMO	SOUTHWESTERN BELL	RBOC	PARTIAL
KNNSMOLO	SOUTHWESTERN BELL	RBOC	PARTIAL
KNNTMOTU	SOUTHWESTERN BELL	RBOC	PARTIAL
KSCYMO02	SOUTHWESTERN BELL	RBOC	PARTIAL
KSCYMO05	SOUTHWESTERN BELL	RBOC	PARTIAL
KSCYMO23	SOUTHWESTERN BELL	RBOC	PARTIAL
KSCYMO40	SOUTHWESTERN BELL	RBOC	PARTIAL
KSCYMO41	SOUTHWESTERN BELL	RBOC	PARTIAL
KSCYMO42	SOUTHWESTERN BELL	RBOC	PARTIAL
KSCYMO45	SOUTHWESTERN BELL	RBOC	PARTIAL
KSCYMO55	SOUTHWESTERN BELL	RBOC	PARTIAL
LAMRMOOV	SOUTHWESTERN BELL	RBOC	PARTIAL
LAMTMODI	SOUTHWESTERN BELL	RBOC	PARTIAL
LDWDMOLO	SOUTHWESTERN BELL	RBOC	PARTIAL
LINNMOUW	SOUTHWESTERN BELL	RBOC	PARTIAL
LKOZMOEN	SOUTHWESTERN BELL	RBOC	PARTIAL
LNCSMOGL	SOUTHWESTERN BELL	RBOC	PARTIAL
LOSNMOSK	SOUTHWESTERN BELL	RBOC	PARTIAL
MBRLMOAM	SOUTHWESTERN BELL	RBOC	PARTIAL
MCCKMOEM	SOUTHWESTERN BELL	RBOC	PARTIAL
METAMOBA	SOUTHWESTERN BELL	RBOC	PARTIAL
MEXCMOJU	SOUTHWESTERN BELL	RBOC	PARTIAL
MLDNMOCR	SOUTHWESTERN BELL	RBOC	PARTIAL
MNTTMOBE	SOUTHWESTERN BELL	RBOC	PARTIAL
MRCLMOCH	SOUTHWESTERN BELL	RBOC	PARTIAL
MRHLMOBE	SOUTHWESTERN BELL	RBOC	PARTIAL
MRNVMOHO	SOUTHWESTERN BELL	RBOC	PARTIAL
MRSHMOGA	SOUTHWESTERN BELL	RBOC	PARTIAL
MRTNMONI	SOUTHWESTERN BELL	RBOC	PARTIAL
MTCYMOLO	SOUTHWESTERN BELL	RBOC	PARTIAL
NESHMOGL	SOUTHWESTERN BELL	RBOC	PARTIAL
NEVDMONO	SOUTHWESTERN BELL	RBOC	PARTIAL
NIXAMOOA	SOUTHWESTERN BELL	RBOC	PARTIAL
NWFRMOVI	SOUTHWESTERN BELL	RBOC	PARTIAL
NWMDMOSH	SOUTHWESTERN BELL	RBOC	PARTIAL
OKRGMOAM	SOUTHWESTERN BELL	RBOC	PARTIAL
OLAPMOST	SOUTHWESTERN BELL	RBOC	PARTIAL
ORANMOCO	SOUTHWESTERN BELL	RBOC	PARTIAL
OSBHMOFI	SOUTHWESTERN BELL	RBOC	PARTIAL
PATNMOTO	SOUTHWESTERN BELL	RBOC	PARTIAL
PCFCMO61	SOUTHWESTERN BELL	RBOC	PARTIAL
PCHNMOTE	SOUTHWESTERN BELL	RBOC	PARTIAL
PGVLMODR	SOUTHWESTERN BELL	RBOC	PARTIAL
PONDMO62	SOUTHWESTERN BELL	RBOC	PARTIAL
PPBLMOSU	SOUTHWESTERN BELL	RBOC	PARTIAL
PRCYMOGR	SOUTHWESTERN BELL	RBOC	PARTIAL
PRSXMO68	SOUTHWESTERN BELL	RBOC	PARTIAL

PRVLMOLI	SOUTHWESTERN BELL	RBOC	PARTIAL
PUXCMOAC	SOUTHWESTERN BELL	RBOC	PARTIAL
PVLYMOAA	SOUTHWESTERN BELL	RBOC	PARTIAL
QULNMOFA	SOUTHWESTERN BELL	RBOC	PARTIAL
RCMDMOPR	SOUTHWESTERN BELL	RBOC	PARTIAL
RCWDMOOR	SOUTHWESTERN BELL	RBOC	PARTIAL
RPBLMOPE	SOUTHWESTERN BELL	RBOC	PARTIAL
RRVLMOPL	SOUTHWESTERN BELL	RBOC	PARTIAL
RUVLMORA	SOUTHWESTERN BELL	RBOC	PARTIAL
SCCYMOCO	SOUTHWESTERN BELL	RBOC	PARTIAL
SDLIMOTA	SOUTHWESTERN BELL	RBOC	PARTIAL
SENTMORE	SOUTHWESTERN BELL	RBOC	PARTIAL
SGNVMOTU	SOUTHWESTERN BELL	RBOC	PARTIAL
SLTRMOLA	SOUTHWESTERN BELL	RBOC	PARTIAL
SMVLMOTR	SOUTHWESTERN BELL	RBOC	PARTIAL
SNANMOMO	SOUTHWESTERN BELL	RBOC	PARTIAL
SNBHMOFR	SOUTHWESTERN BELL	RBOC	PARTIAL
SPFDMOMC	SOUTHWESTERN BELL	RBOC	PARTIAL
SPFDMOTE	SOUTHWESTERN BELL	RBOC	PARTIAL
STCLMOMA	SOUTHWESTERN BELL	RBOC	PARTIAL
STFRMORE	SOUTHWESTERN BELL	RBOC	PARTIAL
STJSMODN	SOUTHWESTERN BELL	RBOC	PARTIAL
STJSMOMD	SOUTHWESTERN BELL	RBOC	PARTIAL
STLSMO01	SOUTHWESTERN BELL	RBOC	PARTIAL
STLSMO03	SOUTHWESTERN BELL	RBOC	PARTIAL
STLSMO08	SOUTHWESTERN BELL	RBOC	PARTIAL
STLSMO11	SOUTHWESTERN BELL	RBOC	PARTIAL
STLSMO22	SOUTHWESTERN BELL	RBOC	PARTIAL
STLSMO24	SOUTHWESTERN BELL	RBOC	PARTIAL
STLSMO40	SOUTHWESTERN BELL	RBOC	PARTIAL
STLSMO45	SOUTHWESTERN BELL	RBOC	PARTIAL
STMYMOLI	SOUTHWESTERN BELL	RBOC	PARTIAL
STNBMOFU	SOUTHWESTERN BELL	RBOC	PARTIAL
TSCMMOEM	SOUTHWESTERN BELL	RBOC	PARTIAL
UNINMOLU	SOUTHWESTERN BELL	RBOC	PARTIAL
VRSLMODR	SOUTHWESTERN BELL	RBOC	PARTIAL
VYPKMO64	SOUTHWESTERN BELL	RBOC	PARTIAL
WASHMOBE	SOUTHWESTERN BELL	RBOC	PARTIAL
WBCYMOOR	SOUTHWESTERN BELL	RBOC	PARTIAL
WDSPMO01	SOUTHWESTERN BELL	RBOC	PARTIAL
WLGVMOWY	SOUTHWESTERN BELL	RBOC	PARTIAL
WLRDMOSH	SOUTHWESTERN BELL	RBOC	PARTIAL
WLVLMOMU	SOUTHWESTERN BELL	RBOC	PARTIAL
WPHLMOGL	SOUTHWESTERN BELL	RBOC	PARTIAL
WYTTMOOR	SOUTHWESTERN BELL	RBOC	PARTIAL

EXHIBIT 5

MAP OF NON-RURAL SERVICE TERRITORY

Non-Rural Exchange Intersecting Sprint Coverage Area

Legend

INTERSECTING

SPRINT COVERAGE AREA

NON-RURAL EXCHANGE INTERSECTING SPRINT COVERAGE AREA

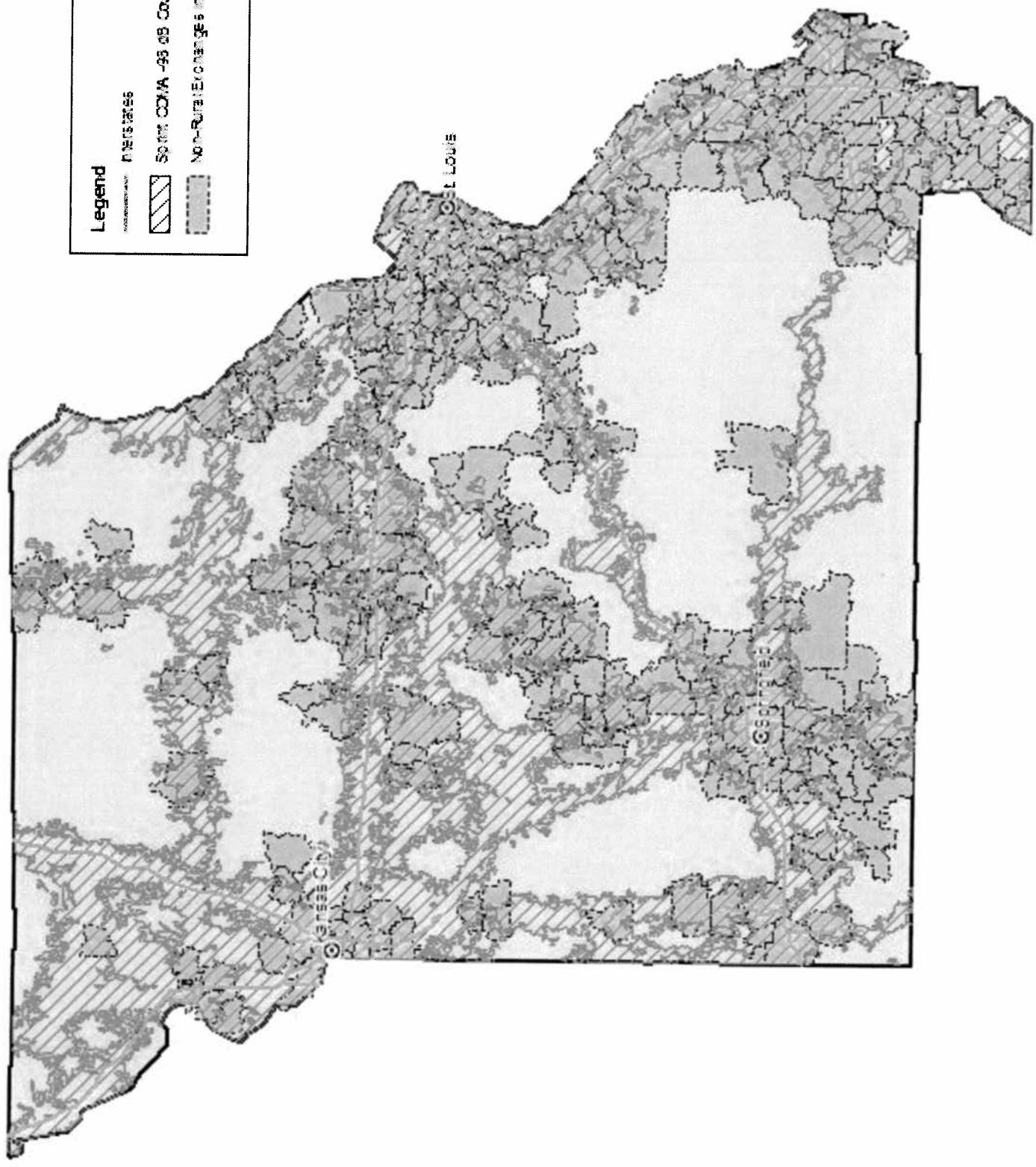


EXHIBIT 6
LIST OF RURAL WIRE CENTERS

Rural

CLLI	Company Name	Category	Coverage Status
ALMAMOX	ALMA COMMUNICATIONS COMPANY DBA ALMA TELEPHONE CO	ILEC	PARTIAL
PARMMOX	BPS TELEPHONE CO.	ILEC	FULL
STELMOX	BPS TELEPHONE CO.	ILEC	FULL
BERNMOX	BPS TELEPHONE CO.	ILEC	PARTIAL
CABLMOX	CENTURYTEL MISSOURI LLC (SOUTHERN)DBA CENTURYLINK	ILEC	PARTIAL
MTVWMOX	CENTURYTEL MISSOURI LLC (SOUTHERN)DBA CENTURYLINK	ILEC	PARTIAL
SYMRMOX	CENTURYTEL MISSOURI LLC (SOUTHERN)DBA CENTURYLINK	ILEC	PARTIAL
WLSPMOX	CENTURYTEL MISSOURI LLC (SOUTHERN)DBA CENTURYLINK	ILEC	PARTIAL
WPLNMOX	CENTURYTEL MISSOURI LLC (SOUTHERN)DBA CENTURYLINK	ILEC	PARTIAL
ATLNMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
BCKLMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
BEVRMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
BYVLMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
CALLMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
CLHLMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
ETHLMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
EXCLMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
HALEMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
HNVIMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
JCVLMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
NBTNMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
NWCMMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
PRHLMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
SLBRMOX	CHARITON VALLEY TELEPHONE CO.	ILEC	PARTIAL
HLTWMOX	CHOCTAW TELEPHONE CO.	ILEC	PARTIAL
HGVLMOX	CITIZENS TELEPHONE CO.	ILEC	PARTIAL
AMSTMOX	CRAW - KAN TELEPHONE COOPERATIVE, INC. - MISSOURI	ILEC	PARTIAL
ASBRMOX	CRAW - KAN TELEPHONE COOPERATIVE, INC. - MISSOURI	ILEC	PARTIAL
FSTRMOX	CRAW - KAN TELEPHONE COOPERATIVE, INC. - MISSOURI	ILEC	PARTIAL
HUMEMOX	CRAW - KAN TELEPHONE COOPERATIVE, INC. - MISSOURI	ILEC	PARTIAL
PRCLMOX	CRAW - KAN TELEPHONE COOPERATIVE, INC. - MISSOURI	ILEC	PARTIAL
ELTNMOX	ELLINGTON TELEPHONE CO.	ILEC	PARTIAL
COALMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	FULL
FLVWMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	FULL
LKLTMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	FULL
PLCYMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	FULL
TAOSMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	FULL
APCYMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
BCKNMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
BLBNMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
BLTWMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
BRZTMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
BTLRMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
CHLHMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
CLBGMOX	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL

STRBMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
STTMMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
SWSPMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
SYRCMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
TARKMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
TPTNMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
URCHMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
WGTMNOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
WNSMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
WRBGMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
WRSWMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
WSTNMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
WYVLMOXA	EMBARQ MISSOURI, INC. - MO DBA CENTURYLINK	ILEC	PARTIAL
CGTNMOXA	FAIRPOINT COMMUNICATIONS MISSOURI, INC.	ILEC	PARTIAL
CLEVMOX	FAIRPOINT COMMUNICATIONS MISSOURI, INC.	ILEC	PARTIAL
DRXLMOX	FAIRPOINT COMMUNICATIONS MISSOURI, INC.	ILEC	PARTIAL
ELYNMOXA	FAIRPOINT COMMUNICATIONS MISSOURI, INC.	ILEC	PARTIAL
GRCYMOXA	FAIRPOINT COMMUNICATIONS MISSOURI, INC.	ILEC	PARTIAL
PCLRMOXA	FAIRPOINT COMMUNICATIONS MISSOURI, INC.	ILEC	PARTIAL
NWHNMOXA	FIDELITY TELEPHONE CO.	ILEC	PARTIAL
SLLVMOXA	FIDELITY TELEPHONE CO.	ILEC	PARTIAL
GDMNMOXA	GOODMAN TELEPHONE CO.	ILEC	PARTIAL
LNGNMOXA	GOODMAN TELEPHONE CO.	ILEC	PARTIAL
GRNBMOXA	GRANBY TELEPHONE CO.	ILEC	PARTIAL
CNJTMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	FULL
BRNRMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
BTHNMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
CAVLMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
CHULMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
DNVRMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
DRTNMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
EAVLMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
GLCYMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
GNTRMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
GRHMNOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
LNNSMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
MDVLMOX	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
MTMRMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
NHTNMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
PRDNMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
PRNLMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
RDWYMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
RVWDMOX	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
WSCTMOXA	GRAND RIVER MUTUAL TELEPHONE CO.	ILEC	PARTIAL
AVLNMOXA	GREEN HILLS TELEPHONE CORP.	ILEC	PARTIAL
BRRGMOXA	GREEN HILLS TELEPHONE CORP.	ILEC	PARTIAL
DAWNMOXA	GREEN HILLS TELEPHONE CORP.	ILEC	PARTIAL
KNVLMOXA	GREEN HILLS TELEPHONE CORP.	ILEC	PARTIAL
LCSPMOXA	GREEN HILLS TELEPHONE CORP.	ILEC	PARTIAL

LDLWMOXA	GREEN HILLS TELEPHONE CORP.	ILEC	PARTIAL
MRVIMOX	GREEN HILLS TELEPHONE CORP.	ILEC	PARTIAL
POLOMOXA	GREEN HILLS TELEPHONE CORP.	ILEC	PARTIAL
WLNGMOXA	GREEN HILLS TELEPHONE CORP.	ILEC	PARTIAL
MTLDMOX	HOLWAY TELEPHONE CO.	ILEC	PARTIAL
BRJTMOX	IAMO TELEPHONE CO. - MO	ILEC	PARTIAL
CLMTMOXA	IAMO TELEPHONE CO. - MO	ILEC	PARTIAL
ELMOMOX	IAMO TELEPHONE CO. - MO	ILEC	PARTIAL
WSBOMOX	IAMO TELEPHONE CO. - MO	ILEC	PARTIAL
RHHLMOXA	K L M TELEPHONE COMPANY	ILEC	PARTIAL
AXVSMOX	KINGDOM TELEPHONE COMPANY	ILEC	PARTIAL
LTHPMOX	LATHROP TELEPHONE COMPANY	ILEC	PARTIAL
POWLMOXA	LE - RU TELEPHONE COMPANY	ILEC	PARTIAL
STLLMOXA	LE - RU TELEPHONE COMPANY	ILEC	PARTIAL
BRSHMOXA	MARK TWAIN RURAL TELEPHONE CO.	ILEC	PARTIAL
DRHMMOX	MARK TWAIN RURAL TELEPHONE CO.	ILEC	PARTIAL
GNTPMOX	MARK TWAIN RURAL TELEPHONE CO.	ILEC	PARTIAL
HRLDMOX	MARK TWAIN RURAL TELEPHONE CO.	ILEC	PARTIAL
PHLAMOX	MARK TWAIN RURAL TELEPHONE CO.	ILEC	PARTIAL
ARSNMOXA	MCDONALD COUNTY TELEPHONE CO.	ILEC	PARTIAL
JANEMOX	MCDONALD COUNTY TELEPHONE CO.	ILEC	PARTIAL
PIVLMOXA	MCDONALD COUNTY TELEPHONE CO.	ILEC	PARTIAL
ARRKMOXA	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
BCTNMOXA	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
BLWRMOXA	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
FTUNMOXA	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
GLLMMOX	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
HGPNMOXA	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
LTHMMOX	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
MRJTMOX	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
NLSNMOXA	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
PLGVMOXA	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
SPEDMOXA	MID-MISSOURI TELEPHONE CO.	ILEC	PARTIAL
MLLRMOXA	MILLER TELEPHONE CO., INC.	ILEC	PARTIAL
FRMNMOXA	MO - KAN DIAL, INC.	ILEC	PARTIAL
NWFLMOXA	NEW FLORENCE TELEPHONE CO., INC.	ILEC	PARTIAL
NWLNMOXA	NEW LONDON TELEPHONE CO.	ILEC	PARTIAL
GNCYMOXA	NORTHEAST MISSOURI RURAL TELEPHONE CO.	ILEC	PARTIAL
MMPHMOXA	NORTHEAST MISSOURI RURAL TELEPHONE CO.	ILEC	PARTIAL
ORCHMOXA	ORCHARD FARM TELEPHONE CO.	ILEC	PARTIAL
ORGNMOXA	OREGON FARMERS MUTUAL TELEPHONE CO.	ILEC	PARTIAL
SWCYMOXA	OZARK TELEPHONE CO.	ILEC	PARTIAL
PCVYMOXX	PEACE VALLEY TELEPHONE CO., INC.	ILEC	PARTIAL
RCPTMOXA	ROCK PORT TELEPHONE CO.	ILEC	PARTIAL
RCPTMOXB	ROCK PORT TELEPHONE CO.	ILEC	PARTIAL
WTSNMOXA	ROCK PORT TELEPHONE CO.	ILEC	PARTIAL
SENCMOXA	SENECA TELEPHONE CO.	ILEC	PARTIAL
TIFFMOXA	SENECA TELEPHONE CO.	ILEC	PARTIAL
AVCYMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	FULL

OSBRMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
OSCLMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
PARSMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
PLBGMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
PLMYMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
POTSMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
PRRYMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
REVRMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
RODLMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
SHCYMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
SHLNMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
SHVLMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
SLBNMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
SNFEMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
SRCXMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
STVLMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
SVNHMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
SWVLMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
TMBRMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
TRNYMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
VNBRMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
VNZNMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
WEBLMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
WHVLMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
WINOMOX	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
WLKRMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
WQNCMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
WYLDMOXA	SPECTRA COMMUNICATIONS GROUP LLC DBA CENTURYLINK	ILEC	PARTIAL
SEVLMOXA	STEELVILLE TELEPHONE EXCHANGE, INC.	ILEC	PARTIAL
STLDMOX	STOUTLAND TELEPHONE CO.	ILEC	PARTIAL
ALBYMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
ALDLMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
ALDRMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
BLFLMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
BLVRMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
CFFYMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
CRCRMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
DIXNMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
EOLIMOX	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
FLRNMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
FRPLMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
FRVWMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
GALLMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
GDINMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
GTCYMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
HLDYMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
HLWYMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
IBERMOXX	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
JMSNMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL

LBRLMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
LCLDMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
MDNMMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
MDSNMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
MDTWMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
MNDNMOXX	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
MRBGMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
MRVLMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
NHFRMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
NLVLMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
OLNYMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
PLHPMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
POLKMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
PRDYMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
PTBGMOXX	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
RTVLMOXX	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
SILXMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
SKTNMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
SMNRMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
SOCYMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
STCYMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
STVRMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
UNSTMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
VANDMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
VRNAMOX	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
WHTNMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
WNTNMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL
WSVLMOXA	WINDSTREAM MISSOURI, INC.	ILEC	PARTIAL

EXHIBIT 7

MAP OF RURAL SERVICE TERRITORY

Rural Exchanges Intersecting Sprint Coverage Area

Legend

- Interstates
- Sprint CDMA-800 Coverage Area
- Rural Exchanges Intersecting Sprint Coverage Area

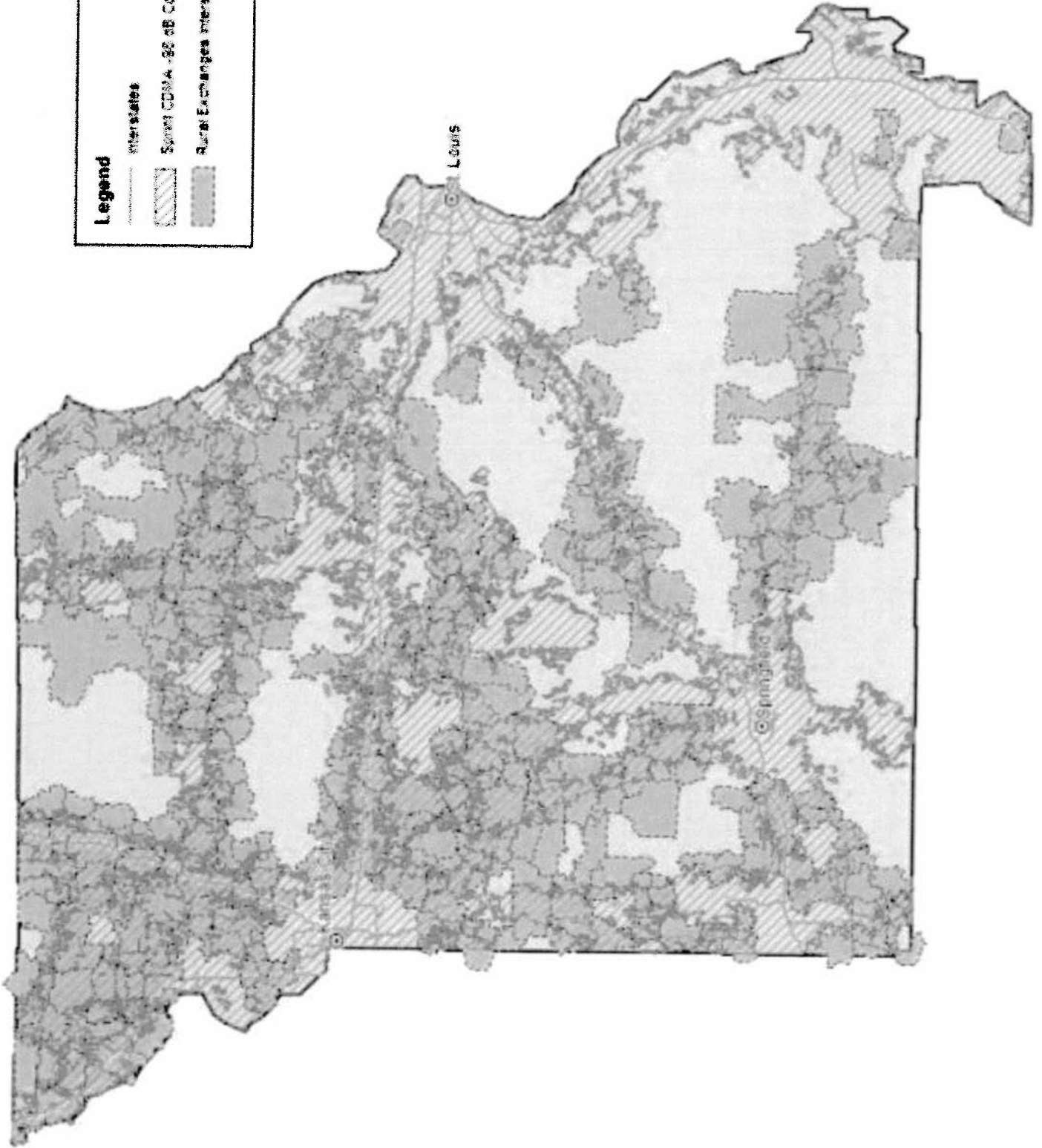


EXHIBIT 8

PETITION FOR FORBEARANCE OF VIRGIN MOBILE USA, LP

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Telecommunications Carriers Eligible to Receive Universal Service Support)	WC Docket No. 09-197
)	
VIRGIN MOBILE USA, L.P.)	
)	
Petition for Forbearance)	

PETITION FOR FORBEARANCE OF VIRGIN MOBILE USA, L.P.

Pursuant to Section 10 of the Communications Act of 1934, as amended (the “Act”),¹ Virgin Mobile USA, L.P. (“Virgin Mobile”) petitions the Federal Communications Commission (the “Commission”) to forbear from enforcing Section 214(e)(5) of the Act and Section 54.207 of the Commission’s rules² in connection with Virgin Mobile’s applications for limited designation as an eligible telecommunications carrier (“ETC”) to participate in the federal Lifeline program. More specifically, Virgin Mobile seeks such forbearance with respect to (1) those areas previously approved by the Federal Communications Commission,³ (2) those areas where Virgin Mobile has been previously approved by several states for Lifeline ETC status as identified in Exhibit 1, (3) those areas where Virgin Mobile has Petitions for Lifeline ETC status

¹ 47 U.S.C. § 160.

² 47 U.S.C. § 214(e)(5); 47 C.F.R. § 54.207.

³ See *In the Matter of Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. §214(e)(1)(A)*, Order, 24 FCC Rcd 3381(2009) (approving Virgin Mobile Lifeline ETC applications for New York, Pennsylvania, Virginia, North Carolina and Tennessee “in its licensed service areas”) (“*Virgin Mobile Forbearance Order*”) and *In the Matter of Telecommunications Carriers Eligible for Universal Service Support*, WC Docket No. 09-197, Order, 25 FCC Rcd 17797 (2010) (approving Virgin Mobile Lifeline ETC applications for Alabama, Connecticut, the District of Columbia, Delaware and New Hampshire “for portions of its licensed service areas”) (“*Second Virgin Mobile Order*”).

pending as identified in Exhibit 1, and (4) any remaining states where Virgin Mobile has not yet filed for Lifeline ETC status, pursuant to § 214(e)(2) of the Act.⁴

The Commission recently released an Order addressing similar petitions for forbearance filed by Cricket Communications and NTCH.⁵ In this Order, the Commission stated:

These petitions seek forbearance from the requirement that the service area of a competitive eligible telecommunications carrier (ETC) conform to the service area of any rural telephone company serving the same area, for the limited purpose of becoming designated as Lifeline-only ETCs.

We conclude that forbearance in these limited circumstances furthers the Act's and Commission's goals of promoting access to affordable service for low-income consumers by reducing barriers to carriers participating in the Lifeline program. Moreover, we find that application of the conformance requirements set forth in section 214(e)(5) of the Act and section 54.207(b) of the Commission's rules in this limited circumstance is not necessary to ensure that rates remain just and reasonable or to protect consumers.⁶

The forbearance Virgin Mobile seeks is identical to that given in the Cricket Order. Virgin Mobile is seeking, or has sought and has been authorized by the Commission and by state commissions, designation as a Lifeline ETC within Virgin Mobile's service footprint. In some cases, Virgin Mobile's service footprint area may be smaller than the service area of the incumbent RLEC. To date, with the exception of Kansas,⁷ neither the FCC nor any state

⁴ 47 U.S.C. § 214(e)(2).

⁵ *In the Matter of Telecommunications Carriers Eligible for Universal Service Support; NTCH, Inc. Petition for Forbearance from 47 U.S.C. § 214(e)(5) and 47 C.F.R. § 54.207(b); Cricket Communications, Inc. Petition for Forbearance*, WC Docket No. 09-197, FCC 11-137, released Sept. 16, 2011 ("the Cricket Order").

⁶ *Id.*, ¶¶ 1 and 2, footnote omitted.

⁷ The Kansas Corporation Commission has redefined the study area of several RLECs in Kansas. *In the Matter of Virgin Mobile, USA, L.P.'s Petition for Limited Designation as an Eligible Telecommunications Carrier*, Docket No. 10-VMBZ-657-ETC, issued Nov. 2, 2011. Virgin Mobile will file for redefinition confirmation with the Commission pursuant to the Kansas Order.

regulatory body has redefined Virgin Mobile's service area, required that its service area conform to the service area of the RLEC, or otherwise indicated that this was a matter of concern. In all cases, Virgin Mobile has been operating within its licensed area and in compliance with its designation orders. However, given the release of the Cricket Order, and out of an abundance of caution, Virgin Mobile is hereby filing the instant Petition for Forbearance from application of the rural study area rules.

State commissions have regarded previous FCC orders, such as the Virgin Mobile Orders, in which the FCC authorized the competitive ETC to provide Lifeline service in the ETC's "licensed service areas" without redefinition of the RLEC study area, as implicit authorization for competitive ETCs to provide Lifeline service in RLEC areas without application of the study area redefinition requirement. Numerous state commissions have authorized multiple Lifeline-only ETCs to operate in partial RLEC study areas.

The Cricket Order, however, declined to extend the forbearance to all similarly situated parties. As a result, Virgin Mobile is seeking forbearance.

I. BACKGROUND

Virgin Mobile provides prepaid wireless services on a common carrier basis, offering customers wireless voice, messaging, and data plans without a fixed-term contract or a credit check. Virgin Mobile also offers a Lifeline program under the name "Assurance Wireless brought to you by Virgin Mobile." Virgin Mobile has been authorized as a Lifeline ETC in 32 states.

Under Section 214(e)(1) of the Act, an ETC must offer supported services and advertise the availability of and charges for such services "throughout the service area for which the designation is received." Section 214(e)(5) of the Act provides that in "the case of an area

served by a rural telephone company, ‘service area’ means such company’s ‘study area’ unless and until the Commission and the States . . . establish a different definition of a service area for such company.⁸ Section 54.207 of the Commission’s rules provides a series of steps to follow at the federal and state level to ensure that cream-skimming⁹ or other harm to the public interest does not occur from the provision of service to these smaller areas.¹⁰ These steps often take a great deal of time to complete and are an expense and time burden on both the carrier and the regulator.

Virgin Mobile’s coverage area in many states overlaps with a number of rural study areas, although the underlying Sprint network over which Virgin Mobile’s traffic is carried does not serve the entirety of many of those study areas. As a result, Sections 214(e)(5) and 54.207, if enforced, would preclude Virgin Mobile from operating as a Lifeline ETC in those areas which have already been designated by the Commission and several states and in which Virgin Mobile has been offering Assurance Wireless service for a substantial period and has a substantial customer base. Virgin Mobile began operations in these areas pursuant to FCC or state commission approval under the good faith assumption that Sections 214(e)(5) and 54.207 applied only to carriers receiving High Cost USF, and not to Lifeline-only carriers. Requiring the Commission and the states to go through the process of redefining RLECs’ study areas would be a waste of resources and would disrupt the Lifeline service of Assurance Wireless customers

⁸ 47 U.S.C. § 214(e)(5).

⁹ See *Virgin Mobile Forbearance Order* at ¶ 38 n. 101, where the Commission stated, “In addition, we need not perform a creamskimming analysis because Virgin Mobile is seeking Lifeline support only.”

¹⁰ 47 C.F.R. § 54.207.

in those areas if their service would need to be terminated while a redefinition of the study area is pending at the state level and the Commission.

II. THE FORBEARANCE STANDARD

Section 10(a) of the Act provides that the Commission shall forbear from applying any provision of the Act to a telecommunications carrier if the Commission determines that (i) enforcement of such provision is not necessary to ensure that the charges, practices, classifications, or regulations by, for, or in connection with the carrier or telecommunications service are just and reasonable and are not unjustly or unreasonably discriminatory; (ii) enforcement of such provision is not necessary for the protection of consumers; and (iii) forbearance from applying such provision is consistent with the public interest.¹¹ Section 10(b) of the Act provides that the Commission, when evaluating whether forbearance would be consistent with the public interest, shall consider whether such forbearance would promote competitive market conditions or enhance competition.¹²

III. DISCUSSION

Forbearance from enforcement of Sections 214(e)(5) and 54.207 in connection with Virgin Mobile's Lifeline ETC authorizations is appropriate and, indeed, required because: (i) enforcement is not necessary to ensure that Virgin Mobile's rates, terms and conditions are just, reasonable, and non-reasonably discriminatory; (ii) enforcement is not necessary to protect consumers; and (iii) forbearance is consistent with the public interest. It is also fully consistent

¹¹ 47 U.S.C. § 160(a).

¹² See *Virgin Mobile Forbearance Order* at ¶38 n. 101.

with the Commission's actions in its Cricket/NCTH Order and necessary to ensure competitive neutrality in the Commission's interpretation of its rules.

Enforcement of Sections 214(e)(5) and 54.207 is not necessary to ensure that Virgin Mobile's rates, terms and conditions are just, reasonable and non-discriminatory. These sections have no bearing on Virgin Mobile's relationship with its customers. Instead, these sections deal with ETCs' service in RLEC areas and are designed to prevent cream-skimming by ETCs and to avoid complicating the RLEC calculations of high-cost support.

Customers are not harmed if forbearance is granted. Virgin Mobile is or soon will be making Lifeline service available to customers in the RLEC areas in question. This gives these consumers access to lower rates and provides a means of communication many would not otherwise be able to afford. Thus, enforcement of Sections 214(e)(5) and 54.207 is not necessary to protect consumers.

Finally, the public interest is promoted through forbearance. Forbearance would allow Virgin Mobile to continue to offer Lifeline services in RLEC areas where it has already entered on a good faith basis pursuant to Commission Orders or the orders of state commissions. The public interest is not served by withdrawing Lifeline service from Virgin Mobile from those customers who have already subscribed and established a successful relationship with Virgin Mobile. These discounted services provide a valuable communications channel for these established customers. The prepaid nature of Virgin Mobile's offerings, including a 250 free minute plan, offers an attractive Lifeline option that may not otherwise be available to low income consumers.

Virgin Mobile plays a crucial part in the marketplace by allowing many deserving citizens who cannot qualify for or otherwise afford the services provided by other

communications carriers to enjoy the benefits of wireless communication. The Commission has already found that the services that Virgin Mobile offers as a Lifeline carrier fulfill the public interest.¹³ Forbearance from enforcement of Sections 214(e)(5) and 54.207 will simply allow Virgin Mobile to continue to provide quality Lifeline services within RLEC areas where it already operates on a good faith basis pursuant to Commission and state commission Orders, or expedite entry into new areas to be approved by state commissions. Forbearance would allow Virgin Mobile to operate within the areas it has previously requested or in areas that it might request Lifeline ETC designation, and where approval would be necessary from the appropriate state commission.

IV. ANTI-DRUG ABUSE CERTIFICATION

Virgin Mobile is not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998, 21 U.S.C. Section 862.

¹³ See *Virgin Mobile Forbearance Order* at ¶¶ 38-39 and *Second Virgin Mobile Order* at ¶¶ 19-26.

V. CONCLUSION

For the reasons set forth above, Virgin Mobile respectfully submits that forbearance from the enforcement of Sections 214(e)(5) of the Act and 54.207 of the Commission's rules against Virgin Mobile is appropriate and required.

Respectfully submitted,
VIRGIN MOBILE USA, L.P.

/s/ Charles W. McKee

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January 13, 2012

EXHIBIT 9
MISSOURI LIFELINE APPLICATION FORM



Missouri Application

If you have questions about this form, please call 1-888-898-4888. Please return this form to the address shown in #4 below.

START HERE

PLEASE CERTIFY YOUR ELIGIBILITY:

- 1. Complete Section B
2. Remember: Sign and date the form in Section C
3. Attach documents to support your eligibility in Section B
4. Mail the application and supporting documentation to: Assurance Wireless, PO Box 868, Parsippany, NJ 07054

MO10100098414001

A PERSONAL INFORMATION

The person below MUST BE the same person applying for the discount. Please do not forget to sign the application below in Section C.

John Q Sample
123 Any Street
Any City, WI ZIP+4

B PROGRAM-BASED ELIGIBILITY

Fill in all bubbles for all program(s) the person in Section A (or a dependent) is currently enrolled. You must prove eligibility to subscribe to this program by providing documentation.

Form with radio buttons for eligibility options: MO HealthNet, Food Stamps, Supplemental Security Income, National Free School Lunch, Federal Housing Assistance, Low Income Home Energy Assistance Program, Temporary Assistance to Needy Families.

(Supporting Documentation WILL NOT Be Returned)

C SIGNATURE

- By signing below, I certify under penalty of perjury that the information contained within this application is true and correct and that I am head of my household.
I also acknowledge that providing false or fraudulent documentation in order to receive assistance is punishable by law, and the penalties of perjury include monetary fines and potential imprisonment.
I understand that the completion of this application does not constitute immediate approval for Assurance Wireless service.
I authorize Assurance Wireless or its duly appointed representative to access any records (including financial records) required to verify my statements herein and to confirm my eligibility for Assurance Wireless service.
I authorize social service agency representatives to discuss with, and/or provide information to, Assurance Wireless verifying my participation in public assistance programs that qualify me for Assurance Wireless service.
I also authorize Assurance Wireless to release any records (including financial records) required for the administration of Assurance Wireless service.
I understand that I may be required to verify my continued eligibility for Assurance Wireless service at any time.
Failure to verify eligibility will result in termination of Assurance Wireless service.
In the future, if I am no longer eligible to receive benefits from at least one of the qualifying public assistance programs, I will notify Assurance Wireless within (5) days.
I understand that Lifeline Assistance is only available for one landline or wireless phone line per household.
If I currently have a Lifeline Assistance plan with a different phone service provider, and if I am approved for Assurance Wireless service, I will notify my current provider that I am receiving a federal Lifeline Assistance benefit from Assurance Wireless.
I also understand that eligibility for Assurance Wireless is personal to me and that I may not transfer to any third party any of the rights or benefits received under the Assurance Wireless service, including, but not limited to, any Voice Minutes received under the Assurance Wireless service.

X SIGNATURE (Please use blue or black ink)

Date

X PRINTED NAME



EXHIBIT 10

CTIA CODE

CTIA

Consumer Code *for* Wireless Service

To provide consumers with information to help them make informed choices when selecting wireless service, the CTIA and the wireless carriers that are signatories below have developed the following Consumer Code. The carriers that are signatories to this Code have voluntarily adopted the principles, disclosures, and practices here for wireless service provided to individual consumers, including voice, messaging, and data services sold either on a postpaid or prepaid basis.

THE WIRELESS CARRIERS THAT ARE SIGNATORIES TO THIS CODE WILL:

ONE

DISCLOSE RATES AND TERMS OF SERVICE TO CONSUMERS

For each service plan offered to new consumers, wireless carriers will disclose to consumers at point of sale and on their web sites, at least the following information, as applicable: (a) the coverage area for the service; (b) any activation or initiation fee; (c) the monthly access fee or base charge; (d) the amount and nature of any voice, messaging, or data allowances included in the plan (such as night and weekend minutes); (e) the charges for domestic usage in excess of any included allowances or outside of the coverage area; (f) for prepaid service plans, the period of time during which any balance is available for use; (g) whether there are prohibitions on data service usage and whether there are network management practices that will have a material impact on the customer's wireless data experience; (h) whether any additional taxes, fees or surcharges apply; (i) the amount or range of any such fees or surcharges that are collected and retained by the carrier; (j) the amount or nature of any late payment fee; (k) whether a fixed-term contract is required and its duration; (l) the amount and nature of any early termination fee that may apply; and (m) the trial

period during which a consumer may cancel service without any early termination fee, as long as the consumer complies with any applicable return policy.

TWO

MAKE AVAILABLE MAPS SHOWING WHERE SERVICE IS GENERALLY AVAILABLE

Wireless carriers will make available at point of sale and on their web sites maps depicting approximate domestic coverage applicable to each of their service plans currently offered to consumers. To enable consumers to make comparisons among carriers, these maps will be generated using generally accepted methodologies and standards to depict the carrier's outdoor coverage. All such maps will contain or link to an appropriate legend concerning limitations and/or variations in wireless coverage and map usage, including any geographic limitations on the availability of any services included in the plan. Wireless carriers will periodically update such maps as necessary to keep them reasonably current. If necessary to show the extent of service coverage available to customers from carriers' roaming partners, carriers will request and incorporate coverage maps from roaming partners that are generated using similar industry-accepted criteria, or if such information is not available, incorporate publicly available information regarding roaming partners' coverage areas.

THREE

PROVIDE CONTRACT TERMS TO CUSTOMERS AND CONFIRM CHANGES IN SERVICE

When a customer initiates new service or a change in existing service, the carrier will provide or confirm any new material terms and conditions of the ongoing service with the customer.

FOUR

ALLOW A TRIAL PERIOD FOR NEW SERVICE

When a customer initiates postpaid service with a wireless carrier, the customer will be informed of and given a period of not less than 14 days to try out the service. The carrier will not impose an early termination fee if the customer cancels service within this period, provided that the customer complies with applicable return and/or exchange policies. Other charges, including usage charges, may still apply.

FIVE

PROVIDE SPECIFIC DISCLOSURES IN ADVERTISING

In advertising of prices for wireless service plans or devices, wireless carriers will disclose material charges and conditions related to the advertised prices and services, including if applicable and to the extent the advertising medium reasonably allows: (a) whether activation or initiation fees apply; (b) monthly access fees or base charges; (c) the amount and nature of any voice, messaging, or data service allowances included in the plan; (d) the charges for any domestic usage in excess of any included allowances or outside of the coverage area; (e) for prepaid service plans, the period of time during which any balance is available for use; (f) whether there are network management practices that will have a material impact on the customer's wireless data experience; (g) whether any additional taxes, fees or surcharges apply; (h) the amount or range of any such fees or surcharges that are collected and retained by the carrier; (i) whether a fixed-term contract is required and its duration; (j) early termination fees; (k) the terms and conditions related to receiving a product or service for "free;" (l) for any service plan advertised as "nationwide," (or using similar terms), the carrier will have available substantiation for this claim; and (m) whether prices or benefits apply only for a limited time or promotional period and, if so, whether any different fees or charges will apply for the remainder of the contract term.

SIX

SEPARATELY IDENTIFY CARRIER CHARGES FROM TAXES ON BILLING STATEMENTS

On customers' bills, carriers will distinguish (a) monthly charges for service and features, and other charges collected and retained by the carrier, from (b) taxes, fees and other charges collected by the carrier and remitted to federal state or local governments. Carriers will not label cost recovery fees or charges as taxes.

SEVEN

PROVIDE CUSTOMERS THE RIGHT TO TERMINATE SERVICE FOR CHANGES TO CONTRACT TERMS

Carriers will not modify the material terms of their postpaid customers' contracts in a manner that is materially adverse to those customers without providing a reasonable

advance notice of a proposed modification and allowing those customers a time period of not less than 14 days to cancel their contracts with no early termination fee.

EIGHT

PROVIDE READY ACCESS TO CUSTOMER SERVICE

Customers will be provided a toll-free telephone number to access a carrier's customer service during normal business hours. Customer service contact information will be provided to customers online and on billing statements. Each wireless carrier will provide information about how customers can contact the carrier in writing, by toll-free telephone number, via the Internet or otherwise with any inquiries or complaints, and this information will be included, at a minimum, on all billing statements, in written responses to customer inquiries and on carriers' web sites. Each carrier will also make such contact information available, upon request, to any customer calling the carrier's customer service departments.

NINE

PROMPTLY RESPOND TO CONSUMER INQUIRIES AND COMPLAINTS RECEIVED FROM GOVERNMENT AGENCIES

Wireless carriers will respond in writing to state or federal administrative agencies within 30 days of receiving written consumer complaints from any such agency.

TEN

ABIDE BY POLICIES FOR PROTECTION OF CUSTOMER PRIVACY

Each wireless carrier will abide by a policy regarding the privacy of customer information in accordance with applicable federal and state laws, and will make available to the public its privacy policy concerning information collected online. Each wireless carrier will abide by the CTIA Best Practices and Guidelines for Location-Based Services.

ELEVEN

PROVIDE CONSUMERS WITH FREE NOTIFICATIONS FOR VOICE, DATA AND MESSAGING USAGE, AND INTERNATIONAL ROAMING

Each wireless provider will provide, at no charge: (a) a notification to consumers of currently-offered and future domestic wireless plans that include limited data allowances when consumers approach and exceed their allowance for data usage and will incur overage charges; (b) a notification to consumers of currently-offered and future domestic voice and messaging plans that include limited voice and messaging allowances when consumers approach and exceed their allowance for those services and will incur overage charges; and (c) a notification to consumers without an international roaming plan/package whose devices have registered abroad and who may incur charges for international usage. Wireless providers will generate the notifications described above to postpaid consumers based on information available at the time the notification is sent. Wireless consumers will not have to affirmatively sign up in order for these notifications to be sent. Each wireless provider shall provide its customers at least two of these alerts by October 17, 2012 and all of these alerts by April 17, 2013. Wireless providers will clearly and conspicuously disclose tools or services that enable consumers to track, monitor and/or set limits on voice, messaging and data usage.