

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

In the Matter of the Application of Telrite)
Corporation for Designation as an Eligible)
Telecommunications Carrier on a Wireless)
Basis (Low Income Only))

File No. XO-2011-0062

STAFF RECOMMENDATION

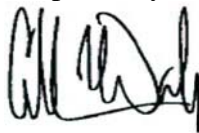
COMES NOW the Staff of the Missouri Public Service Commission and for its recommendation, states as follows:

1. On September 2, 2010 Telrite Corporation (“the Company”), an interexchange and wireless carrier, filed an application with the Missouri Public Service Commission seeking designation as an Eligible Telecommunications Carrier (“ETC”) for the purpose of receiving federal universal service fund support for wireless service to low income customers.

2. In the attached Memorandum, labeled Appendix 1, the Staff recommends that the Commission grant the Company’s request. In the Staff’s opinion, the Company has met all the requirements, both state and federal, to become designated as an eligible telecommunications carrier for receipt of federal universal service fund low-income support. The Company is not delinquent or non-compliant with any of the Commission’s reporting or assessment requirements; the Company is a mobile wireless telecommunications provider whose operations are not regulated by the Commission.

WHEREFORE, Staff recommends that the Commission grant Telrite Corporation’s Application to be designated an Eligible Telecommunications Service for the receipt of low-income support from the federal Universal Service Fund.

Respectfully submitted,



Colleen M. Dale
Senior Counsel
Missouri Bar No. 31624

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 4th day of November, 2010.



MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. XO-2011-0062
Company Name: Telrite Corporation

From: Dana Parish
Telecommunications Department

John Van Eschen (11/4/10) Cully Dale (11/4/10)
Utility Operations Division General Counsel's Office

Subject: Staff Recommendation Regarding Telrite Corporation's Application for ETC
Status on a Wireless Basis

Date: November 4, 2010

On September 2, 2010 Telrite Corporation (Telrite), an interexchange carrier (IXC) certificated in Case No. XO-2011-0062, filed an application with the Missouri Public Service Commission (PSC) seeking designation as an Eligible Telecommunications Carrier (ETC) for the purpose of receiving federal universal service fund support for low income customers exclusively. A company must receive ETC designation in order to receive either high-cost support and/or low-income funding from the federal USF. Low-income funding is associated with the federal Lifeline and LinkUp programs. These programs provide funding to companies in offering discounts to monthly charges and installation charges for local voice service subscribed to by consumers meeting certain criteria. The Missouri USF can also provide funding support to low-income consumers as well as qualifying disabled consumers, but ETC status is only necessary for federal USF funding.¹ In this regard Telrite's pending ETC request is limited to receiving federal low-income support.

Telrite proposes to offer a wireless service for qualifying low-income consumers. The proposed service will provide essentially a free wireless handset to qualifying consumers with no monthly fees. The proposed service will provide 68 minutes of usage per month with additional usage available for additional fees. The company does not intend to seek Missouri USF funding for this service. Company officials state the company will require applicants to submit proof of eligibility.

ETC application requirements are identified in rules established by the FCC and the Missouri PSC. Attachment A identifies Staff's interpretation of the ETC application requirements for companies only seeking low-income support. In Staff's opinion, Telrite meets all requirements for ETC designation in order to receive low-income support. Staff has inserted citations within Attachment A showing citations for why Staff concludes the company meets the requirement.

¹ Missouri PSC rule 4 CSR 240-31.050(1) identifies the separate process used by carriers seeking Missouri USF funding.

Attachment A

Telrite Corporation

Compliance with ETC Application Requirements
(Lifeline/LinkUp Assistance)

Requirement (rule citation)		Description	Comply? (Paragraph)
FCC	MoPSC		
54.201	-	Defines ETC as a carrier providing service using at least a portion of its own facilities. <i>(Note: a carrier solely providing service via UNEs is OK but a carrier solely providing service via resale is not.)</i>	Sufficient ² Application pgs. 3-4 paragraphs 8, 10, 12 & 13.
54.101	3.570 (3)(C)1	Ensures certain service features are provided (touchtone, single-party, access to 911, IX service, relay (711), DA, operators, toll limitation)	Sufficient Application pgs. 16-17, paragraph 16. Supplement to Application, pg. 1, item 2.
-	3.570 (3)(D)	<i>Wireless providers: Within 30 days of receiving ETC status will make an informational filing describing all service offerings.</i>	Sufficient Application pg. 18, paragraph 20.
54.202(a) (1)	-	Commit to provide service throughout proposed service area	Sufficient Application pg. 4, paragraph 11.
54.202(a)(1)(B)	-	Commit to provide service in a timely manner.	Sufficient Supplement to Application, pg. 1, item 3.
54.202(a)(2)	3.570 (2) (A)4	Commit to remain functional in emergencies.	Sufficient Supplement to Application, pg. 1, item 3.
-	3.570 (2)(A)9	Statement it will provide equal access if all other ETCs in that service area relinquish their ETC designations.	Sufficient Application pg. 10, paragraph 15(b).
54.202(a)(3)	3.570 (2)(B)	Commit to satisfy consumer protection & quality of service standards. <i>(Wireless ETCs commit to CTIA code of conduct + attach</i>	Sufficient Application pg. 19,

² The company will primarily provide wireless service via resale; however company facilities will be used to assist with the provisioning of directory assistance service and international calling service.

		<i>copy of current CTIA code)</i>	paragraph 25 & Exhibit D.
54.202(a)(4)	3.570 (2)(A)10	Commit to offering a comparable usage plan as ILEC.	Sufficient Application pg. 8, paragraph 2. Supplement to Application, pg. 2, item 4.
54.202(c)	3.570 (2)(A)5	Demonstrates granting ETC status is in public interest.	Sufficient Application pgs. 6-16 paragraph 15.
-	3.570 (3)(A)	Clear bill design.	Sufficient Application pg. 18, paragraph 22.
-	3.570 (3)(B)	Customer service contact information online and on billing statements.	Sufficient Application pg. 18, paragraph 23.
-	3.570 (3)(E)	Commit to maintain record of customer complaints.	Sufficient Application pgs. 18-19, paragraph 24.
54.401(c)	-	Not collect a deposit from a Lifeline subscriber if consumer voluntarily elects toll limitation service.	Sufficient Supplement to Application, pg. 2, item 5.
54.401(e)	-	Not charge a Lifeline subscriber a monthly number portability charge.	Sufficient Supplement to Application, pg. 2, item 6.
54.403	3.570 (2)(A)7	Discounts consistent with federal plan: Tier 1: \$1.75 (fed discount) Tier 2: \$6.50 (waive subscriber line charge)* Tier 3: \$1.75 (half of a state's or carrier's contribution) - <u>\$3.50 state MoUSE</u> - \$13.50 max. * Limited to ILEC's subscriber line charge amount.	Sufficient Supplement to Application, pg. 2, item 7.
54.405 (b)	3.570 (2)(A)6	Publicize Lifeline.	Sufficient Application pg. 10, paragraph 3, Attachment B, & pg. 17, paragraph 17.
54.409 54.410	31.050	FCC rules state ETC must comply with state verification procedures in states that mandate state Lifeline support. MoPSC	Sufficient Supplement to Application, pg. 2, item 8.

		rules require a company to verify customer's eligibility; develop a process for documentation received; plus verify a customer's continued eligibility.	
-	3.570 (2)(A)8	Statement will satisfy consumer privacy protection standards.	Sufficient Application pg. 19, paragraph 26.
-	3.570 (3)(F)	Notify PSC of any changes to contact info.	Sufficient Application pg. 18, paragraph 21.

Compliance with Other Funding/Filing Requirements		
Item	Yes	No
Missouri USF Assessment	X	
PSC Assessment	X	
Relay Missouri	n/a	
Annual Report	X	

