

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of	DOCKET UT-240644
Home Telephone Company dba Rally Networks,	ORDER 01
Seeking Designation as an Eligible Telecommunications Carrier in the State of Washington pursuant to 47 U.S.C. § 214(e)(2) for Low Income Program Only	GRANTING PETITION FOR DESIGNATION AS A LIFELINE-ONLY ELIGIBLE TELECOMMUNICATIONS CARRIER AND EXEMPTION FROM WAC 480-123-030(1)(d)

BACKGROUND

- 1 On August 29, 2024, Home Telephone Company (Rally Networks or Company) filed a petition with the Washington Utilities and Transportation Commission (Commission) requesting designation as an Eligible Telecommunications Carrier (ETC) in the state of Washington under the Communications Act of 1934,¹ applicable FCC rules, and WAC 480-123 (Petition). Rally Networks proposes to provide qualified Washington consumers with Lifeline services, which are federal Universal Service Fund (USF) supported services.² ETC designation would allow the Company to receive federal low-income universal service support for broadband internet and voice telephony service provided through its facility-based network. Rally Networks proposes a service area located in the Dallesport and Goldendale exchanges.
- 2 On October 3, 2024, Rally Networks supplemented its filing to reflect proposed Lifeline rate plans, back-up power verification, and a certification from a company officer as required by WAC 480-123-030.
- 3 Rally Networks submits that it proposes to serve a non-rural area in the Dallesport and Goldendale exchanges. Rally Networks states that the designation of an additional ETC in a non-rural area based on a demonstration that the requesting carrier complies with the statutory eligibility obligations of section 214(e)(1) is consistent with the public interest.

¹ 47 U.S.C. § 214 (e)(2).

² The USF subsidizes monthly and, in certain circumstances, initial connection charges for qualified low-income households.

Accordingly, the Company states that it will offer services that are supported by federal universal service support mechanisms by providing voice telephony service and broadband through its network. The Company also commits to advertising its available Lifeline services.

4 Rally Networks' Petition also seeks an exemption from WAC 480-123-030(1)(d), which requires high-cost program participants to file a substantive plan of the investments to be made with initial federal support for the first two years of their programs. The Company indicates that it does not seek ETC designation for the purpose of participating in the USF high-cost program, making the substantive investment plan inapplicable to its petition.

5 Commission staff (Staff) agrees with Rally Networks that the Company meets all applicable regulatory requirements to be designated as an ETC. However, Staff presented, and the Company agreed to comply with, a list of conditions the Commission previously imposed on other similarly situated Lifeline ETCs seeking to operate in Washington. These include compliance filings, customer communications, and annual reports to be filed with the Commission. A complete list of these conditions is set forth in Appendix A to this Order.

6 Staff also agrees with and recommends granting Rally Networks' request for exemption from the filing requirement in WAC 480-123-030(1)(d), due to the limited nature of the designation as a Lifeline Only (LLO) ETC.

7 Staff notes that the FCC's National Lifeline Accountability Database and the National Lifeline Eligibility Database (aka the National Verifier or NV) are now fully functional. Because these systems are now functional, Staff does not recommend requiring Rally Networks to verify customer eligibility by working with the Department of Social and Health Services.

8 Common carriers receiving designation as ETCs under 47 U.S.C. § 214 are eligible to receive funds from the federal USF for Lifeline services. State utility commissions are responsible for designating common carriers as ETCs for the purpose of receiving such funds, and may impose conditions on a common carrier so designated.³ The Commission

³ *In the Matter of the Petition of TracFone Wireless, Inc., for Exemption from WAC 480-123-030(1)(d), (f) and (g); and Designation as an Eligible Telecommunications Carrier for the Purpose of Receiving Lifeline Support from the Federal Universal Service Fund*, Order 03 (June 24, 2010), UT-093012, ¶ 78.

will approve petitions from carriers requesting ETC designation if (i) the petition meets the requirements of WAC 480-123-030, (ii) the designation will advance some or all of the purposes of universal service found in 47 U.S.C. § 254, and (iii) the designation is in the public interest.⁴

9 State commissions shall designate more than one carrier as an ETC in a non-rural area if such designation is consistent with the public interest, convenience, and necessity and the carrier seeking ETC designation meets these two requirements of 47 U.S.C. § 214(e)(1):

- (A) Offer the services that are supported by federal universal service support mechanisms under section 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier); and
- (B) Advertise the availability of such services and the charges therefore using media of general distribution.⁵

10 Here, Rally Networks seeks ETC designation for the limited purpose of participating in the Lifeline program. The Company further proposes to serve a non-rural area. We agree with Staff that Rally Networks is capable of providing services supported by federal universal service mechanisms by providing voice telephony service and broadband service through its own network. These services are supported by federal universal service support mechanisms.⁶ Further, Rally Networks commits to advertise its Lifeline services. Designating the Company an ETC is consistent with the public interest.

DISCUSSION

11 Staff is correct that certain additional conditions should be imposed on Rally Networks as we have done when designating other similarly situated ETCs in Washington. Appendix A to this order provides the Company specific guidance on our expectations for regulatory compliance, customer service, consumer protection, and various reporting requirements that will ensure Staff can monitor Rally Networks' operations for strict adherence to all ETC requirements.

⁴ WAC 480-123-040.

⁵ 47 U.S.C. § 214(e)(2).

⁶ 47 C.F.R. § 54.101(a).

12 We also agree that Rally Networks has demonstrated that the requirements of WAC 480-123-030(1)(d) should not apply to the Company because the rule only applies to high-cost program participants and Rally Networks is not a high-cost program participant. Under WAC 480-07-110(1), the Commission may grant an exemption any of its rules if doing so is consistent with the purposes underlying regulation, applicable statutes, and the public interest. Such circumstances exist here. Accordingly, we grant the Company's request for exemption from WAC 480-123-030(1)(d).

FINDINGS AND CONCLUSIONS

- 13 (1) The Commission has jurisdiction over the subject matter of this Order and is authorized to designate Eligible Telecommunications Carriers in Washington under 47 U.S.C. § 214(e)(2), 47 C.F.R. §§ 54.201(b)-(c), and WAC 480-123.
- 14 (2) Rally Networks is a telecommunications company seeking to do business in the state of Washington. Rally Networks meets the requirements for designation as an ETC because the Company provides services supported by federal universal support mechanisms and because Rally Networks has committed to advertise the availability of its services and the charges thereof using media of general distribution.
- 15 (3) Rally Networks' designation as an ETC will advance the purpose of universal service because Rally Networks will offer voice telephony services and broadband services, which facilitate universal service. Rally Networks has also demonstrated that its designation as an ETC is in the public interest.
- 16 (4) Under WAC 480-07-110(1), the Commission may grant an exemption from any of its rules if doing so is consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- 17 (5) Rally Networks has demonstrated that WAC 480-123-030(1)(d) should not apply to the Company and that granting the requested exemption is consistent with the requirements set forth in WAC 480-07-110(1).
- 18 (6) The Commission should grant Rally Networks' petition for ETC designation and for exemption from the requirements of WAC 480-123-030(1)(d).

- 19 (7) This matter came before the Commission at its regularly scheduled meeting on October 24, 2024.

ORDER

THE COMMISSION ORDERS:

- 20 (1) Home Telephone Company d/b/a Rally Networks' request for designation as an ETC is hereby GRANTED subject to the conditions set out in Appendix A.
- 21 (2) Home Telephone Company d/b/a Rally Networks' request for exemption from WAC 480-123-030(1)(d) is hereby GRANTED.
- 22 (3) The Commission retains jurisdiction over this matter for purposes of effectuating this order.

DATED at Lacey, Washington, and effective October 24, 2024.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

MILTON H. DOUMIT, Commissioner