

Agenda Date: February 23, 2023
Item: A13

Docket: UT-220524
Company: Global Connection Inc. of America d/b/a StandUP Wireless

Staff: Tim Zawislak, Regulatory Analyst
Jonathon Church, Regulatory Analyst
Jing Roth, Deputy Director – Regulatory Services

Recommendation:

Issue an order in Docket UT-220524:

1. Designating Global Connection Inc. of America d/b/a StandUP Wireless, as an Eligible Telecommunications Carrier for the purpose of receiving Lifeline support from the federal Universal Service Fund in service areas specified in Attachment 1 and subject to the conditions in Attachment 2; and,
2. Granting exemptions from Washington Administrative Code 480-123-030(1)(d), (f), and (g), which require the filing of a substantive investment plan, wireless network maps, and certification on backup power capabilities, respectively.

Background

On July 7, 2022, Global Connection Inc. of America d/b/a StandUP Wireless (StandUP or GCOIA, or Company) filed a petition (Petition) with the Washington Utilities and Transportation Commission (Commission) requesting designation as an Eligible Telecommunications Carrier (ETC) pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the Act), and Washington Administrative Code (WAC) 480-123-030. StandUP seeks ETC designation in Washington for the purpose of receiving federal Low Income (Lifeline) support that subsidizes monthly charges for telecommunications service for qualified low-income households. Lifeline support is part of the Federal Universal Service Fund (FUSF). The Company is a reseller of facility based wireless service providers. StandUP also requests an exemption from Washington Administrative Code 480123-030(1)(d), (f), and (g), which require ETC applicants to file a substantive investment plan, wireless network maps, and certification on backup power capabilities.

On January 31, and February 3, 2023, StandUP supplemented its Petition to include: a) the actual Washington exchanges and zip codes for which the Company requests ETC designation; and, b) the Tribal Lifeline Price category, as well. The Company verbally agreed to be bound by recent conditions imposed on other Lifeline Only (LLO) ETCs, including allowing for free access to “988” minutes and messages.

The proposed Lifeline rate plans comply with the Federal Communications Commission’s (FCC’s) minimum service standards. Plan includes:

- Free data-capable device or SIM card
- Free calls to Company Customer Service
- Free calls to 911 emergency services
- Free access to Voicemail, Caller-ID, and Call Waiting features
- Voice minutes may be used for Domestic Long Distance at no extra cost
- Data on LTE or 5G Network

Customers can purchase additional voice minutes, data plans, and international talk refill options that are sold through the Company’s website at <https://www.standupwireless.com>.

The details of StandUP’s proposed rate plans are as follows:

Plan Type	Monthly Minutes	Monthly Text Messages	Monthly Data Usage Allowances	Net Cost to Qualifying Customers
Basic Lifeline	1,000	Unlimited	4.5 GB	\$0.00
Tribal Lifeline	Unlimited	Unlimited	10.0 GB	\$0.00

StandUP provides Lifeline service in 31 states (and in the territory of Puerto Rico) through commercial mobile radio service by utilizing (reselling) the network of T-Mobile. The Company currently has an application pending at the FCC for ETC designation in six other states and the District of Columbia, as well.

Discussion

The Commission has jurisdiction over ETC petitions in Washington state. Section 214(e) of the Act authorizes state regulatory commissions to designate a qualified common carrier as an ETC for the purpose of receiving federal Universal Service Funds. Under WAC 480-123-040, the Commission has authority to approve petitions from carriers requesting ETC designation. The Commission’s authority to grant or deny petitions for ETC designation includes the authority to impose conditions.

Commission staff (Staff) finds that StandUP should qualify for ETC designation with the proposed conditions in Attachment 2. Under 47 U.S.C. § 214(e)(2), state commissions may designate more than one carrier as an ETC in an area if such designation is “consistent with the public interest, convenience, and necessity” and the carrier seeking designation as an ETC meets the following 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.

StandUP is a common carrier. The Company is capable of providing services supported by federal universal service mechanisms, as defined in 47 C.F.R. § 54.101(a) by reselling its underlying network carrier's services. Based on the FCC's Lifeline and Link Up Reform Order, the FCC forbears from applying the Act's facilities-based requirement to all carriers that seek limited ETC designation to participate in the Lifeline program on the condition that the FCC's Wireline Competition Bureau approves such ETC applicant's Compliance Plan. The Compliance Plan must demonstrate the ETC applicant's commitment to fight waste, fraud, and abuse in the Lifeline program and describe its adherence to the revised federal Lifeline rules. StandUP has met the forbearance condition. The Company's initial Compliance Plan was approved by the FCC on May 25, 2012. Then, on April 16, 2018, StandUP filed a *Revised Compliance Plan* to update its policies to account for the changes to the FCC's Lifeline rules, orders and guidance. The FCC approved the Revised Compliance on August 15, 2018. The Company commits that it will advertise the availability of Lifeline services.

The Company meets the requirements of the Washington rule on ETC designation, WAC 480-123-030; except subsections (1)(d), (f) and (g):

- WAC 480-123-030(1)(d) requires an ETC petitioner to provide a "substantive plan of the investments to be made with initial federal support during the first two years in which support is received and a substantive description of how those expenditures will benefit customers." StandUP requests an exemption from the requirement because the Company seeks only Lifeline support, not federal High-Cost support. It does not have an obligation to use federal USF for infrastructure investment.
- WAC 480-123-030(1)(f) requires a wireless ETC petitioner to provide "a map in .shp format of proposed service areas (exchanges) with existing and planned locations of cell sites and shading to indicate where the carrier provides and plans to provide commercial mobile radio service signals." StandUP requests an exemption because it does not have access to its underlying carriers' maps.
- WAC 480-123-030(1)(g) requires a wireless ETC to have "at least four hours of back up battery power at each cell site, backup generators at each microwave hub, and at least five hours back up battery power and backup generators at each switch." StandUP requests an exemption because it does not have control over its underlying carriers' emergency power back up facilities.

Staff supports the Company's request for exemptions from the three requirements under WAC 480-123-030 listed above. Granting the request is consistent with the public interest, the purposes underlying regulation, and applicable statutes. The Commission granted these exemptions in its orders designating Lifeline-only ETCs such as Boomerang, TracFone Wireless, Inc., Sage Telecom, and Air Voice Wireless.

Staff reviewed the Company's technical and financial capabilities to provide the supported Lifeline service and carefully considered relevant factors suggested in the FCC's Lifeline and Link Up Reform Order. Based on the Company's operational history and Company financial statements, Staff concludes that the Company is technically and financially capable of providing the supported Lifeline service in compliance with the low-income program rules.

The FCC's National Lifeline Accountability Database and the National Lifeline Eligibility Database (aka the National Verifier or "NV") are fully functional. As such, Staff recommends that the Commission set conditions consistent with its most recent Orders designating Sage and Air Voice as ETCs.

The specific conditions for StandUP are listed in Attachment 2. One notable change relative to the conditions previously imposed on other ETCs in the more distant past is the elimination of the one-year interim designation. The more recent developments are expected to effectively address the problems of duplicative Lifeline claims. Staff believes ongoing monitoring and rule enforcement in the Lifeline market obviates the need for the Commission's one-year interim condition.

Staff emphasizes that StandUP must strictly comply with its commitments in the Compliance Plan reviewed and approved by the FCC. Deviation from its Compliance Plan would forfeit the forbearance from the own-facilities requirements granted by the FCC, consequently not meeting the qualification for ETC designation from this Commission. The Commission may revoke, suspend, or modify a designation subject to the provisions in WAC 480-123-050.

Conclusion

Staff believes that designating StandUP as a Lifeline-only ETC will deliver benefits and additional choices to low-income households in Washington and is therefore in the public interest.

Staff recommends the Commission: a) enter an order designating Global Connection Inc. of America d/b/a StandUP Wireless as an Eligible Telecommunications Carrier for the purpose of receiving Lifeline support from the Federal Universal Service Fund in the service areas specified in Attachment 1; and, subject to the conditions specified in Attachment 2. In addition, Staff recommends that the Commission also, b) grant exemptions from 480-123-030 (1)(d), (f) and (g).