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January 20, 2017

VIA ELECTRONIC DELIVERY

Steven King
Executive Director and Secretary
WA Utilities and Transportation Commission
1300 S. Evergreen Park Dr., SW
Olympia, WA 98504

Re: i-wireless, LLC (Docket No. UT-101640)
Petition for Waiver of Ordering Condition

Dear Mr. King:

Attached please find for filing in the above referenced docket i-wireless, LLC's Petition for Waiver of Ordering Condition.

If you have any questions or if I may provide you with additional information, please do not hesitate to contact me at 770-232-7805 or hkirby@telecomcounsel.com. Thank you.

Respectfully submitted,

s/ Heather Kirby

Heather Kirby
Regulatory Specialist
Lance J.M. Steinhart, P.C.
Attorneys for i-wireless, LLC

Attachment
cc: Sam Bailey

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	
)	DOCKET NO. UT-101640
i-wireless, LLC)	
)	
For an Exemption from WAC 480-)	PETITION FOR WAIVER
123-030(1)(d), (f), and (g), and)	OF ORDERING
Designation as an Eligible)	CONDITION
Telecommunications Carrier)	
)	

INTRODUCTION

COMES NOW i-wireless, LLC (“i-wireless” or “Company”), by its undersigned counsel, and in connection with the Washington Utilities and Transportation Commission’s (the “Commission”) *Order Renewing Eligible Telecommunications Carrier (“ETC”) Designation and Exemption from Rule with Amended Conditions in the State of Washington, Order 02* (“Order 02”), and hereby files its Petition for Waiver of Ordering Condition, specifically condition no. 5 of Order 02, Appendix A (“Condition No. 5”) regarding deactivation of Lifeline service for non-use pursuant to 47 C.F.R. § 54.407(c)(2).¹ As a condition of Commission Staff supporting i-wireless’ application for initial and continued ETC designation, i-wireless agreed to certain conditions on its ETC status—including the aforementioned—as outlined in Appendix A to Order 02.² However, on March 31, 2016, the Federal Communications Commission (“FCC”)

¹ See *In the Matter of the Petition of i-wireless, LLC for an Exemption from WAC 480-123-030(1)(d), (f), and (g), and Designation as an Eligible Telecommunications Carrier, Order Renewing Eligible Telecommunications Carrier Designation and Exemption from Rule with Amended Conditions, Order 02, Docket UT-101640* (effective May 29, 2014), Appendix A.

² See *id.* at ¶ 6.

adopted its *Lifeline Modernization Order*,³ which in-part introduced the FCC's non-usage reforms, effective December 2, 2016.⁴

DISCUSSION

As a result of the FCC's non-usage reforms, customers on plans with no monthly fee are now required to use their service at least once every thirty (30) days (reduced from sixty (60) days), subject to a fifteen-day notice or "grace" period (reduced from thirty (30) days) in order to remain eligible for Lifeline service. Customers may demonstrate "usage" as set forth in 47 C.F.R. § 54.407(c)(2), which was updated to allow for sending of text messages and the usage of data. i-wireless has revised its non-use policy in accordance with FCC rules (47 C.F.R. §§ 54.405(e)(3) and 54.407(c)(2)).

The timeframes for non-usage and grace period set forth in Condition No. 5 are now contradictory to federal regulations. In addition, Condition No. 5 requires deactivation of Lifeline service for inactive customers after the initial non-use period, with the grace period (during which the customer can reactivate the Lifeline service) beginning *after* deactivation. This process itself is inconsistent with the process required by 47 C.F.R. § 54.405(e)(3), which states "the subscriber's failure to use the Lifeline service [as "usage" is defined in 47 C.F.R. § 54.407(c)(2)] within the 15-day notice period will result in service termination for non-usage," and therefore does not allow deactivation of Lifeline service until *after both* the non-use and grace periods have occurred (now 45 days in total). Accordingly, the portion of Condition No. 5 which requires i-wireless, upon customer reactivation of the account, to deposit the minutes the

³ See *In the Matter of Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket No. 11-42, et al., Third Report and Order, and Order on Reconsideration, FCC 16-38 (rel. Apr. 27, 2016) ("*Lifeline Modernization Order*").

⁴ See *Lifeline Modernization Order*, section III.H.2; see also 47 C.F.R. §§ 54.407(c)(2), 54.405(e)(1) and (e)(3-5).

customer is entitled to for the grace period is moot—as deactivation cannot occur until after the grace period.

Given this context, as well as the transient nature of the low-income consumer base and the marked reduction in the grace period to fifteen (15) days, i-wireless now finds the Commission's imposed condition that i-wireless provide a Lifeline customer with a mailed notification no fewer than eight (8) days before deactivation for non-usage to be administratively burdensome and inadequate for helping customers to avoid service disconnection. Indeed, i-wireless' track record of employing a robust communication strategy demonstrates good cause to grant its instant request. Currently, i-wireless' global strategy includes the use of multiple direct educational touch points such as text messaging, email notifications, IVR messaging, and account log-in notifications. Said communication tactics have proven to be most effective in reaching consumers with time-sensitive information regarding each customer's service offering and changes thereto. On information and belief, i-wireless understands traditional mailed customer notifications to be substantially less effective in swiftly disseminating important customer notifications, particularly due to administrative delays inherent in mail service; evidence that low-income customers are significantly more transient, changing residences and mailing addresses on a frequent basis; and the oversight and associated costs required to ensure communication through traditional mailings, particularly on a reduced contact schedule.

In view of the dramatic reduction in both the non-use period and subsequent grace period to rectify non-use prior to deactivation, ease and speed of notice are paramount. Enabling providers like i-wireless the flexibility to determine when and how to best communicate with its customers, instead of prescribing a particular form of notice which may or may not be effective, removes the undue burden such obligation places on providers (and even consumers) within an

abbreviated notice timeframe. Waiver from said condition would enable i-wireless to focus its resources on the most effective and efficient methods for the distribution of vital information to low-income consumers, which may include traditional mail and/or a number of innovative, cost-efficient, and rapid tools of message transmission. i-wireless is already obligated to abide by non-use regulations under federal law, including as they may be amended in the future. Moreover, i-wireless is incented to effectively communicate with its customers to avoid unnecessary deactivation of service which results in a reduction of universal service support funds to the Company. i-wireless therefore asserts that Condition No. 5 is no longer necessary, and respectfully requests that the duration of this waiver be permanent.

CONCLUSION

WHEREFORE, based on the foregoing, i-wireless respectfully requests that the Commission issue an Order granting the Company's request for waiver of Condition No. 5.

Respectfully submitted,

s/ Lance J.M. Steinhart

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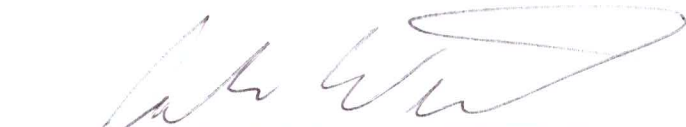
January 20, 2017

VERIFICATION

STATE OF KENTUCKY)
)
COUNTY OF CAMPBELL) ss.

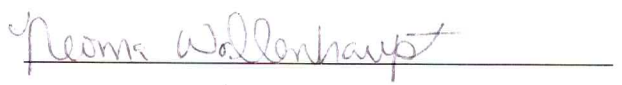
John Willis, being first duly sworn, on oath deposes and says:

That he is Chief Operating Officer of i-wireless, LLC, that he has read the foregoing Petition for Waiver of Ordering Condition and knows the contents thereof, and that he believes the same to be true to the best of his knowledge and belief.



John Willis
Chief Operating Officer

SUBSCRIBED and SWORN to before me this 20th day of January, 2017.



Print Name: Neoma Wollenhaupt
Notary Public

My commission expires: August 29, 2019

[Notary Seal]