## Lance J.M. Steinhart, P.C.

Attorneys At Law 1725 Windward Concourse Suite 150 Alpharetta, Georgia 30005

Also Admitted in New York
Email: info@telecomcounsel.com

Telephone: (770) 232-9200 Facsimile: (770) 232-9208

May 25, 2017

### VIA OVERNIGHT DELIVERY

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

Re:

Global Connection Inc. of America d/b/a StandUP Wireless

Dear Mr. King:

Enclosed please find for filing an original and twelve (12) copies of Global Connection Inc. of America d/b/a StandUP Wireless' ("Applicant") Petition for Designation as an Eligible Telecommunications Carrier, with redacted copies of Exhibit 7.

APPLICANT HAS ALSO ENCLOSED AN ORIGINAL AND TWELVE (12) COPIES OF EXHIBIT 7, PRINTED ON YELLOW PAPER, MARKED WITH "CONFIDENTIAL PER WAC 480-07-160", IN A SEPARATE SEALED ENVELOPE. DUE TO THE HIGHLY COMPETITIVE NATURE OF THE TELECOMMUNICATIONS MARKETPLACE, APPLICANT RESPECTFULLY REQUESTS CONFIDENTIAL TREATMENT OF THE PROPRIETARY INFORMATION. APPLICANT EXPECTS THAT THIS INFORMATION WILL BE RESTRICTED TO COUNSEL, AGENTS AND EMPLOYEES WHO ARE SPECIFICALLY ASSIGNED TO THIS APPLICATION BY THE COMMISSION.

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self-addressed, postage prepaid envelope. If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me. Thank you.

Respectfully submitted,

Lance J.M. Steinhart

Lance J.M. Steinhart. P.C.

Attorneys for Global Connection Inc. of America

d/b/a StandUP Wireless

Enclosures

cc: Dee DiCicco

# BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of	) ) DOCKET NO.
GLOBAL CONNECTION INC. OF AMERICA DBA STANDUP WIRELESS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER ON A WIRELESS BASIS (LOW INCOME ONLY)	PETITION OF GLOBAL CONNECTION INC. OF AMERICA DBA STANDUP WIRELESS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

PETITION OF GLOBAL CONNECTION INC. OF AMERICA DBA STANDUP WIRELESS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER ON A WIRELESS BASIS (LOW INCOME ONLY)



Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
(770) 232-9208 (Fax)
E-Mail: lsteinhart@telecomcounsel.com

Attorneys for Global Connection Inc. of America dba StandUP Wireless

# TABLE OF CONTENTS

I.	INTI	RODUCTION	1
II.	BAC	KGROUND	3
	A.	Company Overview	3
	В.	Proposed Lifeline Offering	5
	C.	Plan Enrollment	7
	D.	Prevention of Waste, Fraud and Abuse	8
III.		COMMISSION HAS JURISDICTION TO DESIGNATE WIRELESS S	10
IV.	Andrew Control of the	NDUP WIRELESS SATISFIES THE REQUIREMENTS FOR IGNATION AS AN ETC	11
	A.	StandUP Wireless Will Provide Service Consistent With the FCC's Grant of Forbearance from Section 214's Facilities Requirements	12
	В.	StandUP Wireless Is a Common Carrier	13
	C.	StandUP Wireless Will Provide All Required Supported Services	13
		Broadband Internet Access Service	13
		2. Voice Telephony Service	14
	D.	StandUP Wireless Will Advertise the Availability of Supported Services	15
	Е.	StandUP Wireless Requests Designation Throughout its Service Area in Washington	16
	F.	Service Commitment Throughout the Proposed Designated Service Area	17
	G.	Ability to Remain Functional in Emergency Situations	17
	H.	Commitment to Consumer Protection and Service Quality	
	I.	Financial and Technical Capability	18
	J.	StandUP Wireless Will Comply With Reporting Requirements	21
	K.	StandUP Wireless Will Comply With All Regulations Imposed By The Commission	21
	L.	StandUP Wireless Requests Exemption from Certain Provisions of WAC 480-123-030	22
V.		IGNATION OF STANDUP WIRELESS AS AN ETC WOULD MOTE THE PUBLIC INTEREST	23
	A.	Advantages of StandUP Wireless's Service Offering	24
	В.	The Benefits of Competitive Choice	27
	C.	Impact on the Universal Service Fund	27

VI.	ANTI-DRUG ABUSE CERTIFICATION2	28
VII.	CONCLUSION	29

# TABLE OF EXHIBITS

	Exhibit
Certification of Dave Skogen, Chief Executive Officer	
Proposed Lifeline Offering	2
Sample Lifeline Certification Form	3
StandUP Wireless's FCC-Approved Compliance Plan	4
Sample Advertisement	5
Coverage Area	6
Financial Statements	7
Corporate Structure Diagrams	8
Key Management Bios	9

# BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of	DOCKET NO.		3	語
DBA STANDUP WIRELESS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER ON A	PETITION OF GLOBA INC. OF AMERICA DI WIRELESS FOR DESI ELIGIBLE TELECOM CARRIER	BA STAND GNATION	OUP I AS A	N

PETITION OF GLOBAL CONNECTION INC. OF AMERICA DBA STANDUP WIRELESS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER ON A WIRELESS BASIS (LOW INCOME ONLY)

#### I. INTRODUCTION

Global Connection Inc. of America dba StandUP Wireless ("StandUP Wireless"), by its undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the "Act")<sup>1</sup>, Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),<sup>2</sup> and Section 480-123-030 of the Washington Administrative Code ("WAC"), hereby submits this Petition for Designation as an Eligible Telecommunications Carrier ("ETC") in the State of Washington. StandUP Wireless seeks ETC designation solely to provide Lifeline service to qualifying Washington consumers; it will not seek access to funds from the federal Universal Service Fund ("USF") for the purpose of participating in the Link-Up program or providing service to high cost areas.<sup>3</sup> As demonstrated herein, and as certified in Exhibit 1 to this Petition, StandUP Wireless meets all the statutory and

<sup>&</sup>lt;sup>1</sup> 47 U.S.C. § 214(e)(2)

<sup>&</sup>lt;sup>2</sup> 47 C.F.R. §§ 54.101-54.207.

<sup>&</sup>lt;sup>3</sup> Given that StandUP Wireless only seeks support from the low-income program and does not seek any high-cost support, ETC certification requirements for the high-cost program are not applicable to StandUP Wireless.

regulatory requirements for designation as an ETC in the State of Washington, including the requirements outlined in the FCC's *USF/ICC Transformation Order*, <sup>4</sup> *Lifeline and Link Up Reform Order*, <sup>5</sup> and recent *Lifeline Modernization Order*. <sup>6</sup> Rapid grant of StandUP Wireless's request, moreover, would advance the public interest because it would enable StandUP Wireless to commence much needed Lifeline service to low-income Washington residents as soon as possible. Accordingly, StandUP Wireless respectfully requests that the Washington Utilities and Transportation Commission ("Commission") expeditiously approve this Petition for ETC designation.

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

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
Attorneys for Global Connection Inc. of America dba StandUP Wireless
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
(770) 232-9208 (Fax)
E-Mail: lsteinhart@telecomcounsel.com

<sup>&</sup>lt;sup>4</sup> In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) ("USF/ICC Transformation Order").

<sup>&</sup>lt;sup>5</sup> In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("Lifeline and Link Up Reform Order").

<sup>&</sup>lt;sup>6</sup> 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, WC Docket No. 00-197, WC Docket No. 10-90, Third Report and Order, Further Report and Order, and Order on Reconsideration, FCC 16-38 (rel. Apr. 27, 2016) (hereinafter, "Third Report and Order" or "Lifeline Modernization Order").

### II. BACKGROUND

## A. Company Overview

Global Connection Inc. of America ("Global Connection") is a Georgia Corporation authorized to transact business in the State of Washington.<sup>7</sup> Its principal office is located at 5555 Oakbrook Parkway, Suite 620, Norcross, Georgia 30093. Global Connection is currently a wholly owned subsidiary of Global Connection Holdings Corporation ("Global Holdings"), a U.S. company whose principal place of business is located at 5555 Oakbrook Parkway, Suite 620, Norcross, GA 30093. Global Holdings operates as a holding company for Global Connection and does not provide telecommunications services. The majority interest in Global Holdings is held by L6-Global LLC, a Georgia limited liability company. Through interests in L-6 Global LLC, approximately 71 percent of the equity in Global Connection is ultimately held or controlled by Milestone Partners, a private equity firm based in Radnor, Pennsylvania. Global Connection does not have any operating companies or telecommunications affiliates.<sup>8</sup>

Global Connection provides prepaid wireline local exchange and long distance services to residential customers in twenty (20) states,<sup>9</sup> and is designated as an ETC to provide Lifeline

<sup>&</sup>lt;sup>7</sup> Global Connection was incorporated in the State of Georgia on June 1, 1998.

<sup>&</sup>lt;sup>8</sup> Following the proposed change in Global Connection's majority ownership described further herein, the Company's corporate and trade names and identifiers will remain unchanged and it will continue to have no separate operating companies; however, it will be affiliated with Odin Mobile, LLC, and have the following indirect telecommunications affiliates through Paul Greene's ownership interest: Prepaid Wireless Wholesale, LLC, a wholesale provider of wireless telecommunications services; and Cintex Wireless, LLC, a retail provider of Lifeline and non-Lifeline prepaid wireless services in Arkansas, Maryland, Maine, Rhode Island and West Virginia, and a wholesale provider of wireless telecommunications services.

<sup>&</sup>lt;sup>9</sup> Those twenty states are: Alabama, Arkansas, Colorado, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Michigan, Missouri, Mississippi, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, and Wisconsin. Global Connection is also certified but not yet providing services in Minnesota, Nebraska, New Mexico, Oregon, Washington, and West Virginia. Global Connection also holds domestic interstate and international section 214 authority from the FCC. The Company is properly registered with the FCC to provide telecommunications services pursuant to 47 C.F.R. § 64.1195.

services to low-income consumers on a wireline basis in twelve (12) states. <sup>10</sup> Global Connection provides prepaid wireless telecommunications services under its d/b/a StandUP Wireless in twenty-four (24) territories, <sup>11</sup> and is designated as an ETC on a wireless basis in all twenty-four (24) of its wireless service territories. StandUP Wireless currently has applications for wireless ETC designation pending with Idaho, Nevada, New Jersey and with the FCC (for Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire, New York, North Carolina, Tennessee, and Virginia); no such petitions have been denied.

StandUP Wireless provides commercial mobile radio service ("CMRS") by using the Sprint Spectrum L.P. ("Sprint"), Verizon Wireless ("Verizon"), and T-Mobile USA ("T-Mobile") (collectively, "Underlying Carriers") networks on a wholesale basis. StandUP Wireless obtains from its Underlying Carriers the network infrastructure and wireless transmission facilities to allow StandUP Wireless to operate as a Mobile Virtual Network Operator ("MVNO"), similar to TracFone Wireless, Inc. ("TracFone") and YourTel America Inc. ("YourTel"), who have been granted ETC status by the Commission.<sup>12</sup>

StandUP Wireless's prepaid wireless services are affordable and attractive to low-income and lower-volume consumers, providing them with access to emergency services and a reliable means of communication that can be used both at home and while traveling to remain in touch with friends and family and for contacting prospective employers. StandUP Wireless offers consumers

Those twelve states are: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Michigan, Mississippi, North Carolina, South Carolina, Tennessee and Texas.

Those twenty-four territories are: Arkansas, Arizona, California, Colorado, Georgia, Iowa, Kansas, Kentucky, Louisiana, Massachusetts, Maryland, Michigan, Minnesota, Missouri, Nebraska, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Wisconsin and West Virginia as well as Puerto Rico.

<sup>&</sup>lt;sup>12</sup> Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Washington for the Limited Purposes of Offering Lifeline and Link Up Service to Qualified Households, As Amended, Order 03, Docket No. UT-093012 (June 24, 2010) ("TracFone ETC Order"); Petition of YOURTEL AMERICA, INC. for an Exemption from WAC 480-123-030(1)(d), (f) and (g), and Designation as an Eligible Telecommunications Carrier, Order 01, Docket No. UT-110423 (June 16, 2011) ("YourTel ETC Order").

affordable prepaid calling plans, a variety of prepaid service plans, easy-to-use handsets and high-quality customer service. Given its pricing and marketing strategy and the demographics of its customers in other jurisdictions, StandUP Wireless anticipates that many of its customers will be from low-income backgrounds and will not previously have enjoyed access to wireless service because of economic constraints, poor credit history, or sporadic employment. StandUP Wireless does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service.

By providing affordable wireless and broadband plans to consumers who are otherwise unable to afford them, or were previously ignored by traditional carriers, StandUP Wireless will expand the availability of wireless services to many more consumers, which is the principal reason that Congress created the universal service program.

## B. Proposed Lifeline Offering

StandUP Wireless has the ability to provide all services supported by the universal service program, as detailed in Section 54.101(a) of the FCC's Rules (47 C.F.R. § 54.101(a)) throughout Washington. StandUP Wireless's prepaid Lifeline services will not require payment of an out-of-pocket fee by subscribers, but instead, StandUP Wireless will receive support from the Lifeline program as compensation for providing those services. StandUP Wireless commits that its Lifeline-supported services will meet or exceed the minimum service standards set forth in 47 C.F.R. § 54.408, including as they change going forward. StandUP Wireless will have a division dedicated to expanding the availability of Lifeline service to low-income consumers who are blind or visually impaired, and the Company is also prepared to launch a unique initiative aimed

at ensuring Lifeline-eligible veterans and military personnel are made aware of the program. The Company's initial wireless Lifeline offering consists of the following plan option:<sup>13</sup>

PLAN DESCRIPT	TION	VOICE	TEXT	DATA (MB)	LIFELINE PRICE
500 Voice/Unlim. Text/5	500 MB Data	500	Unlimited	500	\$0.00

Lifeline customers will have the ability to purchase additional airtime as needed. At this time, additional credits may be purchased at the rate of \$5.00 for 200 credits; \$10.00 for 450 credits; \$20.00 for 1000 credits, \$30.00 for 1500 credits; and \$50.00 for 2500 credits by calling our toll-free number. Each credit provides one (1) minute of airtime or one (1) SMS text message. Additional data may also be purchased, currently at the rate of \$3.95 for 250 MB; \$7.95 for 500 MB; and \$15.95 for 1 GB.

All Lifeline plans will also include a free handset that meets the equipment requirements set forth at 47 C.F.R. § 54.408(f), and the following custom calling features at no charge:

- (1) Caller ID;
- (2) Call Waiting;
- (3) Call Forwarding;
- (4) 3-Way Calling;
- (5) Voicemail.

Attached hereto as Exhibit 2 is a summary table of StandUP Wireless's proposed Lifeline service offering.<sup>14</sup> Customers may use their minutes to place domestic long distance calls at no additional charge. Calls to StandUP Wireless customer service made by customers via their StandUP Wireless handset will not deplete the customer's available airtime. StandUP customers can contact customer service by dialing a short code (e.g. \*611) from their StandUP Wireless phone to address billing, service and general account issues. Customers whose balance of voice

<sup>&</sup>lt;sup>13</sup> Lifeline prices reflect application of federal Lifeline subsidy and an additional Company discount. StandUP Wireless will offer additional benefits and/or further Company discounts for Veterans and Military personnel, and is in process of determining the exact offer.

<sup>&</sup>lt;sup>14</sup> StandUP Wireless's terms and conditions can be found at www.standUPwireless.com.

minutes has been exhausted will still be able to make outbound calls to StandUP Wireless customer service as long as their service is active. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

StandUP Wireless's Lifeline offering will allow feature-rich mobile and broadband connectivity for qualifying subscribers at no cost to the subscriber after application of Lifeline support, without the burden of credit checks or service contracts. StandUP Wireless's prepaid offering will be an attractive alternative for consumers who need the mobility, security, and convenience of a wireless phone, but who are concerned about usage charges or long-term contracts.

#### C. Plan Enrollment

Customers interested in obtaining information on the Lifeline program will be directed to a toll-free telephone number and to StandUP Wireless's website, which will contain information regarding StandUP Wireless's Lifeline service plans, and a description of the Lifeline program and eligibility criteria. Customers may request that an enrollment form be mailed to them, or they can download a form from the internet or apply in person at Company events. The certification forms, a sample of which is attached as Exhibit 3, will explain in clear, easily understandable language that:

(1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (2) only one Lifeline service is available per household; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the applicant's de-enrollment from the program; and (6) Lifeline is a non-transferable benefit and the applicant may not transfer his or her benefit to any other person.

<sup>&</sup>lt;sup>15</sup> The rate plans referenced on the sample are outdated and will be updated accordingly prior to use.

Certification forms will also state that: (1) the service is a Lifeline service, (2) Lifeline is a government assistance program, and (3) only eligible consumers may enroll in the program. In addition, the Company will notify the applicant that the prepaid service must be personally activated by the subscriber and the subscriber must use their service every thirty (30) days.

StandUP Wireless's certification form will also require all consumers, at sign up and annually thereafter, to provide the information and certifications, under penalty of perjury, required by 47 C.F.R. § 54.410(d). See Exhibit 4 for more detailed enrollment information. If not applying in person, the applicant must return the signed enrollment form and any supporting documentation to the address provided by StandUP Wireless. Processing of consumers' applications, including review of all application forms and relevant documentation, will be performed under the Company's supervision by managers experienced in the administration of the Lifeline program. StandUP Wireless will annually re-certify the continued eligibility of all of its Lifeline subscribers in accordance with federal and Commission regulations. In addition to requiring customers to certify eligibility in accordance with 47 C.F.R. §§ 54.410(d) and (f), StandUP Wireless will work with the Department of Social and Health Services ("DSHS") to verify initial and ongoing consumer eligibility in Washington.

#### D. Prevention of Waste, Fraud and Abuse

StandUP Wireless recognizes the importance of safeguarding the USF. StandUP Wireless will notify its subscribers at service initiation about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage. StandUP Wireless will not consider a wireless prepaid subscriber activated, and will not seek Lifeline reimbursement for that subscriber, until the subscriber activates the Company's

prepaid service by dialing a specified dedicated number from their Company-issued handset. <sup>16</sup> In addition, after service activation, StandUP Wireless will not seek reimbursement from the USF for and will de-enroll any subscriber that has not used Global Connection's Lifeline service as set forth in 47 C.F.R. § 54.407(c)(2). An account will be considered active if the authorized subscriber establishes usage, as "usage" is defined by 47 C.F.R. § 54.407(c)(2), during the specified timeframe, currently a period of thirty (30) days, or during the notice period set forth in 47 C.F.R. § 54.405(e)(3), currently a period of fifteen (15) days. In accordance with 47 C.F.R. § 54.405(e)(3), StandUP Wireless will provide the subscriber advanced notice, using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the notice period will result in service termination for non-usage. Customers that have been deactivated may participate in StandUP Wireless's Lifeline service in the future by reapplying and reestablishing eligibility.

StandUP Wireless has implemented measures and procedures to prevent duplicate Lifeline benefits being awarded to the same household. The Company complies with the requirements of the National Lifeline Accountability Database ("NLAD") and section 54.404 of the FCC's rules. As such, the Company queries the NLAD for every enrollment<sup>17</sup> to determine whether a prospective subscriber is currently receiving a Lifeline service from StandUP Wireless or any other ETC, and whether anyone else living at the prospective subscriber's residential address is currently receiving Lifeline service. <sup>18</sup> In addition, Company personnel emphasize the "one Lifeline service per household" restriction in their direct sales contacts with potential customers.

<sup>&</sup>lt;sup>16</sup> See Lifeline and Link Up Reform Order ¶ 257; 47 C.F.R. § 54.407(c)(1).

With the limited exception of states that have opted out of the NLAD. In those states, the Company will query the state duplicates database.

<sup>&</sup>lt;sup>18</sup> See Lifeline and Link Up Reform Order ¶ 203.

Moreover, the FCC has taken steps to further curb abuse in the Lifeline program by establishing the National Lifeline Eligibility Verifier ("National Verifier"), which transfers the responsibility of eligibility determination away from Lifeline providers.<sup>19</sup> StandUP Wireless will utilize the National Verifier, once in place, to determine initial and ongoing eligibility of Washington Lifeline subscribers.

To further protect the integrity of the USF, StandUP Wireless has contracted with CGM, LLC of Roswell, Georgia, a Lifeline service bureau, to edit all subsidy request data. CGM will process and validate StandUP Wireless's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from StandUP Wireless will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described above, StandUP Wireless ensures that it does not over-request from support funds.

#### III. THE COMMISSION HAS JURISDICTION TO DESIGNATE WIRELESS ETCS

Section 214(e)(2) of the Act (47 U.S.C. § 214(e)(2)) provides state public utility commissions with the "primary responsibility" for the designation of ETCs. Although Section 332(c)(3)(A) of the Act prohibits states from regulating the entry of or the rates charged by any provider of commercial mobile service or any private mobile service, this prohibition does not allow states to deny wireless carriers ETC status.<sup>20</sup> Therefore, the Commission has the authority to designate StandUP Wireless as an ETC. Pursuant to this authority, the Commission has

<sup>&</sup>lt;sup>19</sup> See Lifeline Modernization Order, section III.C.

<sup>&</sup>lt;sup>20</sup> See Federal-State Joint Board on Universal Service, First Report and Order, 12 FCC Rcd 8776, 8858-59,  $\P$  145 (1997) ("USF Order").

designated numerous carriers as ETCs in the State of Washington, including many wireless carriers.<sup>21</sup>

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). StandUP Wireless recognizes that Section 214(e)(1)(A) of the Act states that ETCs shall offer services, at least in part, over their own facilities and that Section 54.201(i) of the FCC's Rules (47 C.F.R. § 54.201(i)) prohibits state commissions from designating as an ETC a telecommunications carrier that offers services exclusively through the resale of another carrier's services. However, the FCC has granted forbearance from enforcement of this facilities requirement to carriers seeking Lifeline-only ETC designation.<sup>22</sup> Section 10(e) of the Act (47 U.S.C. § 160(e)) provides: "[a] State commission may not continue to apply or enforce any provision of this chapter that the [Federal Communications] Commission has determined to forbear from applying under subsection (a) of this section." As such, the Commission is required by Section 10(e) to act in accordance with the FCC's grant of forbearance, and therefore, may not apply the facilities-based requirement to StandUP Wireless. Therefore, the Commission has the authority to act under Section 214(e)(2) of the Act and to grant StandUP Wireless's request for designation as an ETC throughout the State of Washington.

# IV. STANDUP WIRELESS SATISFIES THE REQUIREMENTS FOR DESIGNATION AS AN ETC

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

<sup>&</sup>lt;sup>21</sup> See e.g., In the Matter of the Petition of RCC Minnesota, Inc. d/b/a Cellular One for Designation as an Eligible Telecommunications Carrier, Order Granting Petition for Designation as an Eligible Telecommunications Carrier, Docket No. UT-023033 (Aug. 14, 2002); See also Tracfone ETC Order and YourTel ETC Order.

<sup>&</sup>lt;sup>22</sup> See Lifeline and Link Up Reform Order at ¶ 368.

support." Section 214(e)(2) of the Act authorizes state commissions, such as the Commission, to designate ETC status for federal universal service purposes and authorizes the Commission to designate wireless ETCs.<sup>23</sup> Section 214(e)(1) of the Act and Section 54.201(d) of the FCC's rules provide that applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier's services, except where the FCC has forborne from the "own facilities" requirement. Applicants also must commit to advertise the availability and rates of such services.<sup>24</sup> As detailed below, StandUP Wireless satisfies each of the above-listed requirements.

# A. StandUP Wireless Will Provide Service Consistent with the FCC's Grant of Forbearance from Section 214's Facilities Requirements

Although Section 214 requires ETCs to provide services using their facilities, at least in part, the FCC has forborne from that requirement with respect to carriers such as StandUP Wireless. In the *Lifeline and Link Up Reform Order*, the FCC granted forbearance from the "own-facilities" requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:<sup>25</sup>

- (1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and
- (2) the carrier must file, and the Bureau must approve, a compliance plan providing specific information regarding the carrier's service offerings and outlining the measures the carrier will take to implement the obligations contained in this Order as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary."

<sup>&</sup>lt;sup>23</sup> See USF Order, at 8858-59, ¶ 145.

<sup>&</sup>lt;sup>24</sup> See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

<sup>&</sup>lt;sup>25</sup> See Lifeline and Link Up Reform Order at ¶¶ 368, 373 and 379.

StandUP Wireless will avail itself of the FCC's grant of blanket forbearance. In accordance with the *Lifeline and Link Up Reform Order*, StandUP Wireless filed a Compliance Plan with the FCC, which the FCC approved on May 25, 2012.<sup>26</sup> A copy of its FCC-approved Compliance Plan is attached hereto as Exhibit 4.<sup>27</sup> StandUP Wireless commits to providing Lifeline service in Washington in accordance with its approved Compliance Plan and applicable FCC and Commission rules.

#### B. StandUP Wireless Is a Common Carrier

StandUP Wireless is a resale-based CMRS provider, and is thus a common carrier. <sup>28</sup>

## C. StandUP Wireless Will Provide All Required Supported Services

Through its Underlying Carriers, StandUP Wireless is able to provide all of the services required by Section 54.101(a) of the FCC's Rules (47 C.F.R. § 54.101(a)), as follows:

#### 1. Broadband Internet Access Service

Broadband Internet access service ("BIAS") is a supported service as of December 2, 2016. The FCC has stated that broadband access consists of the ability for a user to receive "the capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications

Wireline Competition Bureau Approves the Compliance Plans of American Broadband & Telecommunications, Budget Prepay, Consumer Cellular, Global Connection, Terracom and Total Call, WC Dckt. Nos. 09-197 and 11-42, DA 12-828 (rel. May 25, 2012).

<sup>&</sup>lt;sup>27</sup> See also the Company's proposed Amended Compliance Plan, filed February 22, 2017 and currently pending before the FCC, which updates the Compliance Plan to comply with current regulations: <a href="https://ecfsapi.fcc.gov/file/10222246315935/FCC%20Global%20Connection%20Amended%20Wireless%20%2B%20Wireline%20CP%20Filing%202.22.17.pdf">https://ecfsapi.fcc.gov/file/10222246315935/FCC%20Global%20Connection%20Amended%20Wireless%20%2B%20Wireline%20CP%20Filing%202.22.17.pdf</a>.

<sup>&</sup>lt;sup>28</sup> Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1425 ¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory "mobile services" category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) ("mobile services" providers are common carriers); see also PCIA Petition for Forbearance for Broadband PCS, WT Docket No. 98-100, Memorandum Opinion and Order and Notice of Proposed Rulemaking, 13 FCC Rcd 16857, 16911 ¶ 111 (1998) ("We concluded [in the Second Report and Order] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services and resellers of such services.") [emphasis added].

service, but excluding dial-up Internet access service."<sup>29</sup> StandUP Wireless will provide this service via resale of its Underlying Carriers' wireless services.

## 2. Voice Telephony Service

As set forth in 47 C.F.R. § 54.101(a)(1), eligible Voice Telephony Services must provide the following:

<u>Voice Grade Access to the Public Switched Telephone Network.</u> StandUP Wireless provides voice grade access to the public switched telephone network ("PSTN") through the purchase of wholesale CMRS services from Underlying Carriers.

<u>Local Usage</u>. As part of the voice grade access to the PSTN, an ETC must provide minutes of use for local service at no additional charge to end-users. The FCC has not specified a minimum amount of local usage that an ETC must offer.<sup>30</sup> StandUP Wireless offers a variety of rate plans that provide its customers with minutes of use for local service at no additional charge.

Access to Emergency Services. StandUP Wireless provides 911 and E911 access for all of its customers, regardless of activation status and availability of minutes, to the extent the local government in its service area has implemented 911 or E911 systems. StandUP Wireless also complies with the FCC's regulations governing access to emergency services, the deployment and availability of E911 compatible handsets, and availability of text-to-911 features.

Toll Limitation for Qualified Low-Income Customers. In its Lifeline and Link Up

Reform Order, the FCC stated that toll limitation would no longer be deemed a supported

<sup>&</sup>lt;sup>29</sup> See 47 C.F.R. § 8.2(a) (defining broadband Internet access service); see also 47 C.F.R. §54.101(a)(2).

<sup>&</sup>lt;sup>30</sup> See e.g., In the Matter of Federal-State Joint Board on Universal Service, Recommended Decision 15 FCC Rcd 7331 (2002).

service.<sup>31</sup> "ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls." Nonetheless, StandUP Wireless's offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or pay-as-you-go, basis. StandUP Wireless's service, moreover, is not offered on a distance-sensitive basis and local and domestic long distance minutes are treated the same.

Other Services. While no longer required by 47 C.F.R. § 54.101(a), StandUP Wireless provides dual tone multi-frequency ("DTMF") signaling to expedite the transmission of call set up and call detail information throughout the network, single party service for the duration of each telephone call and not multi-party (or "party-line") services, access to operator services, the ability to make interexchange, or long distance, telephone calls, and access to directory assistance services by dialing "411" from the provided wireless handsets.

# D. StandUP Wireless Will Advertise the Availability of Supported Services

StandUP Wireless will advertise the availability and rates for the services described above using media of general distribution as required by 47 C.F.R. § 54.201(d)(2) of the FCC's regulations. StandUP Wireless's advertising will comply with the requirements set forth in the *Lifeline and Link Up Reform Order*, as outlined in StandUP Wireless's Compliance Plan. StandUP Wireless will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline service, using mediums for outreach such as the Internet, mass media, outreach events, and community and charitable involvement. StandUP Wireless will engage in advertising campaigns specifically targeted to reach those likely to qualify for Lifeline

<sup>&</sup>lt;sup>31</sup> See Lifeline and Link Up Reform Order at  $\P$  367.

<sup>&</sup>lt;sup>32</sup> See Lifeline and Link Up Reform Order at ¶ 49.

<sup>&</sup>lt;sup>33</sup> See Exhibit 4, section I.F. See also Lifeline and Link Up Reform Order at Section VII.F, and 47 C.F.R. § 54.405(c).

service, promoting the availability of cost-effective wireless services to this neglected consumer segment. StandUP Wireless may also promote the availability of its Lifeline offering by distributing brochures at various state and local social service agencies, and may partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline service. In addition, StandUP Wireless will utilize its network of retail partners to help promote the availability of its Lifeline plans, especially those retail outlets that are frequented by low income consumers; examples include MoneyGram locations, independent operators including insurance providers, check cashing locations and select discount retailers. StandUP Wireless will provide retail partners with signage to be displayed and with printed materials describing StandUP Wireless's Lifeline program.<sup>34</sup>

# E. StandUP Wireless Requests Designation Throughout Its Service Area in Washington

StandUP Wireless is not a rural telephone company as defined in Section 153(37) of the Act (47 U.S.C. § 153(37)). Accordingly, StandUP Wireless is required to describe the geographic area(s) within which it requests designation as an ETC. StandUP Wireless requests designation as an ETC that is statewide in scope, subject to the existence of its Underlying Carriers' facilities and corresponding coverage, and excluding any tribal lands. StandUP Wireless understands that its service area may overlap with rural carriers in Washington, but maintains that the public interest factors described below justify its designation in these carriers' service areas, especially because it seeks ETC designation solely to utilize USF funding to provide Lifeline service to qualified low-income consumers. It does not seek and will not accept Link-Up or high cost support.

<sup>&</sup>lt;sup>34</sup> See attached Exhibit 5 for a sample advertisement. The rate plan referenced on the sample is outdated and will be updated accordingly prior to use.

<sup>&</sup>lt;sup>35</sup> A list of areas in which StandUP Wireless requests ETC designation is attached hereto as Exhibit 6.

### F. Service Commitment Throughout the Proposed Designated Service Area

StandUP Wireless provides service in Washington by reselling service which it obtains from its underlying facilities-based providers. The providers' networks are operational and largely built out. Thus, StandUP Wireless will be able to commence offering its Lifeline service to all locations served by its Underlying Carriers very soon after receiving approval from the Commission. StandUP Wireless commits to comply with the service requirements applicable to the support that it receives.<sup>36</sup>

### G. Ability to Remain Functional in Emergency Situations

In accordance with 47 C.F.R. §54.202(a)(2), StandUP Wireless has the ability to remain functional in emergency situations. Through its Underlying Carriers, StandUP Wireless provides to its customers the same ability to remain functional in emergency situations as currently provided by the Underlying Carriers to their own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, the ability to reroute traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

### H. Commitment to Consumer Protection and Service Quality

Under FCC guidelines, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards, and for wireless applicants, a commitment to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service satisfies this requirement.<sup>37</sup> StandUP Wireless commits to comply with the CTIA Consumer Code for Wireless Service, including as it may be amended in the future.

<sup>&</sup>lt;sup>36</sup> See 47 C.F.R. § 54.202(a)(1)(i).

<sup>&</sup>lt;sup>37</sup> See 47 C.F.R. § 54.202(a)(3).

### I. StandUP Wireless is Financially and Technically Capable

In accordance with 47 C.F.R. § 54.202(a)(4), StandUP Wireless is financially and technically capable of providing Lifeline-supported services.<sup>38</sup> Global Connection has been offering non-Lifeline and Lifeline wireline service since 1998 and began providing non-Lifeline and Lifeline-supported wireless service in April 2011. The Company has not been subject to ETC revocation proceedings in any state. The Company generates substantial revenues from non-Lifeline services which represent seventy-five percent (75%) of its wireline customers. Consequently, to date, StandUP Wireless has not relied (and does not rely) exclusively on Lifeline reimbursement for the Company's operating revenues. In the event that USAC ceases disbursements for a period of time, the Company will still be able to provide service to its customers. In addition, StandUP Wireless has access to capital from its investors. Currently, through its interests in Global Holdings, the majority investor in Global Connection is Milestone Partners, a Pennsylvania private equity firm. As explained below, financial support will continue to be available to StandUP Wireless through the new majority ownership proposed for the Company.

Pursuant to the terms of a Stock Purchase Agreement dated February 16, 2017, by and among Global Connection, Global Holdings, and Odin Mobile, LLC ("Odin Mobile") (collectively, the "Parties"), Odin Mobile will acquire seventy five percent (75%) of the stock in Global Connection, which will become its majority-owned direct subsidiary (the "Transaction").<sup>39</sup> A majority (ninety-nine percent (99%)) interest in Odin Mobile (and thus, the majority indirect interest in Global Connection) will be held post-close by Paul Greene, a U.S.

<sup>&</sup>lt;sup>38</sup> See Exhibit 7 for financial information, which is confidential and proprietary.

<sup>&</sup>lt;sup>39</sup> The Parties are in the process of obtaining all required approvals for the proposed Transaction from the FCC and all applicable state regulatory authorities.

citizen. Global Holdings will retain twenty five percent (25%) ownership of Global Connection.<sup>40</sup> A diagram of the corporate structure of Global Connection and Odin Mobile both pre-Transaction and post-close is provided as Exhibit 8.

Odin Mobile is a Maryland limited liability company with its principal offices located at 11565 Old Georgetown Road, Rockville, Maryland 20852. Odin Mobile provides prepaid wireless services to consumers through the purchase of wireless network infrastructure and wireless transmission facilities from T-Mobile on a wholesale basis. Odin Mobile has a history of providing service and phones to the blind and visually impaired; through affiliation with Odin Mobile, Global Connection will benefit from Odin Mobile's experience serving the unique needs of these consumers. Odin Mobile is ninety-nine percent (99%) owned by Paul Greene, with his principal place of business located at 11565 Old Georgetown Road, Rockville, Maryland 20852. Odin Mobile and its affiliates have established considerable financial resources that will be available, as needed, to support StandUP Wireless in its operations and continuing growth.

Paul Greene is also indirectly a majority owner (the only 10% or greater owner) of Prepaid Wireless Wholesale, LLC ("PPWW"), a Maryland limited liability company. PPWW is one of the nation's longest standing aggregators of wireless services. PPWW is financially strong, carrying zero debt or outside investment. PPWW participates in the Lifeline consortium to lobby for favorable rules, regulations that promote longevity and stability of the program.

PPWW provides integrated communications solutions - including Mobile Virtual Network Operator ("MVNO") enablement, cellular carrier access aggregation, voice/text/data services, machine-to-machine ("M2M"), and Internet of Things ("IoT") connectivity. PPWW helps companies deploy cellular services to their customers. These MVNOs market and sell

<sup>&</sup>lt;sup>40</sup> The transaction will not result in any change to the ownership of Global Holdings or Odin Mobile.

while PPWW provides backend network connectivity, billing, rating, handset logistics, call center and other enablement services necessary to execute their business objectives. PPWW owns and operates a carrier grade voice, text, and mobile data telecommunications infrastructure. These carrier-connected network elements are the hub of PPWW's business. When voice, text, or data events are initiated, those events are passed to PPWW's network for event approval, dynamic call routing, live event rating, billing, and reporting. PPWW has completed the strategic planning, development, and deployment of all hardware, software, and programming integration necessary to deliver carrier-grade telecommunication enablement services to the US MVNO market. PPWW systems represent a bi-directional hub between the carrier and each wholesale partner. PPWW published and manages a robust API architecture enabling real-time activations, customer management functions, and billing record delivery.

With respect to technical expertise, the senior management of StandUP Wireless has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to StandUP Wireless. The Company has demonstrated its capabilities over almost twenty years of operations, now providing service pursuant to wireline and wireless ETC designations in a combined twenty-nine (29) jurisdictions. StandUP Wireless has considerable experience complying with the requirements of the federal Lifeline program. Even after consummation of the Transaction, StandUP Wireless's current management team will remain with the Company, continuing to direct day-to-day oversight of the operations. This will ensure that their collective expertise in the telecommunications compliance field and specific indepth knowledge of StandUP Wireless will guide the Company's decisions going forward. As a result, the Transaction will bring together the full strength of StandUP Wireless's proven

<sup>&</sup>lt;sup>41</sup> See Exhibit 9 for key management bios.

telecommunications capabilities and the technical, managerial and financial expertise of Odin Mobile and its affiliates. The resulting synergy will enable StandUP Wireless to achieve measurable growth at the same time as it develops improved operating efficiencies—both necessary components for the Company to thrive. StandUP Wireless will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its Underlying Carriers.

#### J. StandUP Wireless Will Comply With Reporting Requirements

StandUP Wireless will provide the Commission a copy of its annual certifications and Lifeline recertification results pursuant to 47 C.F.R. § 54.416 (i.e. FCC Form 555), as well as a copy of its annual report filed pursuant to 47 C.F.R. § 54.422 (i.e. FCC Form 481), and other reports the Commission deems necessary as a condition of ETC designation. Furthermore, until implementation of the National Verifier, StandUP Wireless agrees to file with DSHS its customer records of the prior calendar year for customers enrolled based on eligibility programs within the DSHS database. The records will have all the necessary information and be in an electronic format required by DSHS. After DSHS notifies StandUP Wireless of the results of the review, StandUP Wireless will take appropriate measures to either correct the customer records or stop providing services to ineligible customers and report the resolutions to DSHS and the Commission within 60 days of the notice.

# K. StandUP Wireless Will Comply With All Regulations Imposed By The Commission

By this Petition, StandUP Wireless hereby asserts its willingness and ability to comply with all the rules and regulations that the Commission may lawfully impose upon StandUP Wireless's provision of service contemplated by this Petition. Upon Commission request, StandUP Wireless is prepared to answer questions or present additional testimony or other

evidence about its services within the state. StandUP Wireless commits that 100% of federal universal service funds will flow through directly to Lifeline customers.

StandUP Wireless will cooperate with the Washington State Enhanced 911 Program (E911) and all Public Safety Answering Points on E911 issues and shall, upon request, designate a representative to serve as a member or alternate member of the Washington State E911 Advisory Committee or its Communications Sub-committee. StandUP Wireless will also participate in the Washington State E911 Program's "What's Your Location" public information campaign if the E911 Program requests the participation of wireless carriers, and is willing to collaborate with the Washington State E911 Program to test the compatibility of its handsets with the new Emergency Service Information Network in Washington, including supplying handsets representative of StandUP Wireless's proprietary software and technical assistance should call delivery discrepancies be discovered.

## L. StandUP Wireless Requests Exemption from Certain Provisions of WAC 480-123-030

StandUP Wireless requests that the Commission exempt it from the ETC petition requirements set forth in WAC 480-123-030(1)(d), (f) and (g). Subsection (d) requires ETCs to provide a substantive plan of the investments it will make using USF funds. This requirement applies to carriers that seek high-cost support to fund investments to their networks; however, StandUP Wireless seeks ETC designation solely for purposes of reimbursement for provision of subsidized low-income support services to eligible customers. Therefore, StandUP Wireless has no basis for filing an investment plan and should be exempt from the requirement.

Subsection (f) requires wireless carriers 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 Wireless does not own, control, nor plan to develop cell sites, and StandUP Wireless's coverage area encompasses that of its Underlying Carriers in Washington. StandUP Wireless does not have access to underlying carrier service area maps showing the location of cell sites. Accordingly, StandUP Wireless requests exemption from this requirement.

Subsection (g) provides that a petition for ETC designation must contain information affirming that a company has the ability to remain functional in emergency situations, including information that demonstrates it has at least four hours of backup battery power at each cell site, backup generators at each microwave hub, and at least five hours of backup battery power and backup generators at each switch. As noted in Section IV.G of this Petition, StandUP Wireless has the ability to remain functional in emergency situations through its underlying carriers. StandUP Wireless does not own or operate any facilities, cell sites or microwave hubs, thus, StandUP Wireless should be exempt from the requirement that it demonstrate it has backup battery power or generators.

# V. DESIGNATION OF STANDUP WIRELESS 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. 42 Many low-income customers in Washington have yet to reap the full benefits of the intensely 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.

<sup>&</sup>lt;sup>42</sup> Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

The instant request for ETC designation must be examined in light of the Act's goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers—particularly low-income consumers—receive affordable and comparable telecommunications services. Given this context, designating StandUP Wireless as an ETC would benefit low-income consumers eligible for Lifeline service in the State of Washington—the intended beneficiaries of universal service.

### A. Advantages of StandUP Wireless's Service Offering

The public interest benefits of StandUP Wireless's wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime and data at no net cost, the ability to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted, and 911/E911 service in accordance with current FCC requirements. The mobility of StandUP Wireless's service will be particularly attractive to Lifeline-eligible consumers who may frequently change residences or work in migratory jobs. Wireless service offers a stable contact method where traditional landline service would be unavailable or not a viable option. StandUP Wireless's prepaid wireless service is an especially attractive option for low-income consumers because it alleviates customer concerns regarding hidden costs, varying monthly charges and long term contract issues. For consumers with limited resources, the ability to meet their communications and broadband access needs while at the same time anticipating and controlling the associated costs is critical.

StandUP Wireless's Lifeline program will provide low-income Washington residents with the convenience and security offered by wireless services—even if their financial position deteriorates. StandUP Wireless's Lifeline offering is an invaluable resource for emergency services and for cash-strapped consumers who may be seeking employment or simply need to maintain contact with family members. It is also a commonly accepted fact that in today's market, consumers—including qualified Lifeline customers—view the portability and convenience of wireless service not as a luxury, but as a necessity. Mobile service allows children to reach their parents, wherever they may be, allows a person seeking employment the ability to be contacted by potential employers, and provides end users with the ability to contact emergency service providers, regardless of location.

Notably, StandUP Wireless will have a Lifeline division focused on providing service and phones to the visually impaired. Through affiliation with Odin Mobile, StandUP Wireless will benefit from Odin Mobile's experience serving the unique needs of these consumers. Odin Mobile searches worldwide for the very best feature phones and smartphones for individuals who are blind, and has created awareness for its service and handsets by working with highly regarded non-profit organizations, as well as federal and state agencies. Handsets currently made available by most ETCs are not accessible to individuals who are blind, preventing millions of Americans from obtaining Lifeline service. The significance of this state of affairs should be clearly understood: disabled Americans are precisely the type of disadvantaged consumers that Lifeline is designed to help. Blind Americans are not only significantly poorer than the average American, they are frequently chronically poor. Yet because handsets made available by Lifeline providers are not accessible, individuals who are blind cannot benefit fully from Lifeline. StandUP Wireless looks forward to expanding the availability of the Lifeline program to these individuals by offering Lifeline service in conjunction with Smartphones designed for use by the visually impaired.

Furthermore, in an effort to expand awareness of the Lifeline program among veterans, StandUP Wireless has partnered with "Cell Phones for Soldiers," a national non-profit organization that has been serving troops and veterans with free communication services and emergency funding based on private donations since 2004. One of the barriers to expanding Lifeline to eligible consumers, veterans included, is determining *how* to effectively connect with those in need who are eligible. Cell Phones for Soldiers has an existing platform for communication with troops and veterans and over a decade of experience serving their needs. By partnering together, Cell Phones for Soldiers and StandUP Wireless will be able to better ensure that these low-income veterans are made aware of and able to benefit from the Lifeline program. Providing StandUP Wireless with the authority necessary to offer Lifeline services to Washington residents—including those who have dedicated their lives to protecting our country—who may be currently without access to or otherwise unable to afford essential telephone and broadband services, or in danger of losing wireless service altogether, undoubtedly promotes the public interest.

Finally, grant of StandUP Wireless's Petition will serve the public interest in increasing the number of ETCs in Washington. By granting ETC status to StandUP Wireless, the Commission will enable StandUP Wireless to increase the number of Washington residents receiving Lifeline support, thereby increasing the amount of USF money flowing into Washington. In sum, ETC designation in the State of Washington would enable StandUP Wireless to provide all of the public benefits cited by the FCC in its analysis in the *Virgin Mobile Order*. Namely, StandUP Wireless would provide "increased consumer choice, high-quality service offerings, and mobility," as well as the safety and security of effective 911 and E911 services. 45

<sup>&</sup>lt;sup>43</sup> See <a href="https://www.cellphonesforsoldiers.com/">https://www.cellphonesforsoldiers.com/</a>.

<sup>&</sup>lt;sup>44</sup> See Virgin Mobile Order, 24 FCC Rcd at 3395 ¶ 38.

<sup>&</sup>lt;sup>45</sup> See Id. at 3391 ¶ 23.

## B. The Benefits of Competitive Choice

The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than four decades. Designation of StandUP Wireless as an ETC will promote competition and innovation, and spur other carriers to target low-income consumers with service offerings tailored to their needs, resulting in improved services to consumers. As an ETC, StandUP Wireless will ensure that quality services are available at "just, reasonable, and affordable rates" as envisioned in the Act. Introducing StandUP Wireless into the market as an additional wireless ETC provider will afford low income Washington residents a wider choice of providers and available services, while enhancing a competitive marketplace as ETCs compete for a finite number of Lifeline-eligible customers. Increasing the competitive marketplace of providers has the potential to effectively increase the penetration rate and reduce the number of individuals not connected to the PSTN.

### C. Impact on the Universal Service Fund

StandUP Wireless's request for designation as an ETC solely for Lifeline purposes would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. With Lifeline, ETCs only receive support for customers they obtain. The amount of support available to an eligible subscriber is exactly the same whether the support is given through a company such as StandUP Wireless or the Incumbent LEC operating in the same service area. StandUP Wireless will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC's Lifeline program. By implementing the safeguards set forth in the *Lifeline and Link-up Reform Order* and utilizing the NLAD and

<sup>&</sup>lt;sup>46</sup> See, e.g., Specialized Common Carrier Services, 29 FCC Rcd 870 (1971).

<sup>&</sup>lt;sup>47</sup> See 47 U.S.C. § 254(b)(1).

National Verifier (once in place), the likelihood that StandUP Wireless's customers are not eligible or are receiving duplicative support either individually or within their household is greatly minimized. StandUP Wireless's ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable wireless services to low-income consumers. According to the FCC, "the additional choice and service options of another wireless reseller offering a service for low-income consumers represents a significant benefit for consumers and is in the public interest," and "A new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance in the context of the Lifeline program outweighs the potential costs."

#### VI. ANTI-DRUG ABUSE CERTIFICATION

StandUP Wireless 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.

<sup>&</sup>lt;sup>48</sup> See Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A), Order, FCC 10-117 (rel. June 25, 2010) at ¶ 19.

### VII. CONCLUSION

Based on the foregoing, designation of StandUP Wireless as an ETC in the State of Washington accords with the requirements of Section 214(e)(2) of the Act and is in the public interest.

WHEREFORE, StandUP Wireless respectfully requests that the Commission promptly designate StandUP Wireless as an ETC in the State of Washington.

Respectfully submitted,

Lance J.M. Steinhart

Managing Attorney

Lance J.M. Steinhart, P.C.

1725 Windward Concourse, Suite 150

Alpharetta, Georgia 30005

(770) 232-9200 (Phone)

(770) 232-9208 (Fax)

E-Mail: <a href="mailto:lsteinhart@telecomcounsel.com">lsteinhart@telecomcounsel.com</a>

Attorneys for Global Connection Inc. of America dba StandUP Wireless

May 25, 2017