

Agenda Date: January 29, 2015
Item Number: A1

Docket: UT-110321

Company Name: Telrite Corporation

Staff: Jing Roth, Senior Regulatory Analyst
Roger Hahn, Regulatory Analyst
William Weinman, Assistant Director – Telecommunications

Recommendation

Issue an order granting Telrite Corporation the exemption from WAC 480-123-030(1)(d),(f), and (g) and renew the company's designation as an Eligible Telecommunications Carrier for the purpose of receiving Lifeline support from the federal Universal Service Fund in Washington subject to the modified conditions in Attachment 2 to this memo. Generally, this renewal eliminates the one-year interim period condition imposed in Order No. 1 and updates other conditions to reflect changes made by the Federal Communications Commission.

I. Background

On January 29, 2013, Telrite Corporation (Telrite or company) petitioned the Washington Utilities and Transportation Commission (UTC or commission) for designation as an Eligible Telecommunications Carrier (ETC) for the purpose of receiving Low Income Support from the federal Universal Service Fund pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the Act), and WAC 480-123-030. The company also petitioned for an exemption from provisions of WAC 480-123-030(1)(d), (f), and (g). On June 13, 2013, the commission issued the Order to grant the exemption and designate Telrite as an ETC subject to the conditions.¹ Condition 1 of the Commission Order requires the company to seek to renew its ETC designation before the end of one year after the designation.²

On September 24, 2014, Telrite filed a petition with the commission to renew designation as an ETC in compliance with the commission order.

Telrite started its Washington Lifeline operation in March 2014. It utilizes AT&T's wireless network facilities. The company markets its Lifeline plans under the brand name "Life Wireless" and it currently serves about 1000 Lifeline customers in Washington. The company asserted in its ETC renewal petition that it has complied with all conditions in the commission's ETC designation order.

II. Discussion

The commission has jurisdiction over ETC petitions. Section 214 (e) of the Act authorizes state regulatory commissions to designate a qualified common carrier as an ETC for the purpose of

¹ UT-110321, Order 01.

² Telrite filed the request three month late.

receiving federal Universal Service Fund.³ By rule, WAC 480-123-040, the commission has the 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.⁴

Staff believes that Telrite qualifies for an ETC designation pursuant to 47 U.S.C. § 214(e)(2). It offers the services that are supported by federal universal service support mechanisms. It advertises the availability of such services and the charges using media of general distribution.

The commission imposed conditions on Telrite's interim ETC designation to ensure that the designation is consistent with the public interest. Staff believes that Telrite has complied with the conditions in the 2013 ETC designation order.

In its petition for renewal, Telrite states that it has complied with all relevant federal and state rules and regulations on Lifeline. It has procedures in place to verify customers' eligibility to curb waste, fraud and abuse of the federal Lifeline fund.

Conclusion

Telrite has complied with all federal and state statutes and rules on ETC designation as well as the conditions that the commission imposed in the 2013 ETC designation order. Staff believes the renewal of its ETC designation is consistent with public interest. The company will continue to use federal Lifeline support to offer affordable wireless services to low-income households.

Staff recommends the commission issue an order to continue to grant Telrite Corporation the exemption from WAC 480-123-030(1)(d), (f), (g) and renew the company's designation as an Eligible Telecommunications Carrier for the purpose of receiving Lifeline support from the federal Universal Service Fund in Washington subject to the modified conditions in Attachment 2 to this memo.

Attachments - 2

³ 47 U.S.C. § 214(e)(2). See also 47 C.F.R. § 54.201(c).

⁴ UT-093012, Order 03 (June 24, 2010), ¶ 78.