

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET UT-111206
)	
CINTEX WIRELESS, LLC)	
)	ORDER 01
Petitioner,)	
)	
Seeking Designation as an Eligible)	ORDER DENYING ELIGIBLE
Telecommunications Carrier in the)	TELECOMMUNICATIONS CARRIER
state of Washington pursuant to)	DESIGNATION
47 U.S.C. § 214(e)(2) on a Wireless)	
Basis (Low Income Only))	
.....)	

BACKGROUND

- 1 On July 5, 2011, Cintex Wireless, LLC (Cintex 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 (statewide service area) under the Communications Act of 1934,¹ applicable FCC rules, and WAC 480-123. Cintex proposed to provide qualifying Washington consumers with Lifeline and Link Up services, which are federal Universal Service Fund (USF) supported services.² ETC designation would allow the Company to receive the portion of federal low-income universal service support for prepaid wireless service applicable to Lifeline services.
- 2 Staff contends that Cintex does not meet all applicable regulatory requirements to be designated as an ETC. Staff raised concerns over the Company’s ability to comply with federal regulations regarding “own facilities” requirements after entry of the FCC’s USF/ICC Transformation Order that eliminated directory assistance and operator services from the list of USF-supported services.³ Additionally, Staff notes that the FCC has not approved Cintex’s compliance plan. Staff also asserts that Cintex has not updated its petition to keep pace with FCC-implemented changes to the Link Up program. Finally,

¹ 47 U.S.C. § 214 (e)(2).

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

³ *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 an 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. 01-92, 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*) ¶ 78; 47 C.F.R. § 54.101.

Staff notes that Cintex's petition does not provide any details on specific measures it takes to prevent waste, fraud and abuse of the federal Lifeline program. Accordingly, Staff recommends denying the petition.

3 Cintex supplemented its petition in August and October 2011. However, the Company has not responded to repeated inquiries from Commission Staff (Staff) since that time.

DISCUSSION

4 We agree with Staff that Cintex has not demonstrated compliance with all required elements of the Communications Act of 1934 and WAC 480-123-030, particularly the "own facilities" requirement. The Commission needs more information about Cintex's relationship with its underlying network carrier before it can determine if the company can still meet the "own facilities" requirement set out in federal law. If Cintex can no longer meet this qualification, it must update its filing with additional information to allow the Commission to evaluate the Company's ability to meet the conditions for forbearance, to include an FCC-approved compliance plan.

5 Since filing its petition in July 2011, Cintex has not updated its petition to address changes made by the FCC to the Link Up program. Additionally, the FCC has not approved the Company's compliance plan. More than two years after its filing, the Company's petition remains incomplete. Cintex's failure to respond to Staff inquiries seeking additional information leaves us little choice but to deny the petition.

6 The Company's request for designation as an ETC should be denied, without prejudice to the company's ability to re-file a new petition at a later date.

FINDINGS AND CONCLUSIONS

7 (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.

8 (2) Cintex Wireless, LLC, is a telecommunications company seeking to do business in the state of Washington. The Company has not provided the Commission sufficient information about its relationship with its underlying network carrier to determine if Cintex will use its own facilities to serve customers or rely fully on its underlying network carrier to provide services.

9 (3) Cintex has not demonstrated that it meets the requirements for designation as an Eligible Telecommunications Carrier because Cintex has not updated its petition

to address changes made to the Link Up program by the FCC and because the FCC has not approved the Company's compliance plan.

- 10 (4) Cintex has not demonstrated that its designation as an ETC is in the public interest.
- 11 (5) This matter came before the Commission at its regularly scheduled meeting on December 12, 2013.

O R D E R

THE COMMISSION ORDERS that Cintex Wireless, LLC's petition for designation as an Eligible Telecommunications Carrier is denied, without prejudice.

DATED at Olympia, Washington, and effective December 12, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

JEFFREY D. GOLTZ, Commissioner