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II. BACKGROUND

T-Mobile was designated as an ETC by the Commission on October 14, 2010 in the *Designating Order*. In establishing the *Washington Certification Requirements*, the Commission adopted several annual reporting requirements consistent with the then-existing Federal Communications Commission (“FCC”) rules.² Pursuant to discussions with Staff of the Commission, on April 5, 2011, T-Mobile filed an amended list of the local exchange carrier wire centers that comprise T-Mobile’s designated service area. The Commission accepted T-Mobile’s revised ETC service area list of telephone company wire centers and issued Order Number 02 in Docket UT-101060 with the revised list of local exchange carrier wire centers that comprise T-Mobile’s designated service area (“Designated Area”), which is included as Attachment A.

On October 27, 2011, in its *USF/ICC Transformation Order*, the FCC adopted changes to its universal service rules³ and, on February 6, 2012, in its *Lifeline Reform Order*, the FCC adopted further changes to its universal service rules governing the provision of Lifeline service.⁴ Among the changes adopted in the *USF/ICC Transformation Order* and *Lifeline Reform Order*, the FCC revised the annual reporting and certification requirements, which are now reflected in 47 C.F.R. §§ 54.313, 54.314 and 54.422. In this Petition, T-Mobile addresses each of the reporting requirements adopted by the Commission in the *Designating Order*, in the *Washington*

² *In the Matter of Federal-State Joint Board on Universal Service*, Report and Order, FCC 05-46, March 17, 2005 (“*ETC Additional Requirements Order*”).

³ *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (“*USF/ICC Transformation Order*”).

⁴ *In the Matter of Lifeline and Link Up Reform and Modernization*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 11-42, FCC 12-11, released February 6, 2012 (“*Lifeline Reform Order*”).

Certification Requirements, and in the FCC's updated annual reporting and certification requirements, and incorporates the identified attachments, some of which contain confidential and proprietary information and are filed under seal.

III. FEDERAL HIGH COST UNIVERSAL SERVICE SUPPORT RECEIVED

In the *USF/ICC Transformation Order*, the FCC took several steps toward developing a budget for the Universal Service Fund including (among other things) eliminating the identical support rule, limiting the per line high cost support, freezing high cost support for all competitive ETCs ("CETCs") for an interim period of six months in 2012, and phasing down all high cost support for CETCs over a five-year period beginning in July 2012. Pursuant to the *USF/ICC Transformation Order*, monthly high cost support for CETCs is the aggregate support received in 2011 divided by twelve. Beginning in July 2012, CETCs were subject to a 20 percent per year phase down, with all legacy high cost support to CETCs being eliminated by 2016.⁵

In the calendar year 2013, T-Mobile received a total of \$1,562,134 in federal high cost universal service support for its Designated Area in Washington. Based upon support received to date in 2014, T-Mobile estimates that it will receive approximately \$1,328,244 in federal high cost universal service support for its Designated Area in 2014, which is based upon the steps taken by the FCC in the *USF/ICC Transformation Order* (identified above) to reduce legacy funding for CETCs, subject to the halt in the phase down of legacy high cost support. This estimate is based on current information and is subject to change.

IV. ANNUAL CERTIFICATIONS AND REPORTING

A. Use of Universal Service Support and Benefits to Consumers

Standard 1 of the *Washington Certification Requirements* requires that an ETC submit a

⁵ 47 C.F.R. § 54.307(e)(5). The phase down of high cost support for competitive ETCs was halted in July 2014 because Mobility Fund Phase II is not yet operational; consequently, projected high cost support for 2014 is based upon the monthly support received during the first six months of 2014.

report on the federal high cost universal service support it received from January 1 through December 31 of the previous year including a substantive description of investments made and expenses paid with support from the federal high cost fund and a substantive description of the benefits to consumers that resulted from the investments and expenses included therein.⁶ T-Mobile's report regarding its use of federal high cost universal service support for 2013 is included as Confidential Attachment B. In accordance with Standard 1 of the *Washington Certification Requirements*, T-Mobile will continue to track its use of federal high cost universal service support

47 U.S.C. § 254(e) also provides that eligible telecommunications carriers "shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." The FCC rules require states to "file an annual certification with the Administrator and the Commission stating that all federal high-cost support provided to such carriers within that State was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."⁷ Included in Attachment C is T-Mobile's annual certification based upon the requirements of 47 U.S.C. § 254(e), the *Designating Order* and *Washington Certification Requirements*, including (among other things) a certification by an officer of the Company that T-Mobile did last year, and will next year, utilize federal high cost universal service funds only for the purposes for which those funds are intended.

B. Local Service Outages

Standard 2 of the *Washington Certification Requirements* requires an ETC to make an

⁶ WAC 480-123-070(1).

⁷ 47 C.F.R. § 54.314(a). In its *Order* on June 10, 2013, the FCC granted the states a limited waiver of the filing deadline for states to certify ETCs' use of federal universal service support. See *In the Matter of Connect American Fund*, Order, DA 13-1348, WC Docket No. 10-90, June 10, 2013.

annual filing of detailed information on any outage, as that term is defined in 47 C.F.R. § 4.5, of at least thirty (30) minutes in duration. Specifically, the ETC's annual report must include information detailing:⁸

- (a) the date and time of onset of the outage;
- (b) a brief description of the outage and its resolution;
- (c) the particular services affected, including whether a public safety answering point (PSAP) was affected;
- (d) the geographic areas affected by the outage;
- (e) steps taken to prevent a similar situation in the future; and
- (f) the estimated number of customers affected.

T-Mobile includes as Confidential Exhibit D its report of Washington local network outages consistent with Standard 2 of the *Washington Certification Requirements*.

47 C.F.R. § 54.313(a)(2) similarly requires an ETC to report on network outages that potentially affected at least 10% of end users. T-Mobile includes as Confidential Attachment D-1 a copy of its FCC Form 481 filed with the FCC, Universal Service Administration Company ("USAC"), and the Commission, which includes a list of the reportable outages for 2013. In accordance with Standard 2 of the *Washington Certification Requirements* and 47 C.F.R. § 54.313(a)(2), T-Mobile will remain vigilant to avoid outages that affect consumers and will take necessary steps to prevent outages from occurring in 2014 and beyond.

C. Requests for Service

Standard 3 of the *Washington Certification Requirements* and 47 C.F.R. § 54.313(a)(3) require an ETC to identify the number of requests for service from consumers within its designated service areas that were unfulfilled in the prior calendar year and describe in detail

⁸ WAC 480-123-070(2)

how the Company attempted to provide service to those applicants.⁹ T-Mobile includes as Confidential Attachment D-1 a copy of its FCC Form 481 filed with the FCC, USAC, and the Commission, which includes its unfulfilled requests report for 2013. In accordance with Standard 3 of the *Washington Certification Requirements* and 47 C.F.R. § 54.313(a)(3), T-Mobile will resolve and track any requests for service (as necessary) in 2014 and beyond.

D. Complaints per 1,000 Handsets

Standard 4 of the *Washington Certification Requirements* requires an ETC to report the number of complaints, per 1,000 handsets or lines, made to the FCC, or (separately) to the consumer protection division of the Office of the Attorney General of Washington during the previous calendar year.¹⁰ 47 C.F.R. § 54.313(a)(4) also requires an ETC to report the number of complaints per 1,000 connections. T-Mobile includes as Confidential Attachment D-1 a copy of its FCC Form 481 filed with the FCC, USAC, and the Commission, which includes the complaints per 1,000 handsets for 2013, and T-Mobile includes a general description of the nature of the complaints in Confidential Attachment E. In accordance with Standard 4 of the *Washington Certification Requirements* and 47 C.F.R. § 54.313(a)(4), T-Mobile will take the necessary steps to resolve any customer complaints in 2014 and beyond.

E. Certification of Compliance with Applicable Service Quality Standards

Standard 5 of the *Washington Certification Requirements* requires an ETC to certify that it met substantially the applicable service quality standard found in WAC 480-123-030(1)(h), which, for a wireless carrier, is the CTIA-The Wireless Association's® ("CTIA") Consumer Code for Wireless Service ("Consumer Code").¹¹ 47 C.F.R. § 54.313(a)(5) similarly requires a

⁹ WAC 480-123-070(3)

¹⁰ WAC 480-123-070(4)

¹¹ WAC 480-123-070(5); WAC 480-123-030(1)(h)

wireless ETC to certify that it complies with the CTIA Consumer Code.¹² T-Mobile is a signatory to the Consumer Code and meets applicable service quality and consumer protection standard for wireless carriers. T-Mobile has been consistently certified by CTIA as being compliant with this code since 2003. T-Mobile was most recently re-certified by CTIA as being compliant with this code in June 2014. Attached as Confidential Attachment D-1 is a copy of T-Mobile's FCC Form 481 filed with the FCC, USAC, and the Commission, which includes a copy of T-Mobile's most recent letter confirming its certification from CTIA and T-Mobile's certification that it is complying with applicable service quality standards and consumer protection rules.¹³

F. Certification of Ability to Function in Emergency Situations

Standard 6 of the *Washington Certification Requirements* requires an ETC to annually certify that it had the ability to function in emergency situations based on continued adherence to the applicable standards, including that it maintains (1) at least four hours of back-up battery power at each cell site ("Standard 6.1"); (2) back-up generators at each microwave hub ("Standard 6.2"); and (3) at least five hours back-up battery power and back-up generators at each switch ("Standard 6.3").¹⁴ 47 C.F.R. § 54.313(a)(6) similarly requires an ETC to certify its ability to function in emergency situations. Attached as Confidential Attachment D-1 is a copy of T-Mobile's FCC Form 481 filed with the FCC, USAC, and the Commission, which includes

¹² 47 C.F.R. 54.313(a)(5)

¹³ See CTIA-The Wireless Association's® Consumer Code for Wireless Service, available at http://files.ctia.org/pdf/The_Code.pdf. Signatories to the CTIA Consumer Code agree to: (1) disclose rates and terms of service to consumers; (2) make available maps showing where service is generally available; (3) provide contract terms to customers and confirm changes in service; (4) allow a trial period for new service; (5) provide specific disclosures in advertising; (6); separately identify carrier charges from taxes on billing statements; (7) provide customers the right to terminate service for changes to contract terms; (8) provide ready access to customer service; (9) promptly respond to consumer inquiries and complaints received from government agencies; (10) abide by policies for protection of customer privacy; and (11) provide consumers with free notifications for voice, data, and messaging usage, and international usage.

¹⁴ WAC 480-123-070(6); WAC 480-123-030(1)(g)

information and T-Mobile's certification on its ability to function in emergency situations.

1. Back Up Power at Cell Sites

Except for a relatively small percentage of cell sites within its Designated Area that are the subject of a temporary exemption, T-Mobile has at least four (4) hours of back-up power at each cell site. Any cell sites that do not have at least four (4) hours of back-up power are located within the signal coverage of nearby cell sites that satisfy the four (4) hour back up requirement, which means T-Mobile customers still have near complete coverage in the affected areas in the event of a loss of power supply to any of the cell sites that do not directly meet the requirement.

In the *Designating Order*, the Commission granted T-Mobile a temporary exemption from the requirement of four hours of back-up power at each cell site (the "Exemption") for the applicable cell sites. The Exemption allows T-Mobile to use reliable power sources other than battery to meet the four-hour back-up standard and a period of four (4) years to complete the necessary upgrades to meet the standard. The Exemption also required T-Mobile to (a) provide four (4) hours of back-up power at all new cell sites constructed in the Designated Area, subject to its right to seek exemption from the requirement if warranted; (b) include a compliance status report on back-up power upgrades in its annual certification filing; and (c) file a final compliance report upon completion of the necessary upgrades or at the expiration of the Exemption, whichever occurs first.

On July 25, 2014, T-Mobile filed a Petition for Extension of Temporary Exemption From WAC 480-123-030(1)(g) and WAC 480-123-070(6) in Docket No. UT-101060 requesting an extension to the previously granted Exemption until six months following the adoption of rules as a result of the recently initiated rulemaking in Commission docket UT-140680.¹⁵

¹⁵ *Rulemaking to consider amending rules in WAC 480-120, Telephone Companies, WAC 480-121, Registration and Competitive Classification of Telecommunications Companies, WAC 480-122, Washington Telephone Assistance*

Notwithstanding this pending Petition, T-Mobile files its compliance status report on the cell sites subject to the Exemption.

a. New Cell Sites

All new cell sites constructed by T-Mobile meet the four (4) hour back-up power requirement.

b. Status Report

T-Mobile continues to reassess the unique circumstances that existed at the time of the installation of each of the cell sites subject to the Exemption. T-Mobile is taking steps to make modifications necessary to bring the reserve power at the affected cell sites into compliance with the applicable requirement, where possible. In general, many of the cell sites without the direct requisite back-up battery power are “micro” cells that enhance “in-building” coverage and are, therefore, in space constrained areas that limit T-Mobile’s ability to locate standard back-up power resources on site. Additionally, most of the cell sites subject to the Exemption are connected to building power sources for normal operation that would default to a building wide reserve power resource in the case of a loss of standard power, which may meet or exceed the requirement separately. Some sites have other varying constraints, including pole attachments that have space constraints and building rooftop sites that have load limit constraints. Nonetheless, T-Mobile is taking steps to make modifications as necessary, and includes as Confidential Attachment F a status update on each of the cell sites subject to the Exemption.

Program, WAC 480-123, Universal Service, WAC 480-140, Commission General Budgets, and WAC 480-143, Commission General Transfers of Property, due to competitive changes within the telecommunications to meet consumer, commission and industry requirements no longer applicable under the existing WAC rule, docket UT-140680, Notice of Opportunity to File Written Comments and Notice of Workshop, served May 9, 2014 (“Rulemaking Notice”).

c. Final Compliance Report

T-Mobile has not completed upgrades to all of the applicable cell sites included in the Exemption and the Exemption period has not expired, therefore, no final compliance report is required.

Subject to the Exemption described above, Attachment G is T-Mobile's certification that it meets Standard 6.1 of the *Washington Certification Requirements*.

2. Back Up Generators at Microwave Hubs

T-Mobile has back-up generators at each microwave hub providing service within its Designated Area. Attachment G is T-Mobile's certification that it meets Standard 6.2 of the *Washington Certification Requirements*.

3. Back Up Power/Generators at Switches

T-Mobile has at least five (5) hours back-up battery power and back-up generators at each switch that provides service within its Designated Area. Attachment G is T-Mobile's certification that it meets Standard 6.3 of the *Washington Certification Requirements*.

T-Mobile also generally prepares for emergency situations by making capital improvements to the network, undertaking preventative maintenance, training personnel, and continually monitoring its network elements in accordance with 47 C.F.R. § 54.201(a)(2), which sets forth three (3) areas of demonstration with respect to remaining functional in an emergency situation: back-up power to ensure a functioning network; network redundancy for re-routing; and how traffic spikes are addressed.

a. Back-up power

In addition to complying with Standard 6 of the *Washington Certification Requirements*, subject to the Exemption, T-Mobile also maintains portable back-up power generators at various

network locations that it can deploy in emergency situations.

b. Ability to Reroute Traffic Around Damaged Facilities

T-Mobile has the ability to re-route traffic around damaged out-of-service facilities through the deployment of cell-on-wheels (“COWs”), redundant facilities, and dynamic re-routing of traffic over alternate facilities.

c. Ability to Manage Traffic Spikes During Emergency Periods

T-Mobile has a network control center that monitors network traffic and anticipates traffic spikes, and can: (i) deploy network facilities to accommodate capacity needs; (ii) change call routing translations; and (iii) deploy COWs to temporarily meet traffic needs until more durable solutions, such as additional capacity and antenna towers, can be deployed.

Attachment G is T-Mobile’s certification that it meets Standard 6 of the *Washington Certification Requirements* and the requirement in 47 C.F.R. § 54.313(a)(6).

G. Advertising Certification

Standard 7 of the *Washington Certification Requirements* requires an ETC to annually certify that it has publicized the availability of its applicable telephone assistance programs, such as Lifeline Service, in a manner reasonably designed to reach those likely to qualify for service, including to residents of federally recognized Indian reservations within the ETC’s designated service area.¹⁶ Attachment H includes some examples of the advertising that T-Mobile completed in its Designated Area in 2013. Included in Attachment G is T-Mobile’s certification that it appropriately advertised the availability of its telephone assistance program in a manner reasonable designed to reach those likely to qualify for service in accordance with Standard 7 of the *Washington Certification Requirements*.

¹⁶ WAC 480-123-070(7)

H. Annual Plan for Universal Service Support Expenditures

The *Washington Certification Requirements* also require an ETC to report on the planned use of federal support received during the period of October of the current year through the following September, including a substantive plan of the investments and expenditures to be made with federal support and a substantive description of how those investments and expenditures will benefit customers.¹⁷

T-Mobile's report on the use of federal high cost universal service support received from October 1, 2014 through September 30, 2015, and the three additional months of October through December 2015, is included in its Service Improvement Plan for Washington included as Confidential Attachment I. T-Mobile's Service Improvement Plan identifies projected network improvements and upgrades funded with universal service support in 2014 and 2015 and used to improve signal quality, coverage, and/or capacity. All cell site construction and site modification projects are designed to improve signal quality, coverage, and capacity, and switch upgrades are designed to improve service quality and capacity. The Service Improvement Plan further identifies other expenditures for the provision, maintenance, and upgrading of facilities used to deliver supported services to consumers consistent with 47 U.S.C. § 254(e). Included as Attachment J is a copy of T-Mobile's coverage map for Washington, which is also being provided in ESRI.shp format.

The selection of the projects in the Service Improvement Plan is based on the Company's evaluation of many factors, including, but not limited to, current consumer demand, competitive forces, long term planning, available capital, and others. As these factors change, the Service Improvement Plan may be modified. In addition, forces beyond the Company's control (for example, zoning issues related to cell site placement) may result in modifications to planned

¹⁷ WAC 480-123-080

projects or timelines. As a result, the content and timing of the projects in the Service Improvement Plan are subject to change. In addition, if the actual amount of federal high cost universal service funding received varies from the amount currently estimated, T-Mobile reserves the right to modify its Service Improvement Plan accordingly. Any modifications will be reported as required in Standard 1 of the *Washington Certification Requirements* in T-Mobile's 2015 Annual Certification filing.

V. ADDITIONAL FEDERAL ANNUAL REPORTING REQUIREMENTS

In its *USF/ICC Transformation Order* and *Lifeline Reform Order*, the FCC adopted additional annual reporting requirements, including, but not limited to: submission of an ETC's price offerings, information on an ETC's affiliated operations and branding, documentation of coordination with the Tribal governments within an ETC's service area, network performance testing, and Lifeline service offering information.

A. Price Offerings

47 C.F.R. § 54.313(a)(7) requires the submission of the "company's price offerings in a format as specified by the Wireline Competition Bureau,¹⁸ and 47 C.F.R. § 54.313(a)(10) requires carriers to certify that their voice services is not more than two standard deviations above the applicable national urban rate for voice service.¹⁹ T-Mobile includes as Confidential Attachment D-1 a copy of its FCC Form 481 filed with the FCC, USAC, and the Commission, which includes information on T-Mobile's universal service price offerings. T-Mobile also provides information about its generally available rate plans on its website at www.t-mobile.com. T-Mobile will update this information, as necessary, once the FCC establishes the applicable requirements for submitting information on a carrier's price offerings.

¹⁸ 47 C.F.R. § 54.313(a)(7).

¹⁹ 47 C.F.R. § 54.313(a)(10).

B. Affiliated Operations and Branding

47 C.F.R. § 54.313(a)(8) requires an ETC to submit information on a “recipient's holding company, operating companies, affiliates, and any branding (a “dba,” or “doing-business-as company” or brand designation), as well as universal service identifiers for each such entity by Study Area Codes.”²⁰ T-Mobile includes as Confidential Attachment D-1 a copy of its FCC Form 481 filed with the FCC, USAC, and the Commission, which includes information on T-Mobile’s holding company, operating companies and affiliates, the brands under which T-Mobile provides service, and the universal service identifiers assigned by USAC to the T-Mobile ETC designated entities.

C. Tribal Consultation

T-Mobile’s Designated Area includes the tribal lands of nine federally recognized Indian Tribes. Pursuant to 47 C.F.R. § 54.313(a)(9), T-Mobile is required to consult with the Tribes within its ETC Service Area on matters related to the provision of telecommunications services on tribal lands. T-Mobile has established a tribal consultation process with all federally recognized tribes in its Designated Area. T-Mobile includes as Confidential Attachment D-1 a copy of its FCC Form 481 filed with the FCC, USAC, and the Commission, which identifies the federally recognized tribes within T-Mobile’s Designated Area in Washington and includes a sample copy of the letters sent to the Tribes as part of T-Mobile’s tribal consultation process.

D. Lifeline Service Rates, Terms and Conditions of Service

47 C.F.R. § 54.422(a)(2) requires ETCs to provide “information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, including details on the number of minutes provided as part of the plan, additional charges, if any, for toll calls,

²⁰ See also 47 C.F.R. § 54.422(a)(1).

and rates for each such plan.”²¹ As an initial matter, all generally available T-Mobile rate plans and offerings are also available to low income consumers, including those that do not include Lifeline discounts. The rates, terms and conditions of T-Mobile’s generally available offerings are available on T-Mobile’s website at www.t-mobile.com. T-Mobile also makes certain offerings available to low income consumers who qualify to receive Lifeline discounts. Attached as Confidential Attachment D-1 a copy of T-Mobile’s FCC Form 481 filed with the FCC, USAC, and the Commission, which includes information on T-Mobile’s rates, terms and conditions of service offering(s) that include a Lifeline discount available to low income consumers who qualify to receive Lifeline benefits.

VI. ADDITIONAL T-MOBILE CONDITIONS OF ETC DESIGNATION

The Commission granted T-Mobile’s request for ETC designation subject to two conditions. Condition 1(a) of the *Designating Order* requires T-Mobile to comply with all applicable federal and Washington state statutes and regulations, including E911 tax contributions. T-Mobile confirms its compliance with all applicable requirements.

Condition 1(b) of the *Designating Order*, related to Lifeline and Link Up support and eligibility, requires T-Mobile to identify the number of Lifeline customers and receipt of federal Lifeline and Link Up support. The Commission also requires T-Mobile to submit a copy of its Annual Verification Survey report made to the USAC regarding its Lifeline customers’ continued eligibility for Lifeline, and based upon a review of that information, the Commission reserved the right to impose more rigorous customer eligibility verification requirements on T-Mobile.

A. Low Income Subscription and Lifeline and Link Up Support

T-Mobile identifies in Confidential Attachment K the total number of Lifeline customers

²¹ 47 C.F.R. § 54.422(a)(2).

it served in Washington as of December 31, 2013 and the total amount of federal Lifeline and Link Up support received in 2013 for its Washington study area, in compliance with condition 1(b) of the *Designating Order*.

B. Annual Verification Survey

T-Mobile previously provided the Commission with a copy of its Annual Verification Survey filed with USAC on January 31, 2014 for its Designated Area in Washington in compliance with condition 1(b) of the *Designating Order*.

VI. CONCLUSION

Based on the foregoing information, T-Mobile respectfully requests the Commission (i) approve its petition for annual certification and (ii) certify to the FCC and USAC that T-Mobile is eligible to receive federal universal service support in accordance with 47 § U.S.C. 254(e).

Dated this 31st day of July 2014.

Respectfully submitted,

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