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**ORIGINAL** 

October 29, 2010

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#### **VIA OVERNIGHT DELIVERY**

Dave Danner
Executive Director and Secretary
Washington Utilities and Transportation
Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

Re: Petition of Virgin Mobile USA, L.P., Docket No. UT-100203

Dear Mr. Danner:

On behalf of Virgin Mobile USA, L.P., enclosed please find an original and twelve (12) copies of Virgin Mobile's Further Supplement to Petition for Limited Designation as an Eligible Telecommunications Carrier in the above-referenced docket. Please date stamp the extra copy of this filing and return it in the enclosed, self-addressed, prepaid envelope. Should you have any questions regarding this filing, please do not hesitate to contact me at 202-371-7392.

Respectfully submitted,

John M. Beahn

Counsel to Virgin Mobile USA, L.P.

**Enclosures** 

# Before the WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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In the Matter of	)			3
Virgin Mobile USA, L.P.	)	Docket No. <u>UT-100203</u>		1
Petition for Limited Designation as an Eligible Telecommunications Carrier	) ) )			======================================

# FURTHER SUPPLEMENT TO PETITION FOR LIMITED DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

#### I. INTRODUCTION

Virgin Mobile USA, L.P. ("Virgin Mobile" or the "Company"), by undersigned counsel, and pursuant to section 214(e)(2) of the Communications Act of 1934, as amended ("Act"), 47 U.S.C. § 214(e)(2), and Section 480-123-030 of the Washington Administrative Code, WASH. ADMIN. CODE § 480-123-030, hereby provides additional information to further supplement its petition for limited designation as an eligible telecommunications carrier ("ETC") in the State of Washington, which it filed with the Washington Utilities and Transportation Commission ("Commission") on February 1, 2010 ("Petition").

The supplemental information provided herein demonstrates that the Company fully satisfies all of the applicable requirements for ETC designation in Washington. Accordingly, Virgin Mobile respectfully requests that the Commission expeditiously approve the Company's pending ETC designation request. Rapid grant of the request would advance the public interest because it would enable the Company to commence much needed Lifeline services to lower-income Washington residents as soon as possible.

## II. <u>DISCUSSION</u>

## A. Terms of Lifeline Service Offering

Virgin Mobile would like to inform the Commission that it recently increased the amount of free voice minutes available to eligible Lifeline customers. Under the terms of the revised service offering, eligible Lifeline customers will receive 250 free voice minutes per month—an increase from the 200-minute service offering described in the Petition. Virgin Mobile has also implemented new methods by which Lifeline customers entirely at their option can purchase blocks of additional services. Under the first new option, Lifeline customers can add \$5 to their account to purchase an additional 250 monthly minutes, providing them with a total of 500 voice minutes in a month (250 free minutes plus 250 additional minutes). Under the second option, Lifeline customers can add \$20 to their account to purchase an additional 750 voice minutes, providing them with a total of 1,000 voice minutes (250 free minutes plus 750 additional minutes). Customers choosing this second option will also receive 1,000 monthly text messages. There is no obligation that customers purchase these additional offerings or add money to their accounts, and all eligible customers will continue to receive 250 free monthly minutes.

Virgin Mobile submits that the revised service offering and pricing is one of the most competitive and consumer friendly wireless Lifeline service offerings available in the marketplace today and further demonstrates the Company's continued commitment to serving the needs of low-income customers.

See http://newsroom.sprint.com/article\_display.cfm?article\_id=1649

<sup>&</sup>lt;sup>2</sup> Customers can still purchase individual voice minutes and text messages for \$0.10.

<sup>&</sup>lt;sup>3</sup> Consistent with current practice, minutes and text messages do not carry forward from month-to-month.

#### B. Annual Verification Procedures

In accordance with the requirements of the Federal Communications Commission ("FCC"), Virgin Mobile annually verifies the continued eligibility of each of its customers. Pursuant to these procedures, Virgin Mobile will notify each Lifeline consumer prior to the service anniversary date that the customer must confirm his or her continued eligibility. Customers will need to verify that they are the head of household and only receive Lifeline service from Virgin Mobile. Customers will be able to complete the verification process through several means, including online and by fax or mail. Receipt of a customer's annual verification will be a prerequisite for the customer's continued eligibility for Lifeline-supported services. Any customers who do not verify their eligibility within 30 days of receipt of the verification notice will be removed from the Lifeline program. Virgin Mobile agrees to implement these procedures for its Lifeline services in Washington so long as the FCC continues to require the Company to annually verify the eligibility of each of its customers.

#### C. Lifeline Service Provided to Residents of Tribal Lands

As noted in Virgin Mobile's initial Petition Supplement, which it filed in this proceeding on August 12, the Company will not provide a service offering specifically designed for tribal customers upon service launch in Washington. While the Company's designated service territory may include certain portions of tribal lands, the Company is not requesting authority to seek Tier Four universal service fund ("USF") support for the provision of Lifeline services to residents of such lands.<sup>4</sup> Accordingly, and until such time as the Company formally develops a tribal offering that complies with applicable FCC and Commission requirements, the Company

<sup>&</sup>lt;sup>4</sup> See 47 C.F.R. § 54.403(a)(4).

will not seek Tier Four Lifeline support for services provided to residents of tribal lands.<sup>5</sup> If the Company develops an offering for residents of tribal lands in the future, it will seek approval from the Commission prior to commencing service and seeking Tier Four USF support.

## D. Conditions to Commission Grant of ETC Designation

Virgin Mobile understands that the Commission may condition its grant of limited ETC designation of the Company on its compliance with certain of the requirements previously imposed on TracFone Wireless, Inc. ("TracFone").<sup>6</sup> As the Commission is undoubtedly aware, it recently approved an amendment to the conditions imposed on TracFone that eliminated a requirement that the company offer a subsidized version of one of its traditional service plans to Lifeline customers.<sup>7</sup> Under the terms of the amended condition, Commission staff required TracFone to offer its new Lifeline service plans for the duration of the company's interim ETC designation. Consistent with this amendment, Virgin Mobile hereby commits to offer no less than 250 free voice minutes per month—the same number of minutes TracFone provides to customers choosing its Lifeline Plan 3—until such time as the Commission issues an order recertifying Virgin Mobile's ETC designation.

Virgin Mobile respectfully requests that, to the extent any of the conditions were imposed on TracFone due to its status as a reseller, that those conditions not be imposed on Virgin Mobile as a facilities-based carrier and wholly owned subsidiary of Sprint Nextel Corporation.

Residents of tribal lands located within Virgin Mobile's service territory will be able to enroll in the Company's standard Lifeline service offering and the Company will seek Tiers One, Two and Three USF support for services provided to these customers. See 47 C.F.R. § 54.403(a)(1)-(3).

<sup>&</sup>lt;sup>6</sup> See Attachment 2 to Settlement Agreement, Docket UT-090312 (filed April 23, 2010).

<sup>&</sup>lt;sup>7</sup> See Order 05, Order Granting Joint Motion and Approving Revisions to Settlement Agreement, Docket UT-090312 (Oct. 13, 2010).

#### III. <u>CONCLUSION</u>

The information provided herein further demonstrates Virgin Mobile's commitment to serving the needs of low-income Washington residents and its satisfaction of all of the applicable requirements for ETC designation in the State of Washington.

WHEREFORE, for all of the foregoing reasons, Virgin Mobile respectfully requests that the Commission expeditiously designate Virgin Mobile as an ETC in the State of Washington solely for purposes of participating in the Lifeline program.

Respectfully submitted,

VIRGIN MOBILE USA, L.P.

John M. Beahn

Skadden, Arps, Slate, Meagher & Flom LLP

1440 New York Avenue, N.W.

Washington D.C. 20015

Counsel to Virgin Mobile USA, L.P.

Elaine Divelbliss Virgin Mobile USA, L.P. 10 Independence Blvd. Warren, NJ 07059

October 29, 2010

# EXHIBIT 1 – E911 ADMINISTRATOR CERTIFICATION



#### STATE OF WASHINGTON

# MILITARY DEPARTMENT EMERGENCY MANAGEMENT DIVISION

MS: TA-20 Building 20 Camp Murray, Washington 98430-5122 Phone: (253) 512-7000 • FAX: (253) 512-7200

October 27, 2010

John M. Beahn, Esq. Skadden, Arps, Slate, Meagher & Flom LLP 1440 New York Avenue, N.W. Washington, DC 20005-2111

**RE: Virgin Mobile Lifeline Certification** 

Dear Mr. Beahn:

In Washington State, the thirty-nine (39) counties are charged with assuring that 911 dialing is available, statewide. However, the State E911 Program provides the network and database for the 911 system(s) including provisioning for the receipt of wireless calls and the associated location data. The provisioning of that network has for several years included capabilities for delivery of wireless location information in conformance with the provisions of the Federal Communications Commission (FCC) Wireless Docket 94-102. The Enhanced 911 program office, which I administer, has adopted by statutory authority rules appropriate to assuring wireless service providers operate in compliance with FCC 911 directives.

Virgin Mobile has requested that the State E911 Program certify that they are in compliance with the requirements of FCC Wireless Docket 94-102 as part of their request for Eligible Telecommunications Carrier (ECT) status in Washington State associated with their implementation of a Lifeline reduced cost telecommunications program.

Virgin Mobile is a wireless reseller of Sprint Wireless service and has indicated that their ETC lifeline services does not vary from their other prepaid services in technical capabilities. Since Virgin Mobile will be utilizing the same networks and capabilities as Sprint Mobile in providing Lifeline service I certify that Virgin Mobile will be in compliance with FCC Docket 94-102 wireless location capability in providing access to enhanced 911 for its Lifeline service customers in Washington State. However, this certification in no manner confirms that the carrier has demonstrated full compliance with the location accuracy requirements placed on the carriers by the FCC. This certification also has no bearing until such time as Virgin Mobile receives ETC approvals from the Washington Utilities and Transportation Commission.

This certification recognizes only that Virgin Mobile in utilizing the facilities of Sprint is in compliance with relevant FCC rules on 911 dialing capabilities. It does not in any way imply that Virgin Mobile complies with other Washington State requirements or statues.

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Sincerely.

Robert G. Oenning E911 Administrator

Washington State E911 Program

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