

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division
Carrier Oversight and Programs Branch**

**RESOLUTION T-17476
May 21, 2015**

R E S O L U T I O N

RESOLUTION T-17476. Approval of Cricket Communications, LLC's (U-3076-C) Request for Relinquishment of its Eligible Telecommunications Carrier Designation in California, Effective September 15, 2015.

SUMMARY

By this Resolution, the California Public Utilities Commission (CPUC or Commission) grants the request of Cricket Communications, LLC (U-3076-C) (Cricket) to relinquish its Lifeline-only Eligible Telecommunications Carrier (ETC) designation in California, effective September 15, 2015. Cricket's request complies with the federal ETC relinquishment requirements of 47 U.S.C. § 214(e)(4) and 47 C.F.R. § 54.205 (a) and (b). The CPUC finds that the request is reasonable and should be granted.

BACKGROUND

On May 4, 2001, the CPUC granted Cricket a Wireless Identification Registration (WIR) number (U-3076-C) allowing it to provide facilities-based wireless intrastate telecommunications service in California. On December 2, 2010, the CPUC granted Cricket an ETC designation via Resolution T-17266,¹ as modified by Decision 11-12-022.² Cricket is a wholly-owned, indirect subsidiary of AT&T Services Inc. (AT&T).³ AT&T,

¹ Cricket was granted ETC designation via Resolution T-17266, approved on December 2, 2010. The original designation allowed Cricket to offer Federal Lifeline and Link-up services to qualifying end-user customers. In FCC Order 12-11, Federal Link-up support was eliminated except on Tribal lands that are served by eligible telecommunications carriers (ETCs) that participate in both Lifeline and the high-cost program.

² Decision 11-12-022, approved on December 1, 2011, modified Resolution T-17266 and established a new effective date of Cricket's ETC designation to be based on the approval date of Cricket's compliance plan with the Federal Communications Commission's (FCC).

³ On March 13, 2014, the FCC approved the joint application of AT&T Inc., (AT&T) and Leap Wireless International, Inc. (Leap) seeking consent to transfer control to AT&T of licenses, principally AWS, PCS, and associated microwave licenses held by Leap and its subsidiaries including Cricket. In response to

on behalf of Cricket, has obtained approval from the Federal Communications Commission (FCC) to relinquish its ETC designations in the District of Columbia, New York, North Carolina, Tennessee and Virginia.⁴

SUBJECT OF ADVICE LETTER

On March 16, 2015, Cricket filed Advice Letter No. 4 requesting relinquishment of its ETC designation in California pursuant to 47 U.S.C. § 214(e)(4) and 47 C.F.R. § 54.205, to become effective on September 15, 2015.

NOTICE/PROTEST

In compliance with the Commission's General Order (G.O.) 96-B, a copy of the Advice Letter was posted on the CPUC Daily Calendar on March 20, 2015. No protest was filed.

DISCUSSION

Cricket's Advice Letter No. 4 was submitted pursuant to 47 U.S.C. § 214(e)(4) and 47 C.F.R. § 54.205 (a) and (b).⁵ The Communications Division finds that Cricket has complied with these federal ETC relinquishment rules, as discussed below, and

CD's inquiry 2013, AT&T has committed that Cricket will remain an ETC in California for 18 months after the approval of the merger.

⁴ FCC Order DA 14-1715, adopted November 25, 2014.

⁵ 47 U.S.C. § 214(e)(4) states as follows:

A State commission (or the Commission in the case of a common carrier designated under paragraph (6)) shall permit an eligible telecommunications carrier to relinquish its designation as such a carrier in any area served by more than one eligible telecommunications carrier. An eligible telecommunications carrier that seeks to relinquish its eligible telecommunications carrier designation for an area served by more than one eligible telecommunications carrier shall give advance notice to the State commission (or the Commission in the case of a common carrier designated under paragraph (6)) of such relinquishment. Prior to permitting a telecommunications carrier designated as an eligible telecommunications carrier to cease providing universal service in an area served by more than one eligible telecommunications carrier, the State commission (or the Commission in the case of a common carrier designated under paragraph (6)) shall require the remaining eligible telecommunications carrier or carriers to ensure that all customers served by the relinquishing carrier will continue to be served, and shall require sufficient notice to permit the purchase or construction of adequate facilities by any remaining eligible telecommunications carrier. The State commission (or the Commission in the case of a common carrier designated under paragraph (6)) shall establish a time, not to exceed one year after the State commission (or the Commission in the case of a common carrier designated under paragraph (6)) approves such relinquishment under this paragraph, within which such purchase or construction shall be completed.

47 C.F.R. § 54.205 has the same requirements as 47 U.S.C. § 214(e)(4).

recommends that the Commission grant Cricket's request for relinquishment of its ETC designation in California, effective September 15, 2015.

In order for an ETC to relinquish its designation, it must satisfy the following requirements: a) the service area must be served by another ETC; b) the ETC must provide advance notice to the State commission of its request; c) the ETC must ensure that all the customers it serves in the relevant service area will continue to be served by another ETC/s; and d) if applicable, the ETC must provide sufficient notice to permit the purchase or construction of adequate facilities by any remaining ETCs.⁶

a. Cricket's service area is served by other ETCs.

Cricket is providing federal Lifeline-only wireless service in certain areas within California. The areas impacted by its request are currently served by one or more ETC wireline and wireless providers. Cricket provided to the CPUC a list of wire centers impacted by its request and the incumbent local exchange carriers (ILECs) with ETC designation currently serving those wire centers.⁷ Cricket also provided a list of competitive wireline and wireless ETCs, including Lifeline-only providers that provide service in at least part of Cricket's designated service area.⁸ The California Lifeline website (www.californialifeline.com) indicates that at least one other wireless ETC offers Lifeline services in Cricket's designated service area.⁹ See Attachment B for the list of current wireline and wireless ETCs in Cricket's Designated Area.

b. Cricket has provided advance notice to the CPUC.

Through the filing of this AL with the CPUC, Cricket has met the notice requirement of its intent to relinquish its ETC designation in California.

c. Cricket's customers will continue to be served by other ETCs.

All customers served by Cricket will continue to be served by other ETCs because the areas impacted by its request are currently served by one or more other ETC wireline and wireless providers as previously stated. Also, Cricket has taken steps to mitigate the impact of relinquishment on its current Lifeline customers by ensuring that the customers receive ample notice of the change in their Lifeline service.¹⁰ Cricket will

⁶ 47 U.S.C. § 214(e)(4); *See also* 47 C.F.R. § 54.205(a) and (b).

⁷ Cricket AL No. 4 at p. 2 and Exh. A.

⁸ Cricket AL No. 4 at p. 2 and Exh. B.

⁹ Cricket AL No. 4 at p. 2.

¹⁰ Cricket AL No. 4 at p. 3. On March 13, 2015, Cricket sent a notification letter via U.S. Mail to each of its Lifeline customers. As of the end of February 2015, the Lifeline program's third party administrator estimates that Cricket has 5,841 Lifeline customers within its ETC designated area in California.

continue to provide existing eligible Lifeline customers with federal Lifeline discounts until the effective date of the relinquishment. Cricket stopped marketing Lifeline on March 13, 2015 and will stop accepting new Lifeline applications after June 15, 2015.

d. Providing notice to permit the purchase or construction of adequate facilities by any remaining ETCs does not apply to Cricket.

Cricket states that no purchase or construction of facilities by other carriers will be necessary¹¹ because the remaining ETCs in its service areas are fully operational and no further purchase or construction is needed.

For the foregoing reasons, CD finds that Cricket has satisfied all of the requirements necessary to relinquish its ETC status in California. CD recommends that the Commission grant the request of Cricket, effective September 15, 2015.

Upon the CPUC approval of its request, Cricket shall notify the Universal Service Administrative Company (USAC) in writing that it has obtained approval from the CPUC to relinquish its designation as an ETC in California. Cricket shall provide a copy of the notice to the CPUC CD Director.

e. Safety Concerns

There are no safety concerns with Cricket's request because the customers in its designated service area will continue to have access to wireline and wireless telephone service from alternate providers including carriers offering discounted wireline and wireless telephone service through the Federal or State Lifeline programs.

COMMENTS

In compliance with P.U. Code § 311(g), the Commission emailed a notice letter on April 17, 2015, informing all parties on the eligible telecommunications carrier service list of the availability of this resolution for public comments at the Commission's website www.cpuc.ca.gov. The notice letter also informed parties that the final conformed resolution adopted by the Commission will be posted and available at this same website.

No comments were received.

¹¹ Cricket AL No. 4 at p. 2.

FINDINGS AND CONCLUSIONS

1. On March 16, 2015, Cricket Communications, LLC (Cricket) filed Advice Letter No. 4 (Advice Letter) requesting relinquishment of its Lifeline-only Eligible Telecommunications Carrier (ETC) designation in California pursuant to 47 U.S.C. § 214(e)(4) and 47 C.F.R. §54.205, effective September 15, 2015.
2. Cricket is a wholly-owned, indirect subsidiary of AT&T Services Inc.
3. Cricket is a CPUC registered commercial mobile radio service carrier in California.
4. Cricket was granted ETC designation in Resolution T-17266, as modified by Decision 11-12-022.
5. AT&T Services Inc., on behalf of Cricket, has obtained approval from the FCC to relinquish its ETC designations in the District of Columbia, New York, North Carolina, Tennessee and Virginia.
6. Cricket has satisfied federal ETC relinquishment requirements of 47 U.S.C. § 214(e) (4) and 47 C.F.R § 54.205 (a) and (b).
7. There are no safety concerns regarding Cricket's request.
8. On April 17, 2015, in compliance with P.U. Code Section 311(g), the Commission e-mailed a notice letter to the utilities and parties interested informing these parties that Draft Resolution T-17476 was available for public comments, as well as the availability of the conformed resolution, if adopted by the Commission, on the Commission website at www.cpuc.ca.gov. No comments were received.
9. Cricket's request to relinquish its ETC designation should be granted.

THEREFORE, IT IS ORDERED that:

1. The request of Cricket Communications, LLC (U-3076-C) (Cricket) to relinquish its Eligible Telecommunications Carrier (ETC) designation is granted and shall become effective on September 15, 2015.
2. Cricket shall notify the Universal Service Administrative Company that the CPUC has granted Cricket's request to relinquish its designation as an ETC in

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ATTACHMENT

ATTACHMENT A

**List of Wireline and Wireless Eligible Telecommunications Carriers (ETCs) in
Cricket's Designated Area**

A. Wireline ETCs

1. Citizens Telecom CA. DBA Frontier Communications of California
2. Ducor Telephone Company
3. Hornitos Telephone Company
4. Kerman Telephone Company
5. Pacific Bell Telephone Company
6. Pinnacles Telephone Company
7. Ponderosa Telephone Company
8. Sierra Telephone Company
9. Verizon California

B. Competitive Wireline and Wireless ETCs

1. ConnectTo Communications Inc.
2. TC Telephone LLC
3. Nexus Communications Inc. (wireless)
4. Telscape Communications Inc.
5. Telscape Communications Inc. (wireless)
6. Blue Casa Telephone LLC
7. Curatel LLC
8. Virgin Mobile USA LP (wireless)
9. Cox California Telcom LLC
10. Budget Prepay, Inc. (wireless)
11. Boomerang Wireless (wireless)

(END OF ATTACHMENT A)