

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division
Carrier Oversight & Programs Branch**

**RESOLUTION T- 17444
JULY 10, 2014**

R E S O L U T I O N

Resolution T-17444. This Resolution conditionally grants the request of Total Call Mobile, Inc. to be designated as an Eligible Telecommunications Carrier to provide only federal Lifeline wireless service in specified areas of California.

Summary

By this Resolution, the California Public Utilities Commission (CPUC or Commission) conditionally grants the request of Total Call Mobile, Inc. (Total Call) (U-4360-C), a wireless carrier, to be designated as an Eligible Telecommunications Carrier (ETC) to provide only federal Lifeline wireless service to qualifying customers in California in the service areas of the Uniform Regulatory Framework (URF) carriers¹ excluding the Small Local Exchange Carriers (Small LECs)² service areas. Total Call does not seek federal high-cost fund support or California LifeLine fund support. The request is consistent with the Federal Communications Commission's (FCC) Lifeline requirements, the Commission's ETC requirements of Resolution T-17002, applicable CPUC General Order (GO) 153 LifeLine requirements, and applicable requirements for CPUC wireless registered carriers. We find that the request is reasonable and consistent with the public interest and should be granted to the extent allowed by this Resolution.

¹ The URF carriers are AT&T California, Verizon California, Surewest Telephone, Frontier Communications of California, and Frontier of the South West.

² The Small LECs group is composed of Calaveras Telephone Co. (U-1004-C), Cal-Ore Telephone Co. (U-1006-C), Ducor Telephone Co. (U-1007-C), Foresthill Telephone Co. (U-1009-C), Happy Valley Telephone Co. (U-1010-C), Hornitos Telephone Co. (U-1011-C), Kerman Telephone Co. (U-1012-C), Pinnacles Telephone Co. (U-1013-C), Ponderosa Telephone Co. (U-1014-C), Sierra Telephone Co. (U-1016-C), Siskiyou Telephone Co. (U-1017-C), Volcano Telephone Co. (U-1019-C), Winterhaven Telephone Co. (U-1021-C), and Frontier Communications West Coast (U-1020-C). These telephone companies generally operate in rural areas and have regulated rates.

Background

Pursuant to federal law, 47 U.S.C. § 214(e)(2), a state commission may designate a common carrier as an ETC if it:

- offers the services supported by the federal Universal Service Fund (USF) either by using its own facilities, resale, or both, and
- advertises the services and the related charges using advertising media of general distribution.

Once designated an ETC, the FCC then authorizes the ETC to receive federal USF support for providing those services supported by the USF (e.g. local telephone service) in high-cost areas and to low-income customers.

The FCC established the ETC program to satisfy the statutory requirement of the Telecommunications Act of 1996.³⁴ The federal USF support creates an incentive for the telephone carriers to provide quality residential telephone services at an affordable rate to low-income consumers and/or those living in designated high-cost areas, e.g. rural areas.

47 C.F.R. § 54 contains the FCC's Universal Service rules issued to implement § 254 of the Telecommunications Act regarding universal service. Sections 54.400 - 54.422 address federal Lifeline service. Section 54.401 defines Lifeline as a non-transferrable retail service offering for which qualifying low-income consumers pay a reduced charge for voice telephony service after applying the federal Lifeline support amount.⁵

FCC Orders

The FCC made significant changes to the federal Universal Service Program. The following provides a brief summary of some of the relevant aspects of the FCC orders that address ETC matters:

FCC 11-161 (November 18, 2011), the federal USF and Intercarrier Compensation (ICC) Transformation Order, modified the definition of the services that are supported by the Federal USF by eliminating the FCC's former list of nine supported services and adopting a definition that is technology neutral, now focusing on service functionality instead of the technologies used and allowing services to be provided over any platform.⁶

³ 47 U.S.C. § 153(51) states that "a telecommunications carrier shall be treated as a common carrier under this chapter only to the extent that it is engaged in providing telecommunications services, except that the Commission shall determine whether the provision of fixed and mobile satellite service shall be treated as a common carriage."

⁴ 47 U.S.C. § 214(e).

⁵ 47 C.F.R. § 54.403.

⁶ *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

In addition, the Order reformed the framework for ETC oversight by the FCC, state commissions, Tribal governments, and the Universal Service Administrative Company (USAC).⁷ The Order established uniform national standards of accountability related to reporting requirements and annual § 254(e) certifications⁸; imposed consequences of non-compliance with rules; described the USAC oversight process, access to cost & revenue data; and, updated the federal USF/ICC systems including revisions to the information required of common carriers when seeking ETC designation and annual reporting requirements. ETCs must meet public interest obligations and apply new certifications related to the public interest.

FCC 11-189 (December 23, 2011), the Sua Sponte Order on Reconsideration, clarified the attributes of “voice telephony service” by amending the definition of services supported by the federal USF in order to establish a more technologically neutral approach to functionality over any platform, not just based on technology. With the amendment of § 54.101, voice telephony services must, by definition provide a) voice grade access to the public switched network or its functional equivalent, b) minutes of use for local service provided at no additional charge to end users, c) access to emergency services provided by local government or other public safety organizations (e.g. 911 or E-911), and d) toll limitation for qualifying low-income consumers.⁹ Additionally, the Order affirmed that Lifeline-only ETCs do not meet the “own facilities” requirement if their facilities no longer support the “voice telephony service” under the amended section. To be in compliance with rules, Lifeline-only carriers seeking ETC designation must use their own facilities, in whole or in part, to provide the supported services or obtain forbearance from the FCC.¹⁰

FCC 12-11 (February 6, 2012), the Lifeline Reform Order, revised the definition of Lifeline service to include technological-neutral terms of service and adopted a rule to permit ETCs to allow qualifying consumers to apply Lifeline discounts to all residential service plans that provide voice telephony service including bundled service packages of voice and broadband or packages with optional calling features. ETCs can apply the Lifeline discount to any retail service offering, not just to offerings specifically designed for low-income consumers.¹¹

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*) ¶ 77.

⁷ *Id.* at § VIII.

⁸ 47 U.S.C. § 254(e) requires ETCs to use federal support funds only for the provision, maintenance, and upgrading facilities and services.

⁹ *Connect America Fund et al.*, WC Docket 10-90 et al., Order on Reconsideration, 26 FCC Red 17633 (2011)(*First Order on Reconsideration*) ¶ 3.

¹⁰ *Id.* at ¶ 4.

¹¹ *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Dkt. 11-42, WC Dkt. 03-109, CC Dkt. 96-45, WC Dkt. 12-23 (FCC 12-11) rel. Feb 6, 2012 (*Lifeline Reform Order*) ¶¶ 315-316.

The Order updated the definition of Lifeline to be consistent with the new definition of the supported services (e.g. voice telephony service) adopted in FCC 11-161, the Transformation Order, and removed the “local” qualifier because many providers no longer distinguish between local and long distance usage since service offerings bundle minutes of use. Prior to the adoption of FCC 12-11, an ETC had to demonstrate that it offered a local usage plan comparable to one offered by the incumbent LEC in the service area(s) for which the ETC applicant sought designation. The FCC never adopted a specific local usage threshold leaving it up to a fact specific case-by-case analysis that took into consideration different local calling areas than those of the incumbent LEC, a specified number of free local minutes, or the offering of an unlimited calling plan that bundles local and long distance minutes.¹² In FCC 12-11, however, the FCC noted that many providers do not distinguish between local and long distance usage and concluded that carriers may satisfy the obligation to provide local usage via service offerings which bundle local and long distance minutes¹³ and concluded that this finding was applicable also to Lifeline service. The FCC, therefore, determined it appropriate to remove the qualifier “local” from Lifeline comparable local usage requirements and determined that prescribing a minimum amount of local minutes was not necessary at this time.

The Order updated its ETC rules¹⁴ for all ETCs by: a) modifying the definition of ETC to include ETC’s designated by the FCC as well as by the states; b) requiring all carriers requesting ETC designation to demonstrate financial and technical capability to provide Lifeline services; and, c) streamlining annual reporting requirements, including service outages, into a new section 47 C.F.R. § 54.422. By adopting these program revisions, the FCC expects to strengthen protections against waste, fraud, and abuse while improving program administration, accountability, and consumer protections.

47 U.S.C. § 214(e)(1)(A) requires an ETC to provide the supported services through the use of its own facilities or a combination of its own facilities and resale. The Order concluded that forbearance from the facilities requirement would be in the public interest because it will increase connection among providers of telecommunications services. As a condition of granting forbearance from the “own-facilities” rule, resellers must have an FCC-approved Compliance Plan. Section 214(e)(1)(A) limits ETC designation to common carriers providing service with their own facilities. The FCC granted forbearance to this requirement to those common carriers that do not meet the “own facilities” requirement, subject to the conditions that¹⁵: a) the carrier must comply with certain 911 requirements

¹² *In the Matter of Federal-State Joint Board on Universal Service*, Report and Order, CC Dkt. 96-45 (FCC 05-46), rel. Mar 17, 2005. ¶¶ 32-33.

¹³ *Lifeline Reform Order* at ¶ 49.

¹⁴ *Id.* at ¶¶ 384-391.

¹⁵ *Id.* at ¶ 379.

including, but not limited to, the procedures the ETC follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the fund, materials related to initial and ongoing certifications and sample marketing materials, as well as further safeguards against waste, fraud, and abuse the FCC may deem necessary and b) the carrier must file, and the FCC must approve, a compliance plan that provides specific information regarding the carrier's service offerings and outlines the measures the carrier will take to implement the obligations set forth in FCC 12-11. This includes a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier's various Lifeline service plan offerings including subscriber rates, number of minutes included, and the types of plans available.

The FCC has declined to prescribe minimum monthly minute standards, finding that it was not necessary because the communications market place should make this determination, citing examples of competitive forces driving up the number of minutes offered to Lifeline customers.¹⁶ While the FCC has not prescribed minimum minutes of use for Lifeline plans, Communications Division (CD) staff reviews an ETC applicant's proposed plans to determine if they are based on retail offerings of the ETC applicant that are available to its non-Lifeline customers or if the plans are offered only to Lifeline customers. For those Lifeline plans that are not based on retail plans available to all prospective customers, CD staff evaluates the Lifeline customer-only plans in its public interest analysis of each ETC request.

FCC 12-52 (May 14, 2012), the Third Order on Reconsideration, extended annual reporting requirements to all recipients of federal high-cost/Connect America Fund (CAF) support, including state-designated ETCs, and clarified that the FCC will not preempt states from imposing state-specific reporting requirements as long as those additional reporting requirements do not create burdens that thwart achievement of the universal service reforms adopted by the FCC.

California Public Utilities Commission Requirements

The Commission may approve federal ETC designation requests when a carrier also complies with the following California state requirements:

Resolution T-17002 (May 25, 2006), adopted *The Comprehensive Procedures and Guidelines for ETC Designation and Requirements for ETCs* that are consistent with FCC Order 97-157 regarding designation of a telephone carrier as a qualified ETC. All carriers seeking ETC designation in California are required to comply with the applicable federal ETC requirements and CPUC requirements for certificated or registered carriers operating in California which include, but are not limited to: a description of the proposed service offerings and attached service area maps;

¹⁶ *Id.* at ¶ 50.

description of the advertising plan(s); commitment to provide service; submission of the 2-year service quality improvement plan; ability to remain functional; commitment to consumer protection; demonstration that a carrier's usage plan is comparable to that of the incumbent LEC in the proposed service area; and, public interest determination.

General Order 153 (GO 153) implements the *Moore Universal Telephone Service Act* and contains California LifeLine service requirements. CD staff applies the provisions of GO 153 in the evaluation of ETC designation requests using the list of 22 service elements to which each carrier addresses their compliance.¹⁷ Federal Lifeline wireless ETCs must comply with current provisions of GO 153 until the Commission revises GO 153 and determines the extent to which revised GO 153 and revised California LifeLine service elements should apply to federal Lifeline wireless ETCs in the California LifeLine Rulemaking (R.) 11-03-013.

User Fees and Surcharges are obligations which CPUC-approved carriers must fulfill. The Public Utilities Commission (PUC) User Fee is levied on all telecommunications carriers providing services directly to customers or subscribers and the amount of fees is a percentage calculation based on all intrastate customer billings for telecommunications services. In addition, all telecommunications carriers that provide basic telephone service are required to collect and remit Public Purpose Program (PPP) surcharges from end-users that fund the Commission's universal service program. When reviewing ETC designation requests, CD staff reviews carrier compliance with these state regulatory requirements for telephone corporations operating in California including, but not limited to, reporting and paying PUC User Fees, PPP surcharges, and submitting required reports.

Notice/Protests

The advice letter filing was served via email to all parties on the ETC service list and appeared in the Commission's Daily Calendar on July 27, 2012. No protests to this advice letter filing were received.

Discussion

Total Call Mobile, Inc. (Total Call) is a nationwide prepaid and postpaid wireless service provider that uses a combination of its own facilities and wholesale network services from Sprint PCS to provide service to its customers. Its principal offices are at 1411 W. 190th St., Suite 700, Gardena, California 90248. On April 10, 2006, the Commission issued Total Call its Wireless Identification Registration number U-4360-C allowing it to operate as a reseller of Commercial Mobile Radiotelephone Services (CMRS) to the public in California. Total Call has complied with the regulatory requirements for telephone

¹⁷ See *Attachment B* for list of GO 153 service elements.

corporations operating in California including, but not limited to, reporting and payment of PUC User Fees and Public Purpose Programs (PPP) surcharges and submitting required reports.

On July 19, 2012, Total Call filed Tier III Advice Letter (AL) 2 requesting ETC designation to receive federal support to provide only federal Lifeline prepaid wireless service to eligible customers throughout its entire service area using a combination of its company-owned facilities and wholesale network services from Sprint PCS excluding the Small LEC areas. Total Call proposed these prepaid federal Lifeline wireless plans:

- Plan 1: 150 minutes for both domestic and international calls for \$2.50 per month
- Plan 2: 250 domestic minutes for \$2.50 per month
- Plan 3: Choice to apply Lifeline support amount using the *Lifeline Credit Plan* to either the *30-Day Unlimited Talk & Text* for \$30.74 per month or the *30-Day Unlimited Talk, Text, and Data* at \$40.74 per month

On November 1, 2012, Total Call filed Supplement AL 2A stating it will follow the prescribed enrollment process outlined in GO 153 § 4. At the time of signing up for federal Lifeline service, a new customer will be instructed to purchase a prepaid retail service plan and will receive a welcome packet. The customer will incur retail service rates until approval of the Lifeline application and then Total Call will apply credit(s) for the Lifeline discount(s) retroactive to the application date.

Total Call submitted additional support of its Plan 1 of 150 minutes with international calling to 250 counties as a competitive offer for customers. Total Call, also, clarified its non-usage policy stating that a 30-day de-enrollment notice will be sent to a customer after 60 days of non-use thereby disconnecting service on the 90th day of non-use.

On February 25, 2013, Total Call filed Supplement AL 2B requesting to update its proposed Lifeline plans since the price floor adopted in D.10-11-033 no longer applies for pricing purposes effective January 1, 2013.

- Plan 1: 150 minutes for both domestic and international calls for \$0 per month
- Plan 2: 250 domestic minutes for \$0 per month
- Plan 3: 1,000 Talk & 1,000 Text for 30 days for \$19.99 per month
- Plan 4: *Unlimited Talk & Text* for 30 days for \$29.99 per month
- Plan 5: *Unlimited Talk, Text, & Data* for 30 days for \$39.99 per month

In this supplement, Total Call proposed applying a Lifeline discount of \$10 which is the \$9.25 federal support amount plus a company credit of \$0.75. The retail value of Plans 1 and 2 is \$9.99 each with no charge to a Lifeline customer after applying the Lifeline and company discount.

On March 24, 2014, Total Call filed AL Supplement 2C requesting to eliminate Plan 1, the free 150-minute domestic and international call plan. In addition, it requested to lower the per-minute cost of additional minutes purchased for Plans 2 and 3 from \$0.05 to \$0.033 thereby price matching its free 250-minute plan with the 250-minute plans of

Nexus Communications, Inc. and Budget PrePay, Inc. In summary, Total Call's proposed prepaid federal Lifeline wireless plans are:

- Plan 1: 250 domestic minutes for \$0 per month
- Plan 2: 1,000 Talk & 1,000 Text for 30 days for \$19.99 per month
- Plan 3: Unlimited Talk & Text for 30 days for \$29.99 per month
- Plan 4: Unlimited Talk, Text, & Data for 30 days for \$39.99 per month

Additional minutes beyond the plan allotment cost \$0.033 per minute of voice and \$0.05 per text

Compliance with Federal Rules

Federal ETC Requirements:

The FCC defines Lifeline as a non-transferrable retail service offering for which low-income consumers pay a reduced charge as a result of applying the federal Lifeline support amount¹⁸, currently at \$9.25 per month per Lifeline customer.¹⁹ The following FCC ETC requirements must be satisfied by a carrier to receive federal ETC designation. Total Call addressed the FCC ETC requirements as follows:

Demonstrate that the services intended to be offered comply with the voice telephony definition - Pursuant to 47 U.S.C. § 214(e)(1) and (6), Total Call submits that it is a common carrier and is able to provide telephone exchange and exchange access through a combination of its company-owned facilities and its wholesale arrangements with its underlying facilities-based provider, Sprint PCS.

Advertise using media of general distribution - Total Call demonstrates that its Lifeline services meet the definition of voice telephony and Total Call commits to advertise broadly the availability and rates for its services using media of general distribution such as, outreach by direct mail, community events, the internet, and more conventional forms of advertising including public transit advertising, signage, and radio. Using English, Spanish, or other languages dependent upon the target area, Total Call will promote its Lifeline offerings through the distribution of brochures at various state and local social service agencies. All applications and brochures will be available in English and Spanish.

Commit to provide service throughout the designated service area - Total Call commits to provide service in the areas that it is designated an ETC, based on the build-out of the facilities and availability of service of its underlying facilities based carrier, Sprint PCS. Total Call's coverage area will encompass the coverage area of its underlying carrier. Total Call states that through the use of facilities obtained, it can provide the same ability to remain functional in emergency situations as currently provided by Sprint to its own customers including access to a reasonable amount of back-up power to ensure functionality without an external power

¹⁸ 47 C.F.R. § 54.401.

¹⁹ Lifeline Reform Order at ¶ 58.

source, rerouting of traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations. Sprint has redundancies, back-up generator power and an extensive disaster recovery program. Sprint has built its network from the ground up, which means that its network is consistent across the entire network so that it is easy to monitor and to troubleshoot should any outage or disruption occur.

Resellers submit FCC-approved *compliance plan* - Total Call submitted its compliance plan approved by the FCC on May 25, 2012.

Demonstrate financial and technical capability - In its FCC-approved compliance plan, Total Call stated it offers nationwide non-Lifeline prepaid services as a mobile virtual network operator using the Sprint network. The carrier received ETC approval in Maryland in December 2011 and has applied for ETC designation with the FCC in nine states and the District of Columbia as well as having applied directly for ETC approval in the states of Arkansas, Louisiana, Michigan, Nevada, West Virginia, and California.

Total Call is a wholly-owned subsidiary of Total Call International (TCI), a national prepaid telecommunications services provider which has provided telecommunications services to customers for over 10 years. TCI is majority-owned by KDDI America, a subsidiary of Japan's second largest telecommunications carrier, KDDI Corporation. KDDI Corporation and its affiliates provide mobile services (voice and data) and fixed line services (broadband, domestic and international telecommunications, and data center services) in Japan and globally. During the past 10 years, Total Call and TCI have provided telecommunications services to non-Lifeline customers and, consequently, Total Call has not and will not rely exclusively on Lifeline reimbursements for the company's operating revenues. Total Call receives revenues from prepaid wireless services and also has access to the financial resources of its parent company.

Commit to submit required compliance reports annually and as requested - Total Call commits to reporting on an annual basis consistent with the FCC requirements.

Meet public interest requirements for the proposed service areas - Total Call asserts that it meets the FCC public interest criteria including that the benefits of increased competitive choice and the unique advantages and disadvantages of the carrier's service offering such as convenience, security with mobility, the cost control inherent in prepaid plans, 911/E911 access, and high-quality wireless service alternative and exceptional customer service will serve the public interest in Total Call's proposed service area. Total Call's proposed plans in the service area will offer consumers low-cost Lifeline-only service that is feature-rich with a choice of plans. As proposed, Total Call's wireless offerings have equal or better value for low-income customers when compared to other prepaid wireless Lifeline packages.

Commit to satisfy all applicable consumer protection and service quality standards – Total Call commits to satisfy all applicable consumer protection and service quality standards, specifically committing to comply with the Cellular Telecommunications and Internet Association’s (CTIA) Consumer Code for Wireless Service.

Agree to apply the Lifeline support discount to residential retail plans – Total Call states that it will apply the \$9.25 Lifeline support amount to its proposed plans.

CD staff finds that Total Call has complied with the above FCC ETC requirements.

Other Federal Requirements:

FCC 12-11 ¶¶384-391 changed some of the ETC designation and annual compliance reporting requirements in Part 54 in order to centralize and streamline certification and reporting requirements. These changes were effected by deleting Part 54.202 and establishing § 54.422.²⁰

- ¶ 385 - Definition of ETC in § 54.5 as modified includes ETCs designated by the FCC
- ¶ 386 - Lifeline-only ETCs exempted from filing 5-year network improvement plans
- ¶ 387-388 - Explicit requirement that ETC applicants must demonstrate financial and technical capability to provide Lifeline service including:
 - Previous experience offering service to non-Lifeline customers
 - Length of time in business
 - Whether applicant will rely exclusively on Lifeline revenues to operate
 - Whether applicant will receive revenue from other sources
 - Previous enforcement action against applicant or ETC revocation proceedings in other states
- ¶ 389 - Reporting requirements within § 54.422
 - Service outage information
 - Number of complaints received per 1,000 connections
 - Compliance with service quality standards and consumer protection rules
 - Certify that the carrier can operate in emergency situations
- ¶ 390 - Other reporting requirements
 - Names and identifiers used by the ETC, its holding company, operating companies and affiliates
 - General information of terms and conditions of Lifeline voice telephony plans offered to Lifeline customers including number of minutes provided, additional charges for toll calls, and rates for each plan.

²⁰ *Wireline Competition Bureau Announces Filing Deadline of October 15, 2013 for Eligible Telecommunications Carriers to File High-Cost and Low-Income Annual Reports, and Announces Filing Deadline of December 16, 2013 for States and ETCs to File Annual Use Certifications*, Public Notice, WC Dkt.1090 and 11-42, [DA 13-1707](#) (August 6, 2013)

CD staff reviewed AL 2 and its supplements to conclude that Total Call has met the FCC's ETC requirements.

47 C.F.R. § 54.401(d) requires that when a state commission designates a carrier an ETC status, the state commission shall file or require the ETC to file information with USAC that demonstrates that the ETC's Lifeline plan meets the universal service support criteria for low-income consumers including the terms and conditions of voice telephony service plans and the plan details.²¹ To comply with § 54.401(d), CD recommends that the Commission direct Total Call to file the applicable information directly with USAC. USAC will review the service plans to ensure they meet the federal Lifeline requirements. Once USAC accepts the service plans, Total Call shall provide to the Communications Division Director a copy of the information submitted to USAC and a copy of Total Call's certification of approval from the USAC within 30 days of receipt from USAC.

Compliance with State Rules

GO 153 Basic Service Elements Compliance:

GO 153 requires compliance with 22 basic service elements of California LifeLine. (See *Attachment B* of this resolution for a complete list of California LifeLine basic service requirements.) Current GO 153 continues to be used to evaluate ETC designation request by wireless carriers including federal Lifeline applications and renewals until the Commission revises GO 153 and determines the extent to which revised GO 153 rules and revised California LifeLine service elements should apply to federal Lifeline wireless offerings in Rulemaking 11-03-013.

Total Call requested waivers from the California LifeLine basic service elements set forth in D.10-11-033: (4) the ability to receive free incoming calls, (10) customer choice of local flat-rate or measured-rate service, (11) free provision of one directory listing per year, (12) availability of free white pages telephone directory, (15) free access to 800 and 800-like toll-free numbers, (19) free access to toll-blocking service, (20) free access to toll-control service, and (21) access to two residential telephone lines if a low-income household with a disabled person requiring both lines.²²

CD staff recommends granting waivers from elements (4), (10), (11), (12), and (15) because they do not apply to wireless service providers but to providers of wireline services; the Commission has granted such waivers in the past. Likewise, CD staff recommends granting waivers from elements (19) and (20) since there is no distinction between the local and long distance usage of minutes offered in Total Call's proposed plans and therefore do not apply. CD staff recommends that the waivers remain in effect until such time that this Commission revises GO 153 and determines the extent to which revised GO 153 rules and revised California LifeLine service elements should apply to federal Lifeline wireless ETCs in the California LifeLine rulemaking proceeding.

²¹ USAC requires a copy of a new ETC's designation order issued by its state utility regulator, <http://usac.org/li/telecom-carriers/step03/default.aspx>. Site last visited May 15, 2014.

²² D.10-11-033 (November 19, 2010).

However, CD staff does not recommend granting a waiver to element (21) because D.14-01-032 requires federal Lifeline wireless providers to comply with this California LifeLine service element.²³ Since all wireless carriers are required to provide access to *two discounted lines* for a household with a disabled person, CD staff does not recommend granting a waiver to requested element (21).

LifeLine Third Party Administrator:

GO 153, § 4.2 related to California LifeLine enrollment procedures provides a reasonable means for wireless carriers to determine if a prospective low-income customer is eligible for federal Lifeline wireless service. In California, the California LifeLine Administrator (CLA) performs enrollment application and renewal functions.²⁴ The CLA's process captures inconsistent or duplicative LifeLine/Lifeline enrollments to mitigate "double dipping" into the support funds through periodic duplicate checks. When such inconsistencies arise, the CLA de-enrolls the customer and informs the carrier of record. In the case of the federal Lifeline program, the FCC and USAC retain the obligation to identify "double dipping" and/or other inconsistent or duplicative draws for reimbursement from the federal support fund.

In addition, GO 153 requires that an annual renewal form be sent to each Lifeline customer to determine continued eligibility.²⁵ Total Call agrees to comply with GO 153 requirements, including consumer enrollment, prequalification, certification, eligibility verification and annual renewal, and working with the CLA. Total Call stated it will not provide discounted wireless service until the low-income customer is determined eligible and enrolled by the CLA. Once established, Total Call will adjust monthly charges of the retail plan in use to reflect credits for service used and thereby will apply the federal Lifeline support cost to the customer's chosen Lifeline service/rate plan.

CD staff recommends that the GO 153 California LifeLine enrollment application, verification, and renewal requirements continue to be used in evaluating wireless carrier requests for ETC designation to serve California consumers. CD staff recommends that the Commission require Total Call to label clearly its wireless offerings as "*federal Lifeline service*". Doing so would minimize customer confusion between the California LifeLine and federal Lifeline programs, disseminate adequate information about potential coverage and service quality issues, and provide copies of all marketing materials including, but not limited to, customer service representative scripts, internet marketing, and posters and brochures to CPUC California LifeLine staff for review and approval prior to publication and distribution.

Resolution T-17002 Compliance:

Total Call has satisfied the applicable requirements set forth in Resolution T-17002 including, but not limited to: providing Lifeline-only services within the proposed

²³ D.14-01-032 (January 16, 2014), *Attachment D, Appendix A-2*, service element 17 (revised).

²⁴ GO 153, § 4.2.1. The current California LifeLine Administrator is Xerox.

²⁵ GO 153, §§ 4.4, 4.5.

service area; providing the designated services; and complying with advertising rules as required by the FCC such as using printed advertisements, billboards, public transit signage, and brochures, all of which will state clearly that the Lifeline support is from the federal Lifeline program only.

At the time of review, Total Call was current with payment of the annual PUC User Fees and public purpose program surcharges. As a condition of its Commission authority and its ETC designation, Total Call must continue to remain current with its payments. The Commission may revoke Total Call's ETC designation and/or operating authority if the company does not remit timely fees and surcharges and will notify the USAC and the FCC of the revocation.

Total Call states it has the ability to remain functional in emergency situations by working with its underlying carrier, Sprint PCS. Total Call commits to satisfy all applicable state and federal requirements related to consumer protection and service quality standards.

Providing Federal Lifeline Wireless Service to Customers in Small LEC Service Areas:

Total Call does not seek ETC designation in the service areas of the Small LECs. Consistent with the policy adopted in Resolution T-17284, Total Call requests that the Commission order the Small LECs to provide a list of the ZIP+4 codes²⁶ associated with the Small LECs service areas. Total Call will use that data to ensure that no federal Lifeline wireless service is offered to customers residing in the Small LECs' service areas.

CD staff recommends that the Commission require the Small LECs to provide to Total Call, as they do for all current ETCs, an updated ZIP+4 code data list of the Small LECs' service areas²⁷ within 30 days of the effective date of this Resolution, as appropriate for the carrier and the service area. The Small LECs should also be required to provide to Total Call any update to the ZIP+4 code data, as needed. Total Call should file a copy of any updated ZIP+4 code data list with the Communications Division Director and the CLA. The ZIP+4 code data shall be provided in an MS Excel file (.xls) format via email to the CD Director. The Small LECs also shall provide the CLA the ZIP+4 code data in a format specified by the CLA.

CD staff considers it appropriate for the Commission to rely on the Small LECs to monitor for instances where they believe a wireless carrier is providing federal Lifeline wireless service to any Small LEC customers. Should such instances arise, the Small LECs can raise for Commission review any related concerns about Total Call's behavior

²⁶ ZIP+4 code is the standard ZIP code with a four digit add-on code. This add-on code identifies a smaller geographic region within the main code, such as a city block, office building, etc. In Resolution T-17284, Virgin Mobile was required to screen prospective Lifeline customers to ensure they do not reside in the Small LECs' territories. The screening can be accomplished by using the list of ZIP+4 codes for the Small LEC service areas.

²⁷ On July 5, 2011, the Small LECs filed with the CPUC the ZIP+4 code data pursuant to Resolution T-17284. On July 6, 2011, Frontier Communications West Coast, Inc. filed the ZIP+4 code data for its service areas pursuant to T-17284.

or practices in the Small LECs' service areas. If the matter cannot be resolved informally, the Small LECs can file a formal complaint with the Commission.

Public Interest Determination:

Before recommending designation of a carrier as an ETC, CD staff must determine that doing so would be in the public interest for California consumers.²⁸ In the Lifeline Order, the FCC clearly states the importance of promoting universal service principles²⁹ and in that context that the Lifeline program includes a public interest determination particularly for Lifeline-only ETCs where forbearance of the facilities-based requirement exists.³⁰ Since the federal Lifeline program adopted a technology-neutral definition for supported service, Total Call proposes to give consumers a variety of rate plans that provide feature-rich mobile connectivity. While wireless connectivity has limitations, the choice of mobile communications is a benefit if it fits a low-income customer's budget, needs, and lifestyle. Total Call states that it meets the FCC criteria for public interest determination, including the benefits of increased competitive choice, convenience, security with mobility, ability to purchase additional usage, and the ability to use supported service to send and receive text messages in a prepaid plan.

Price Analysis

When analyzing Lifeline plan pricing, CD examines non-Lifeline retail plan prices, relying on competitive forces to determine what plans are reasonable. Therefore, CD recommends that federal Lifeline plans based on currently available retail plans be considered reasonable and should be offered to federal Lifeline customers, less the federal support amount(s). Of its four plans, Plans 2, 3, and 4 are available as off-the-shelf retail service plans for all customers. Plan 1, the free 250-minute plan, is available only to Lifeline-qualified customers.

CD staff evaluated Total Call's proposed through the prism of the expected monthly cost to a low-income consumer based on average minutes of use³¹ in comparison to comparable incumbent local exchange carrier (ILEC) Lifeline plans and other wireless ETC Lifeline plans.

²⁸ *In the Matter of Federal-State Joint Board on Universal Service*, Report and Order, CC Dkt 96-45 (FCC 05-46), released Mar 17, 2005 ¶ 40 and CPUC Resolution T-17002, *Appendix A, Section II-G: Public Interest Determination*.

²⁹ 47 U.S.C. § 254(b)(c)(e)(2).

³⁰ *Lifeline Reform Order* at ¶¶ 219,378, 362, and fn 968.

³¹ *In the Matter of Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993 Annual Report and Analysis of Competitive Market Conditions With Respect to Mobile Wireless, Including Commercial Mobile Services*, WT Dkt. No. 11-186 (FCC 13-34) (*Sixteenth Report on Mobile Competition*). The FCC annually issues a mobile competition report which reflects analysis of 2011 data submitted by carriers. CD staff analysis uses the 615 average minutes of use (MOU) for wireless voice as a base to evaluate Lifeline plan offerings (Table 38).

Total Call's proposed plans in the service area will offer consumers low-cost Lifeline service with a choice of four plans. Only Plan 1 is a Lifeline-only plan; Plans 2, 3, and 4 are available retail plans discounted with the \$9.25 federal support amount and a \$0.75 company credit.³² As stated earlier, AL 2C revised the proposed service plans and customer costs as follows:

- Plan 1: 250 domestic minutes for \$0 per month
- Plan 2: 1,000 Talk & 1,000 Text for 30 days for \$19.99 per month
- Plan 3: Unlimited Talk & Text for 30 days for \$29.99 per month
- Plan 4: Unlimited Talk, Text, & Data for 30 days for \$39.99 per month

Additional minutes beyond the plan allotment cost \$0.033 per minute of voice and \$0.05 per text, which aligns with other competitors' pricing. As proposed, Total Call's wireless offerings have equal or better value for low-income customers when compared to other prepaid wireless Lifeline packages.

Chart 1 -- Comparison of Proposed Federal Lifeline Wireless Plans to Other Prepaid Federal Lifeline Wireless Plans in Service Area (Assuming Average Wireless MOU)

	Total Call Mobile Plans				Prepaid Wireless Lifeline Plans											
	Total Call Plan 1: 250	Total Call Plan 2: 1000 Talk & 1000 Text	Total Call Plan 3: Unlimited Talk & Text	Total Call Plan 4: Unlimited Talk, Text, & Data	Budget Mobile 250	Budget Mobile 1000	Budget PrePay Unlimited Talk/Text	Telcape 300	Telcape 1000	Virgin Mobile 250	Virgin Mobile 1000	Virgin Mobile Unlimited	Nexus 250	Nexus 1000	Cricket Unlimited	
Avg. MOU*	615	615	615	615	615	615	615	615	615	615	615	615	615	615	615	615
Basic Plan Minutes (allowance)	250	1000	Unlimited	Unlimited	250	1000	Unlimited	300	1000	250	1000	Unlimited	250	1000	Unlimited	
Texts included	1 txt = 1	1000	Unlimited	Unlimited	-	-	-	-	-	250	Unlimited	Unlimited	-	-	-	
Data included	-	-	Unlimited	Unlimited	-	-	-	-	-	-	-	Unlimited	-	-	-	
Avg. Excess MOUs	365	-	-	-	365	-	-	315	-	365	-	-	365	-	-	
Cost per Min in excess of allowance	\$0.033	\$0	\$0	\$0	\$0.033	\$0.033	\$0.033	\$0.030	\$0.030	\$0.100	\$0.100	\$0	\$0.033	\$0.033	\$0	
Cost of excess minutes**	\$12.05	\$0	\$0	\$0	\$12.05	\$0.00	\$0.00	\$9.45	\$0	\$36.50	\$0	\$0	\$12.05	\$0	\$0	
Min. Lifeline Plan Cost (per D.10-11-033) or Cost per Plan	\$0.00	\$19.99	\$29.99	\$39.99	\$0.00	\$20.00	\$32.00	\$2.50	\$20.00	\$0.00	\$20.00	\$30.00	\$0.00	\$20.00	\$21.50	
Total GO 153 Cost to Customers	\$12.05	\$19.99	\$29.99	\$39.99	\$12.05	\$20.00	\$32.00	\$11.95	\$20.00	\$36.50	\$20.00	\$30.00	\$12.05	\$20.00	\$21.50	
Caller ID	-	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-	-	-	-	
Long Distance	-	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-	-	-	-	
Voicemail	-	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-	-	-	-	
Federal Excise Tax	-	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-	-	-	-	
Total Additional costs of vertical features	-	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-	-	-	-	
Total Cost to Lifeline Customers with 615 MOU and additional costs of vertical features	\$12.05	\$19.99	\$29.99	\$39.99	\$12.05	\$20.00	\$32.00	\$11.95	\$20.00	\$36.50	\$20.00	\$30.00	\$12.05	\$20.00	\$21.50	

Plan choices based on Supplement AL 3C filed March 24, 2014.

* Average Minutes of Use based on FCC 13-34 16th Mobile Wireless Competition Report issued March 19, 2013, Table 38. Avg MOU 615, Year 2011.

Comparable Local Usage and Equal Access

To demonstrate its competitive service for the price when including Average Minutes of Use by a customer in a month, Total Call provides a summary of its federal Lifeline wireless plans comparable to other retail federal Lifeline wireless and prepaid wireless plans offered by local exchange carriers. See Chart 2.

³² In Advice Letter 2A supplementing its request, Total Call revised the amount of its discount to \$10.00, comprised of the \$9.25 federal Lifeline subsidy and an additional company credit.

Chart 2 -- Comparison of Proposed Federal Lifeline Wireless Plans to California ILEC Federal Lifeline Wireless Measured Rate Plans and Prepaid Wireless Plans (Assuming Average Wireless MOU)

	Total Call Mobile Plans				ILEC MR Lifeline Plans				Prepaid Wireless Retail Plans					
	Total Call Plan 1: 250	Total Call Plan 2: 1000 Talk & 1000 Text	Total Call Plan 3: Unlimited Talk & Text	Total Call Plan 4: Unlimited Talk, Text, & Data	AT&T Lifeline MR (minimum)	AT&T Lifeline MR (maximum)	Verizon Lifeline MR (minimum)	Verizon Lifeline MR (maximum)	Virgin Mobile PayLo 1500	Nexus Reach Out Simple Plan 1000	Metro PCS Unlimited	AT&T Go Phone Unlimited Talk & Text	Sprint Talk 450	Verizon Talk 450
Avg. MOU*	615	615	615	615	615	615	615	615	615	615	615	615	615	615
Basic Plan Minutes (allowance)	250	1000	Unlimited	Unlimited	146	146	146	146	1500	1000	Unlimited	Unlimited	450	450
Texts included	1 txt = 1 min	1000	Unlimited	Unlimited	-	-	-	-	1500	-	-	-	-	-
Data included	-	-	Unlimited	Unlimited	-	-	-	-	30 MB	-	-	-	-	-
Avg. Excess MOUs	365	-	-	-	469	469	469	469	-	-	-	-	165	165
Cost per Min in excess of allowance	\$0.033	\$0	\$0	\$0	\$0.033	\$0.033	\$0.033	\$0.033	\$0.100	\$0	\$0	\$0	\$0.450	\$0.450
Cost of excess minutes	\$12.05	\$0	\$0	\$0	\$15.48	\$15.48	\$15.48	\$15.48	\$0	\$0	\$0	\$0	\$74.25	\$74.25
Min. Lifeline Plan Cost (per D.10-11-033) or Cost per Plan	\$0.00	\$19.99	\$29.99	\$39.99	\$2.50	\$3.66	\$2.50	\$3.66	\$30.00	\$52.95	\$40.00	\$60.00	\$39.99	\$44.99
Total GO 153 Cost to Customers	\$12.05	\$19.99	\$29.99	\$39.99	\$17.98	\$19.14	\$17.98	\$19.14	\$30.00	\$52.95	\$40.00	\$60.00	\$114.24	\$119.24
Caller ID	-	-	-	-	\$9.99	\$9.99	\$7.95	\$7.95	-	-	-	-	-	-
Long Distance	-	-	-	-	\$6.99*	\$6.99*	\$15.99	\$15.99	-	-	-	-	-	-
Voicemail	-	-	-	-	N/A	N/A	\$7.45	\$7.45	-	-	-	-	-	-
Federal Excise Tax	-	-	-	-	\$0.08	\$0.11	\$0.08	\$0.11	-	-	-	-	-	-
Total Additional costs of vertical features	-	-	-	-	\$17.06	\$17.09	\$31.47	\$31.50	-	-	-	-	-	-
Total Cost to Lifeline Customers with 615 MOU and additional costs of vertical features	\$12.05	\$19.99	\$29.99	\$39.99	\$35.04	\$36.23	\$49.45	\$50.64	\$30.00	\$52.95	\$40.00	\$60.00	\$114.24	\$119.24

Plan choices based on Supplement AL 3C filed March 24, 2014.

* Average Minutes of Use based on FCC 13-34 16th Mobile Wireless Competition Report issued March 19, 2013, Table 38. Avg MOU 615, Year 2011.

Due Diligence Review:

An integral part of CD's processing of an ETC designation request is a due diligence review of the requesting carrier as a supplement to the public interest analysis to determine if the carrier has engaged in behavior that may call into question its fitness to be granted ETC designation to serve California consumers. The due diligence review includes, but is not limited to, confirming that a company is current with payment of California Public Utilities Commission Reimbursement Fees (referred to as PUC User Fees)³³ and surcharges³⁴ as required to maintain its operating authority. In addition, CD conducts independent research about a carrier to provide the Commission with background information that may be pertinent in deciding whether or not to grant the ETC designation request. Typical research methods are performing Lexis/Nexis legal resource searches, Google Internet searches, reviewing industry and trade publications, querying other governmental agencies (e.g. California Secretary of State for business registration), contacting the FCC and USAC, reviewing a company's history of operations, and contacting the Commission's Safety and Enforcement Division and Consumer Affairs Branch.

CD's due diligence review of Total Call did not uncover any fitness issues to deny approval of Total Call's ETC request. We, therefore, believe Total Call's ETC request is consistent with the public interest. Total Call, however, is put on notice that should substantive issues emerge after this ETC is approved which raises public interest questions about Total Call's operations, the Commission may pursue an enforcement action which may include fines, penalties, and the revocation of ETC designation and/or wireless identification registration authority.

³³ PU Code §§ 401, 405, and 431.

³⁴ PU Code §§ 275-279.

Safety Concerns:

Although wireless phone service offers great mobility for consumers, there are safety concerns related to wireless mobile phone service and E-911 and/or 911 connection limitations. Where there is a lack of coverage, poor signal strength, or atmospheric or terrain conditions that affect connections, emergency calls may not be completed. In rural areas, for example, with spotty connectivity or interference (e.g. due to geographic or structural obstacles), wireless mobile resellers of wholesale facilities service cannot guarantee full, accessible emergency connections for their own direct customers. An incomplete emergency call can have devastating results. Given that E-911 and/or 911 safety is a common concern for all of California's wireless customers, CD staff recommends that Total Call be required to fully and clearly inform prospective federal Lifeline wireless customers that coverage limitations may affect wireless mobile phone service access to E-911 and/or 911 in the event of an emergency. Such disclosures include, but are not limited to, clear statements on marketing materials and conspicuous placement on the public website in the form of information content on webpages, footnotes, and/or listings on a frequently asked questions (FAQ) webpage.

Changes to Federal Lifeline Wireless Plans:

Regarding changes to federal Lifeline wireless plan offerings, the prior policy has been that a wireless ETC in California must file a Tier II Advice Letter to request approval of any changes to these federal Lifeline wireless rate plans.³⁵ CD recommends that the Commission apply this rule only to Total Call's Lifeline plans that are not based on retail plans currently available to all prospective customers at the time of filing. Such requests shall demonstrate that the change complies with Resolution T-17002, i.e. *Appendix A-Sections II-E: Local Usage* and *II-G. Public Interest Determination*, all applicable GO 153 rules, and pricing rules pursuant to D.10-11-033 or as modified and/or updated by subsequent Decisions and/or Resolutions effective at the time of the request.

For changes to Total Call's Lifeline plans that are based on retail service offerings available to all prospective customers, not just Lifeline customers, changes from one retail plan to another retail plan should be handled via an Information-Only filing, consistent and in compliance with General Order 96-B General Rules 3.9, 6.1, and 6.2, and Telecommunications Industry Rule 2. Since Total Call offers both retail and Lifeline plans, any future changes to Total Call's California federal Lifeline plans that are based on retail plans shall be noticed via an Information-Only filing.

Final Conclusions and Staff Recommendations:

CD staff recommends conditional approval of the federal Lifeline wireless ETC designation Total Call requests for the purpose of offering federal Lifeline wireless service in California in the service areas of the URF carriers, excluding the Small LEC service areas. Designation as a federal Lifeline ETC to commence federal Lifeline

³⁵ Resolution T-17339 Ordering Paragraph 3.

wireless operations in California requires full compliance with the following requirements:

- Total Call will comply with 47 C.F.R. § 54.401(d) by filing the required information directly with USAC to certify that its federal Lifeline wireless plan meets federal requirements under the USAC administration. Total Call is obligated to report within 30 days of receipt from USAC that compliance has been achieved via a letter to the Director of CD including a copy of the information submitted to USAC and a copy of Total Call's certification of approval from the USAC;
- Total Call will offer access to two residential telephone lines in a household with a disabled person, pursuant to GO 153 service element (21);
- Total Call will provide marketing materials to the CPUC California LifeLine staff for review prior to distribution and advertising;
- Total Call will comply with CPUC User Fee and Public Purpose Program surcharge requirements. Failure to comply with fee and surcharge remittance requirements may lead to enforcement action including, but not limited to, revocation of Total Call's ETC designation and/or wireless identification registration authority;
- Total Call will file a copy of updated ZIP+4 code data list with the Director of CD and the California LifeLine Administrator; and,
- Total Call will post safety-concerns about wireless telephone service coverage limitations on distributed materials and on its company website.

COMMENTS

In compliance with P.U. Code § 311(g), the Commission emailed a notice letter on June 6, 2014, 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.

FINDINGS AND CONCLUSIONS

1. Total Call Mobile, Inc. (Total Call) is a nationwide prepaid and postpaid wireless service provider that uses a combination of its own facilities and wholesale network services from Sprint PCS. Its principal offices are at 1411 W. 190th St., Suite 700, Gardena, California 90248.
2. On April 10, 2006, the Commission issued Total Call Mobile, Inc. its Wireless Identification Registration number U-4360-C allowing it to operate as a Commercial Mobile Radiotelephone Services (CMRS) provider to the public in California.

3. On July 19, 2012, Total Call Mobile, Inc. filed Tier III Advice Letter (AL) 2 requesting ETC designation to receive federal support to provide only federal Lifeline wireless service to consumers using a combination of company-owned facilities and wholesale, network services from Sprint PCS. Total Call Mobile, Inc. proposed these federal Lifeline wireless plans: 150 minutes for domestic and international calls for \$2.50 per month; 250 domestic minutes for \$2.50 month; and choice of applying the Lifeline support amount to the *30-day Unlimited Talk & Text* for \$20.74 per month or to the *30-Day Unlimited Talk, Text, and Data* at \$40.74 per month.
4. Total Call Mobile, Inc. only seeks federal Lifeline support and does not seek federal high-cost fund support or California Lifeline fund support.
5. On November 1, 2012, Total Call filed Advice Letter Supplement 2A stating it will follow the prescribed enrollment process outlined in General Order 153 § 4 and clarifying its non-usage policy stating that a 30-day de-enrollment notice will be sent to a customer after 60 days of non-use thereby disconnecting service on the 90th day of non-use.
6. On February 25, 2013, Total Call Mobile, Inc. filed Advice Letter Supplement 2B requesting to update its proposed Lifeline plans and pricing since the price floor adopted in D.10-11-033 no longer applies for pricing purposes effective January 1, 2013.
7. On March 24, 2014, Total Call Mobile, Inc. filed Advice Letter Supplement AL 2C requesting to eliminate Plan 1, the free 150-minute plan. In addition, it requested to lower the per-minute cost of additional minutes purchased for Plans 2 and 3 from \$0.05 to \$0.033 thereby price matching its free 250-minute plan with the 250-minute plans of Nexus Communications, Inc. and Budget PrePay, Inc.
8. After taking into consideration Total Call Mobile, Inc.'s Advice Letter 2 Supplements A-C, the federal Lifeline wireless plans Total Call Mobile, Inc. will offer are:
 - Plan 1: 250 domestic minutes for \$0 per month
 - Plan 2: *1,000 Talk & 1,000 Text* for 30 days for \$19.99 per month
 - Plan 3: *Unlimited Talk & Text* for 30 days for \$29.99 per month
 - Plan 4: *Unlimited Talk, Text, & Data* for 30 days for \$39.99 per month
9. Additional minutes beyond the plan allotment cost \$0.033 per minute of voice and \$0.05 per text.
10. Total Call Mobile, Inc. will file the required service plan information pursuant to 47 C.F.R. § 54.401(d) with the Universal Service Administrative Company (USAC). USAC will review the service plans to ensure they meet the federal

Lifeline requirements. Once accepted, a copy of the information submitted to USAC and a copy of Total Call Mobile, Inc.'s certification of approval from the USAC shall be provided to the Communications Division Director within 30 days of receipt from USAC.

11. Total Call Mobile, Inc. meets the Federal Communications Commission's Eligible Telecommunications Carrier requirements.
12. Current General Order 153 shall continue to be used to evaluate ETC designation requests by wireless carriers including federal Lifeline applications and renewals until the Commission revises General Order 153 rules and determines the extent to which revised General Order 153 rules and revised California LifeLine service elements should apply to federal Lifeline wireless offerings in Rulemaking 11-03-013. Total Call Mobile, Inc. shall be required to comply with current General Order 153 rules, with the exception of the service element waivers granted in this Resolution, until further directed by the Commission
13. Total Call Mobile, Inc. requested a waiver of eight California LifeLine service elements: (4) the ability to receive free incoming calls, (10) customer choice of local flat-rate service or measured-rate service; (11) free provision of one directory listing per year, (12) availability of free white pages telephone directory, (15) free access to 800 and 800-like toll-free numbers, (19) free access to toll-blocking service, (20) free access to toll-control service, and (21) access to two residential telephone lines if a low-income household with a disabled person requiring both lines.
14. It is reasonable to grant waivers for California LifeLine elements (4), (10), (11), (12), and (15) because they do not apply to wireless service providers but to providers of wireline services; the Commission has granted such waivers in the past. Likewise, it is reasonable to grant waivers to elements (19) and (20) because they do not apply to Total Call Mobile's proposed service plans since there is no distinction between local and long distance calling.
15. Communications Division does not recommend granting a waiver to California LifeLine element (21) because federal Lifeline wireless providers comply with this service element currently and because Decision 14-01-032 maintains this element as a requirement in the California LifeLine rules for wireless carriers (*Attachment D, Appendix A-2, service element (17)*).
16. Total Call Mobile, Inc. commits to comply with General Order 153's application, verification, and renewal processes to establish customer eligibility with the California LifeLine Administrator and will not offer federal Lifeline wireless plans to customers until the California LifeLine Administrator approves their Lifeline eligibility.

17. Total Call Mobile, Inc. will label clearly its wireless offerings as *federal Lifeline service* to minimize customer confusion between the California LifeLine and federal Lifeline programs, to include adequate information about the potential coverage and service quality issues, and to provide copies to Communications Division of all marketing materials including, but not limited to, customer service representative scripts, internet marketing, and posters and brochures, for CPUC California LifeLine staff to review and approval prior to publication and distribution. We find this recommendation reasonable and adopt it.
18. Total Call Mobile, Inc. commits to comply with CPUC User Fee and Public Purpose Program surcharge requirements. Failure to comply with fee and surcharge remittance requirements may lead to enforcement action including, but not limited to, revocation of Total Call, Inc.'s Eligible Telecommunications Carrier designation and/or wireless identification registration authority.
19. Total Call Mobile, Inc. will utilize the ZIP+4 code data of the Small LECs' service areas to ensure that current customers of the Small LECs are not accepted as its federal Lifeline customers. We find this recommendation reasonable and adopt it.
20. Communications Division recommends requiring the Small LECs to provide Total Call Mobile, Inc. an updated ZIP+4 code data in their corresponding service areas within 30 days of the effective date of this Resolution. Communications Division recommends that the Small LECs also be required to provide, on an as-needed basis, any update to the ZIP+4 code data to Total Call Mobile, Inc., as with all other wireless designated ETCs in California. Total Call Mobile, Inc. shall file a copy of any updated ZIP+4 code data with the Communications Division Director and the California LifeLine Administrator (CLA). The ZIP+4 code data shall be provided in an MS Excel file (xls) format via email to the CD director. The Small LECs shall provide the CLA the ZIP+4 code data in a format specified by the CLA.
21. The Commission should rely on the Small LECs to monitor whether Total Call Mobile, Inc., or any other wireless carrier, is providing federal Lifeline wireless service to any current Small LECs customers. The Small LECs can raise any related concerns about Total Call Mobile, Inc., or any other wireless carrier's behavior or practices in the Small LECs' service areas, for Commission review. If the matter cannot be resolved informally, the Small LECs can file a formal complaint with the Commission.
22. Communications Division finds that Total Call Mobile, Inc.'s proposed federal Lifeline wireless plans meet Federal criteria for public interest determination with increased competitive choice, convenience, security with mobility, ability to purchase additional usage, and ability to send and receive text messages in a prepaid plan.

23. Communications Division finds that Total Call Mobile, Inc.'s four federal Lifeline wireless plans have equal or better value in its Lifeline plan pricing for low-income customers.
24. Communications Division conducted due diligence reviews to determine Total Call Mobile, Inc.'s fitness as it relates to customer protection and found no fitness issues.
25. The Commission may pursue an enforcement action which may include fines, penalties, and the revocation of ETC designation and/or wireless identification registration authority should substantive issues emerge after this ETC is approved which raises public interest questions about Total Call Mobile, Inc.'s operations.
26. For public safety reasons, Total Call Mobile, Inc. will clearly inform Lifeline customers that coverage limitations may affect wireless mobile service including E-911/911 emergency calls. Disclosures include, but are not limited to, clear statements on all marketing materials and the company website.
27. Communications Division recommends that the Commission's Eligible Telecommunications Carrier rule requiring a Tier II Advice Letter to request approval for any future changes to the federal Lifeline wireless plan approved in this Resolution be applied only to Total Call Mobile, Inc.'s Lifeline plans that are not based on retail plans currently available to all prospective customers at the time of filing. Such request shall demonstrate that the change complies with Resolution T-17002, i.e. *Appendix A-Sections II-E: Local Usage* and *II-G. Public Interest Determination*, all applicable General Order 153 rules, and pricing rules pursuant to Decision 10-11-033 or as modified and/or updated by subsequent Decisions and/or Resolutions effective at the time of the request. We find Communications Division's recommendation reasonable and adopt it.
28. For changes to Total Call Mobile, Inc.'s Lifeline plans that are based on retail service offerings available to all prospective customers, not just Lifeline customers, changes from one retail plan to another retail plan should be handled via an Information-Only filing, consistent and in compliance with General Order 96-B General Rules 3.9, 6.1, and 6.2, and Telecommunications Industry Rule 2.
29. On June 6, 2014, the Commission emailed a draft of this resolution to the eligible telecommunications carrier service list for public comments.

THEREFORE, IT IS ORDERED that:

1. The Commission conditionally approves Total Call Mobile, Inc. (U-4360-C) to be an eligible telecommunications carrier (ETC) designated to provide federal Lifeline wireless service throughout California in the service areas of the uniform regulatory framework carriers, excluding the small local exchange carrier (Small LECs) service areas.
2. Total Call Mobile, Inc.'s ETC designation approval shall be contingent upon the following: 1) Total Call Mobile, Inc. shall submit to the Communications Division Director a copy of the information submitted to Universal Service Administrative Company and a copy of Total Call Mobile, Inc.'s certification of approval from the USAC within 30 days of receipt from USAC of its compliance with 47 C.F.R. § 54.401(d) related to its federal Lifeline wireless plan; 2) the review by the CPUC California LifeLine staff of Total Call Mobile, Inc.'s marketing materials prior to distribution and publication; and, 3) Total Call Mobile, Inc. shall note clearly wireless mobility safety content on all distributed federal Lifeline materials and on the company website.
3. Total Call Mobile, Inc. shall offer these federal Lifeline wireless service plans: 250 domestic minutes for \$0 per month; 1,000 Talk & 1,000 Text for 30 days for \$19.99 per month; Unlimited Talk & Text for 30 days for \$29.99 per month; and Unlimited Talk, Text, & Data for 30 days for \$39.99 per month. Additional minutes beyond the plan allotment cost \$0.033 per minute of voice and \$0.05 per text.
4. Total Call Mobile, Inc. shall use a Tier II Advice Letter to request approval for any future changes to any federal Lifeline wireless plans approved in this Resolution not based on currently available retail plan offerings. Such request shall demonstrate that the change complies with Resolution T-17002, i.e. *Appendix A-Sections II-E: Local Usage* and *II-G. Public Interest Determination*, all applicable General Order 153 rules, and pricing rules pursuant to Decision 10-11-033 or as modified and/or updated by subsequent Decisions and/or Resolutions effective at the time of the request.
5. Total Call Mobile, Inc. shall file an Information-Only filing, consistent and in compliance with General Order 96-B General Rules 3.9, 6.1, and 6.2, and Telecommunications Industry Rule 2, for changes to any federal Lifeline plans that are based on retail service offerings available to all prospective customers.
6. Total Call Mobile, Inc. shall comply with General Order 153's enrollment application, verification, and renewal processes under the review of the California LifeLine Administrator which establishes customer eligibility.
7. Total Call Mobile, Inc. shall be authorized waivers for these seven requested service elements of California LifeLine: (4) the ability to receive free incoming

- calls, (10) customer choice of local flat-rate service or measured-rate service; (11) free provision of one directory listing per year, (12) availability of free white pages telephone directory, (15) free access to 800 and 800-like toll-free numbers, (19) free access to toll-blocking service, and (20) free access to toll-control service.
8. Total Call Mobile, Inc. shall be denied a waiver of California LifeLine service element (21) requiring access to two residential telephone lines in a household with a disabled person.
 9. Total Call Mobile, Inc. shall clearly label its offerings as *federal Lifeline service* to minimize customer confusion between the California LifeLine and federal Lifeline programs, shall include adequate information about the potential coverage and service quality issues, and shall provide copies of all marketing materials including, but not limited to, customer service representative scripts, internet marketing, and posters and brochures for Communications Division's California LifeLine staff review and approval prior to distribution of marketing publications.
 10. Total Call Mobile, Inc. shall implement the ZIP+4 codes to screen customers and ensure that current customers of the Small LECs are not accepted as federal Lifeline wireless customers with Total Call Mobile, Inc.
 11. The Small LECs shall be required to provide Total Call Mobile, Inc., the same as with all other active wireless ETCs, an updated list of the ZIP+4 code data in their service areas within 30 days of the effective date of this Resolution. The Small LECs also shall be required to provide on an as-needed basis any update to the ZIP+4 code data to Total Call Mobile, Inc., the same as with all other active wireless designated ETCs in California. A copy of any updated ZIP+4 code data shall be filed with the Communications Division Director and the California LifeLine Administrator. The ZIP+4 code data shall be provided in an MS Excel file (.xls) format via email to the Communications Division Director. The Small LECs shall provide the CLA the ZIP+4 code data in a format specified by the CLA.
 12. The Small LECs shall monitor for instances where they believe Total Call Mobile, Inc., as with all other active wireless carriers, is providing federal Lifeline wireless service to any Small LEC customers and can raise related concerns about Total Call Mobile, Inc.'s, or any other wireless carrier's, behavior or practices in the small LEC service areas for Commission review. If the matter cannot be resolved informally, the Small LECs can file a formal complaint with the Commission.
 13. Total Call Mobile, Inc. shall comply with Commission rules and regulations including the reporting and payment of Public Utilities Commission User Fees and Public Purpose Program surcharges. Failure to do so may result in the revocation of its ETC designation and wireless identification registration authority to operate in California.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on July 10, 2014, the following Commissioners voting favorably thereon:

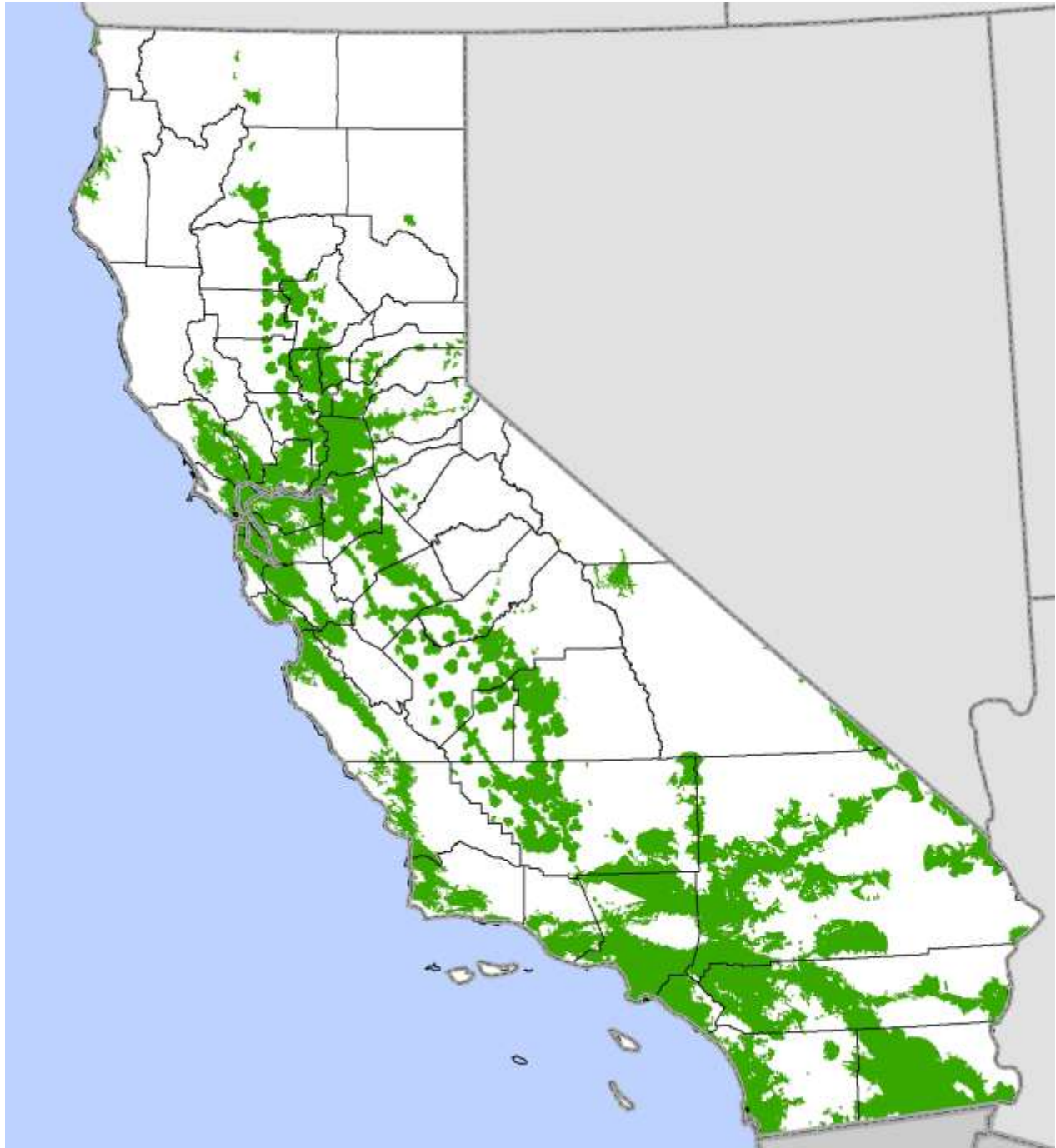
PAUL CLANON
Executive Director

Resolution T- 17444
CD/ABA

APPENDIX A
Resolution T-17444

Attachment A
Resolution T-17437
Total Call Mobile, Inc.

**Proposed Service Area for Federal Lifeline Wireless ETC Service
in California**



Attachment B
Resolution T-17444
Total Call Mobile, Inc.

General Order 153 – Service Elements of California LifeLine

California LifeLine is composed of the service elements set forth below. All California LifeLine subscribers are entitled to receive every one of the service elements of California LifeLine, and every California LifeLine Service Provider is required to offer all of the service elements of California LifeLine to each of its subscribers. The service elements of California LifeLine are as follows:

- 1 Access to (a) single party local exchange service or (b) service that is equivalent, in all substantial respects, to single party local exchange service.
- 2 Access to all interexchange carriers offering service in the California LifeLine subscriber's local exchange.
- 3 Ability to place calls.
- 4 Ability to receive free unlimited incoming calls.
- 5 Free touch-tone dialing.
- 6 Free unlimited access to 911/E-911.
- 7 Access to local directory assistance (DA). Each California LifeLine Service Provider shall offer to its subscribers the same number of free DA calls that the California LifeLine Service Provider provides to its non-California LifeLine residential customers.
- 8 Access to foreign Numbering Plan Areas.
- 9 California LifeLine rates and charges.
- 10 Customer choice of local Flat-Rate Service or Measured-Rate Service. The 14 small ILECs identified in D. 96-10-066 do not have to offer subscribers the choice of local Flat or Measured-Rate Service, unless the small ILEC offers this option to its non-California LifeLine residential customers.
- 11 Free provision of one directory listing per year as provided for in D. 96-02-072.
- 12 Free white pages telephone directory.
- 13 Access to operator service.
- 14 Voice grade connection to the public switched telephone network.
- 15 Free access to 800 or 800-like toll-free services.
- 16 Access to telephone relay services as provided for in Public Utilities Code §2881 et seq.
- 17 Toll-free access to customer service for information about California LifeLine, service activation, service termination, service repair, and bill inquiries.
- 18 Toll-free access to customer service representatives fluent in the same language (English and non-English) in which California LifeLine was originally sold.
- 19 Free access to Toll-Blocking Service.
- 20 Free access to Toll-Control Service but only if (i) the California LifeLine Service Provider is capable of offering Toll-Control Service and (ii) the California LifeLine subscriber has no unpaid bill for toll service.
- 21 Access to two residential telephone lines if a low-income household with a disabled person requires both lines to access California LifeLine.
- 22 Free access to the California Relay Service via the 711 abbreviated dialing code.

GO 153 (Effective December 1, 2011 - D.10-11-033, Resolution T-17321)

(END OF APPENDIX A)