## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

| In the Matter of the Petition of       | ) | Case No. TC |
|--|---|-------------|
| Budget PrePay, Inc. dba Budget Mobile  | ) |             |
| for Relinquishment of Eligible         | ) |             |
| Telecommunications Carrier Designation | ) |             |

## PETITION FOR RELINQUISHMENT OF ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION

Budget PrePay, Inc. dba Budget Mobile ("Budget"), pursuant to 47 U.S.C. § 214(e)(4), 47 C.F.R. § 54.205 and A.R.S.D. 20:10:32:48, hereby petitions the South Dakota Public Utilities Commission ("Commission") of the relinquishment of its Lifeline-only Eligible Telecommunications Carrier ("ETC") designation, effective June 5, 2017. Budget's decision to relinquish its ETC designation is the result of changes in the industry and recent modifications to the Lifeline program. The impact of this relinquishment will be minimal because Budget currently provides service to less than 200 Lifeline subscribers in South Dakota, and those consumers have other options for obtaining Lifeline service in South Dakota and will have ample time to transition service to another Lifeline provider.

In support of its petition for relinquishment, Budget states as follows:

1. By Order dated September 24, 2012, the Commission granted Budget's request for designation as a Lifeline-Only ETC.<sup>1</sup> Budget's designated ETC service areas include each of the incumbent local exchange carrier ("ILEC") non-rural wire centers set forth in **Exhibit A** (the "Designated Areas").

<sup>&</sup>lt;sup>1</sup>In the Matter of the Application of Budget PrePay, Inc. DBA Budget Mobile for Designation as an Eligible Telecommunications Carrier in Non-Rural Areas, TC12-125, Order Granting Designation as a Lifeline-Only Eligible Telecommunications Carrier (Sept. 24, 2012).

2. Consistent with 47 U.S.C. § 214(e)(4), 47 C.F.R. § 54.205 and A.R.S.D.20:10:32:48, Budget has made the decision to relinquish its ETC designation. Section 214(e)(4) of the Communications Act states, in pertinent part:

A State commission [...] *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 [...] 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 [...] 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.<sup>2</sup>

## 3. A.R.S.D. 20:10:32:48 similarly provides as follows:

A telecommunications company may relinquish its eligible tele-communications carrier designation and accompanying universal service obligations as provided for below:

- (1) A telecommunications company seeking to relinquish its eligible telecommunications carrier designation shall file a petition with the commission specifying the service area for which it seeks to relinquish its designation and the identity of any other eligible telecommunications carrier serving the service area. At the time of filing, a copy of the petition shall also be provided to each local service provider serving the area for which the petitioner seeks to relinquish its eligible telecommunications carrier designation;
- (2) The commission may permit a telecommunications company to relinquish its eligible telecommunications carrier designation if at least one other eligible telecommunications carrier serves the area for which the relinquishment is sought;
- (3) The petitioning telecommunications company shall continue to meet its eligible telecommunications carrier obligations for the entire area for which it seeks to relinquish those obligations until the date specified in the commission's order approving the relinquishment; and
- (4) Prior to permitting a telecommunications company designated as an eligible telecommunications carrier to cease providing universal service in an area served by more than one eligible telecommunications carrier, the commission shall ensure that each customer served by the relinquishing carrier continues to be served, and shall require sufficient notice to permit the purchase or construction of adequate

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<sup>&</sup>lt;sup>2</sup> Id. (emphasis added); see also 47 C.F.R. § 54.205.

facilities by any remaining eligible telecommunications carrier. The commission shall establish a time, not to exceed one year after the commission approves such relinquishment, within which such purchase or construction shall be completed.

- 4. As set forth in 47 U.S.C. § 214(e)(4) and 47 C.F.R. § 54.205, Commission approval of a competitive ETC's petition for ETC relinquishment is mandatory. Federal law requires the Commission to permit the relinquishment of an ETC designation in any area served by at least one other ETC.
- 5. Following relinquishment of Budget's ETC designation, each of the non-rural wire centers identified in **Exhibit A** will continue to be served by at least one ETC, CenturyLink. And, to the best of Budget's knowledge, CenturyLink will not be required to purchase or construct additional facilities to continue providing service within the wire centers and/or study areas comprising the Designated Areas. Furthermore, a number of CLECs have ETC designation in these wire centers and will be available to provide service.
- 6. Moreover, Lifeline customers will also receive ample notice. At least thirty (30) days prior to the effective date of its relinquishment, Budget will send both a written notice, via U.S. mail (**Exhibit B**) and the following text message (which is the customary and, in Budget's experience, the most effective form of customer communication), to affected customers, notifying them that Budget will cease providing the services they currently receive, effective June 5, 2017.

**Budget Mobile will cease service on 6-05-2017.** 

You will need to contact another Lifeline carrier authorized by the SD PUC, such as CenturyLink.

Additional information regarding Lifeline in South Dakota is available at: <a href="http://puc.sd.gov/lifeline/">http://puc.sd.gov/lifeline/</a>

For more information, call 888-777-4007 or visit <a href="http://www.budgetmobile.com">http://www.budgetmobile.com</a>.

## **CONCLUSION**

For the foregoing reasons, Budget respectfully requests that the Commission approve the relinquishment of its ETC designation effective June 5, 2017.

Respectfully Submitted,

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April 21, 2017