BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

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In the Matter of the Petition of Total Call Mobile, Inc. for Limited Designation as an Eligible Telecommunications Carrier Docket No.

PETITION OF TOTAL CALL MOBILE, INC. FOR LIMITED DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

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I. INTRODUCTION

Total Call Mobile, Inc. ("Total Call" or the "Company"), pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the "Act")¹, Sections 54.101 through 54.207 of Federal Communications Commission ("FCC") Rules², and provisions of the South Dakota Public Utilities Commission's rules and regulations³, hereby submits this Petition for Limited Designation as an Eligible Telecommunications Carrier ("ETC") in the State of South Dakota. Total Call seeks ETC designation solely to provide Lifeline service to qualifying South Dakota consumers; it will not seek access to funds from the federal Universal Service Fund ("USF") for the purposes of participating in the Link-Up program or providing service to high cost areas.⁴ As

¹ 47 U.S.C. § 214(e)(2).

² 47 C.F.R. §§ 54.101-54.207.

³ See ADMINISTRATIVE RULES OF SOUTH DAKOTA §§ 20:10:32;42, 20:10:32;43 and 20:10;32:43.01 to 07.

⁴ Given that Total Call only seeks Lifeline support from the low-income program and neither seeks participation in the Link-Up program nor high-cost support, ETC certification requirements for the high-cost program are not applicable to Total Call. Moreover, as a reseller, Total Call does not own or control any networks or other facilities. As such, Total Call has no basis for filing an investment plan, and therefore requests the Commission to waive this requirement. Total Call is currently designated as an ETC in Maryland, Michigan, Nevada, Texas and West Virginia, currently has petitions for ETC designation pending with Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Louisiana, Maine, Minnesota, New Jersey, Ohio, Pennsylvania, Vermont, Washington and Wisconsin, and is awaiting designation as an ETC by the FCC in the states of Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire, New York, North Carolina, Tennessee, and Virginia; no such petitions have been denied.

demonstrated herein, and as certified by Total Call's COO in Exhibit 1 to this Petition, Total Call meets all the statutory and regulatory requirements for designation as an ETC in the State of South Dakota, including the new requirements outlined in the FCC's *USF/ICC Transformation Order*⁵ and *Lifeline and Link Up Reform Order*.⁶ Rapid grant of Total Call's request, moreover, would advance the public interest because it would enable the Company to commence much needed Lifeline services to low-income South Dakota residents as soon as possible. Accordingly, the Company respectfully requests that the Commission expeditiously approve this Petition for ETC designation.

All correspondence, communications, pleadings, notices, orders and decisions relating to this Petition should be addressed to⁷:

Robert Yap Chief Legal/Administrative Officer Total Call Mobile, Inc. 1411 W. 190th St., Suite 700 Gardena, California 90248 (310) 818-4300 (Phone) (800) 710-0963 (Fax) E-Mail: roberty@totalcallusa.com

II. TOTAL CALL'S UNIVERSAL SERVICE OFFERING

A. Company Overview

⁵ 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 a 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 No. 05-337, 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").
⁶ 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 Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("Lifeline and Link Up Reform Order").
⁷ Provision of this statement satisfies ARSD § 20:10:32:43(1).

Total Call is a Delaware Corporation.⁸ Its principal office is located at 1411 W. 190th St., Suite 700, Gardena, California 90248. Total Call provides nationwide, prepaid and postpaid wireless telecommunications services to consumers by reselling the network services of Sprint PCS ("Sprint"). Total Call obtains from Sprint the network infrastructure and transmission facilities to allow the Company to operate as a Mobile Virtual Network Operator ("MVNO"), similar to Budget Prepay, Inc.. ("Budget Prepay"), which has been granted ETC status by the Commission.⁹

Total Call's wireless services, which are affordable and easy to use, are attractive to lowincome and lower-volume consumers because they provide low-income and lower-volume consumers with access to emergency services and a reliable means of communication that can be used at home or while traveling to remain in touch with friends and family, as well as a means of contacting prospective employers. Total Call offers consumers simple and affordable calling plans, a variety of prepaid and postpaid service plans, easy-to-use handsets, and high-quality customer service. Based on internal surveys, targeted pricing and marketing strategies, and the demographics of other, similar Mobile Virtual Network Operators' ("MVNO") customers, Total Call anticipates that many of its customers will be from low-income backgrounds and will not have previously enjoyed access to wireless service because of economic constraints, poor credit history, or sporadic employment. Total Call does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining prepaid wireless service or its proposed Lifeline program service.

⁸ Total Call was incorporated in the State of Delaware on August 11, 2005. The Company hereby reports its corporate and trade names, along with its holding company, operating companies and affiliates as follows: Total Call International is the parent of Total Call Mobile, Inc.; KDDI of America is the majority owner of Total Call International; Locus Telecommunications and KDDI Global are affiliates of Total Call International.

⁹In the Matter of the Application of Budget Prepay, Inc., d/b/a Budget Mobile for Designation as an Eligible Telecommunications Carrier in South Dakota Pursuant to 47 U.S.C. § 214(e), Docket No. TC12-125, Order Granting Designation as a Lifeline-Only Eligible Telecommunications Carrier (September 24, 2012) ("Budget Prepay ETC Order").

By providing affordable wireless plans and quality customer service to consumers who are otherwise unable to afford them, or who were previously ignored by traditional carriers, Total Call will expand the availability of wireless services to an increased number of consumers and in doing so, address Congress' principal goal for the universal service program.

B. Proposed Lifeline Plans

Total Call has the ability to provide all services and functionalities supported by the universal service program, as detailed in revised FCC Rule $54.101(a)^{10}$ throughout the State of South Dakota. Total Call intends to be a leader in the wireless marketplace by offering exceptional value and competitive amounts of voice usage at all price points to consumers.

Lifeline Offering. The Company's prepaid Lifeline service offering will provide customers with the same features and functionalities enjoyed by all Total Call prepaid customers. As demonstrated by Exhibit 2, Total Call's Lifeline service offering proposes to give eligible customers five (5) Lifeline Plan choices¹¹:

- <u>150 Minute Plan.</u> Under Lifeline Plan 1, eligible customers enjoy a free handset, 150 anytime minutes per month. Said minutes can be used for domestic calls or international calling to 250 locations for no additional per minute charge. As an option, customers may use text, inbound or outbound, which consumes 1 Plan minute. Additional usage is priced at 10 cents per minute and 5 cents per text. Except for the 250 included international locations, there is an additional per minute charge to make international calls.
- 2. <u>250 Minute Plan</u>. Under Lifeline Plan 2, eligible customers receive a free handset and 250 anytime minutes per month. As an option, customers may use text, inbound

¹⁰ See Lifeline and Link Up Reform Order at page 207, revised § 54.101(a).

¹¹ In accordance with 47 C.F.R. § 54.202(a)(5), the Company's Lifeline terms and conditions can be found at www.totalcallmobile.com.

or outbound, which consumes 1 Plan minute. Additional usage is priced at 10 cents per minute and 5 cents per text.

Discounted Regular Plans. Eligible customers may apply the Company's Lifeline discount of \$10.00 (i.e. which is greater than the \$9.25¹² currently provided by the FCC) to the Company's 1000 Talk & 1000 Text retail plan (regularly \$29.99) (Lifeline Plan 3), 30-day Unlimited Talk & Text retail plan (regularly \$39.99) (Lifeline Plan 4), the 30-day Unlimited Talk, Text & Data retail plan (regularly \$49.99) (Lifeline Plan 5).

Total Call does not impose burdensome credit checks or long-term service contracts on its prepaid customers. All Lifeline plans come with a free handset, free customer care calls, free balance inquiries, and access to voice mail, caller I.D. and call waiting features at no additional charge. Also, customers are not bound by a local calling area requirement; all Total Call plans come with domestic long distance at no extra per minute charge and exceptional nationwide digital coverage on the Nationwide Sprint PCS Network. Given this nationwide coverage, there is minimal need for roaming. As an additional precaution, Total Call blocks roaming ability on its Lifeline handsets so that customers will not incur unexpected roaming charges. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

As demonstrated by Exhibit 2, the Company's Lifeline offerings will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but will also give eligible customers access to a variety of rate plans that are comparable in minutes and features to those available to post-paid wireless subscribers but at low Lifeline rates and without the burden of credit checks or service contracts. Total Call's prepaid offering, therefore, will be

¹² See Lifeline and Link Up Reform Order at page 5.

an attractive alternative for consumers who need the mobility, security, and convenience of a wireless phone, but who are concerned about usage charges or long-term contracts.

C. Plan Enrollment

Customers interested in obtaining information on the Lifeline program will be directed to a toll-free telephone number and to the Company's website, which will contain information regarding Total Call's Lifeline service plans, including a detailed description of the programs and state-specific eligibility criteria. Applicants must complete the enrollment form, which will require all consumers, at sign up and annually thereafter, to provide the information and certifications, under penalty of perjury, required by revised FCC Rule 54.410(d).¹³ See Exhibit 3 for more detailed enrollment information.

D. Prevention of Waste, Fraud and Abuse

Total Call recognizes the importance of safeguarding the USF. As such, the Company has implemented the following 90-day non-usage policy in an effort to avoid waste, fraud, and abuse of the program. Total Call will not consider a prepaid subscriber activated, and will not seek reimbursement for Lifeline for that subscriber, until the subscriber activates the Company's prepaid service through usage of the service.¹⁴ In addition, after service activation, Total Call will provide a de-enrollment notice to subscribers that have not used their service for 60 days. After 60 days of non-use, Total Call will provide notice to the subscriber that failure to use the Lifeline service within a 30-day notice period will result in de-enrollment.¹⁵ For these purposes, subscribers will be considered to "use" the service by: (1) completing an outbound call; (2) purchasing minutes from the Company to add to the subscriber's plan; (3) answering an incoming call from a party other than the Company; or (4) responding to a direct contact from

¹³ See Lifeline and Link Up Reform Order page 227-29.

¹⁴ See Lifeline and Link Up Reform Order at ¶ 257; revised 47 C.F.R. § 54.54.407(c)(1).

¹⁵ See Lifeline and Link Up Reform Order at ¶257; revised 47 C.F.R. § 54.54.405(e)(3).

the Company and confirming that the subscriber wants to continue receiving the service.¹⁶ If the subscriber does not respond to the notice, the subscriber will be de-enrolled and Total Call will not request further Lifeline reimbursement for the subscriber. Customers that have been deactivated may participate in the Company's Lifeline service in the future by reapplying and re-establishing eligibility.

To further protect the integrity of the USF, Total Call has contracted with a software company, to edit all Lifeline subsidy request data. The software company will assist in processing and validating the Company's subsidy data to prevent: (1) duplicate same-month Company Lifeline subsidies ("double-dipping" within the Company): any name/address that is already receiving a Lifeline subsidy from the Company will be automatically prevented from receiving a second Lifeline subsidy in that same month; (2) double-dipping across different Lifeline service providers: any name/address that is already receiving a Lifeline subsidy from a participating provider (i.e. a provider that also voluntarily uses the software) will be automatically prevented from receiving a second Lifeline subsidy: the software company's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Total Call ensures that it will not over-request from support funds by using the processes described above.

III. THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA HAS JURISDICTION TO DESIGNATE WIRELESS ETCS

The Public Utilities Commission of the State of South Dakota ("Commission") has the requisite jurisdiction to authorize the limited ETC designation requested herein.¹⁷ Section 214(e)(2) of the Act provides state public utility commissions with the "primary responsibility"

¹⁶ See Lifeline and Link Up Reform Order at ¶ 261; revised 47 C.F.R. § 54.54.407(c)(2).

¹⁷ See SOUTH DAKOTA CODIFIED LAWS § 49-31-78, and ARSD § 20:10:32;42.

for the designation of ETCs.¹⁸ Although Section 332(c)(3)(A)¹⁹ of the Act prohibits states from regulating the entry of, or the rates charged by, any provider of commercial mobile service or any private mobile service, this prohibition does not allow states to deny wireless carriers ETC status.²⁰ Therefore, the Commission has the authority to designate Total Call as an ETC.

Pursuant to this authority, the Commission has historically participated in determining whether to grant ETC status to an applying carrier, including any requesting wireless carrier.²¹ Under the Act, a state public utility commission with jurisdictional authority over ETC designations must designate a common carrier as an ETC if the carrier satisfies the requirements of Section 214(e)(1). Total Call establishes below that it currently meets all of the requirements of Section 214(e)(1). Thus, the Commission has the authority under Section 214(e)(2) of the Act to grant Total Call's request for designation as an ETC throughout the State of South Dakota.

The ETC Designation Request Is Consistent with Recent Commission Α. Precedent

Total Call's request for ETC designation to participate in the Lifeline program is consistent with the Commission's recent designation of Budget Prepay as an ETC.²² In its decision, the Commission determined that Budget Prepay satisfied all of the necessary eligibility requirements, and that designation of a prepaid wireless provider as an ETC would serve the public interest. Total Call requests that the Commission expeditiously process its ETC Petition so that it can quickly commence providing qualifying low-income South Dakota customers with affordable USF-supported wireless services during these challenging economic times. Designating Total Call as an ETC would further competition for wireless Lifeline services,

¹⁸ 47 U.S.C. § 214(e)(2).

¹⁹ 47 U.S.C. § 332(c)(3)(A).

²⁰ See Federal-State Joint Board on Universal Service, First Report and Order, 12 FCC Rcd 8776, 8858-59, ¶ 145 (1997) ("USF Order"). ²¹ See e.g., Budget Prepay ETC Order.

²² See e.g., Budget Prepay ETC Order.

would offer Lifeline-eligible consumers an additional choice of providers from which they may access telecommunications services, and represents a significant step towards the goal of ensuring all low-income consumers have the opportunity to share in the many benefits associated with having access to wireless services.

IV. TOTAL CALL SATISFIES THE REQUIREMENTS FOR DESIGNATION AS AN ETC

Section 254(e) of the Act provides that "only an eligible telecommunications carrier designated under Section 214(e) shall be eligible to receive specific federal universal service support." Section 214(e)(2) of the Act authorizes state commissions, such as the Commission, to designate ETC status for federal universal service purposes and authorizes the Commission to designate wireless ETCs.²³ Section 214(e)(1)(A) of the Act, FCC Rules 54.101(b) and 54.201(d)(1), and ARSD §§ 20:10:32:42, which incorporates FCC Rule 54.201(d)(1) by reference, provide that applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier's services, unless granted forbearance from this requirement by the FCC.²⁴ Pursuant to Section 214(e)(1)(B), FCC Rule 54.201(d)(2), and ARSD §§ 20:10:32:42, which incorporates FCC Rule 54.201(d)(2) by reference, applicants must also commit to advertise the availability and rates of such services.²⁵ Additional requirements for Commission designation of ETCs are set forth in revised FCC 54.202.²⁶ As detailed below, Total Call satisfies each of the above-listed requirements.²⁷

A. Total Call Will Provide Service Consistent with the FCC's Grant of Forbearance from Section 214's Facilities Requirements

²³ USF Order, at 8858-59, ¶ 145.

²⁴ See 47 U.S.C. § 214(e)(1), 47 C.F.R. § 54.201(b) and (d)(1), and ARSD § 20:10:32:42.

²⁵ See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

²⁶ See Lifeline and Link Up Reform Order at page 208, revised § 54.202, 47 C.F.R. § 54.201(d)(2), and ARSD § 20:10:32:42.

²⁷ Provision of this statement satisfies ARSD § 20:10:32:43(4).

Total Call recognizes that Section 214(e)(1)(A) of the Act, FCC Rule 54.201(d)(1), and ARSD §§ 20:10:32:42,²⁸ require ETCs to offer services, at least in part, using their own facilities, and that FCC Rule 54.201(i)²⁹ prohibits state commissions from designating as an ETC a telecommunications carrier that offers services exclusively through the resale of another carrier's services. However, the FCC granted Total Call forbearance from the facilities-based service requirement in its *Lifeline and Link Up Reform Order*.³⁰ Section $10(e)^{31}$ of the Act provides: "[a] State commission may not continue to apply or enforce any provision of this chapter that the [Federal Communications] Commission has determined to forbear from applying under subsection (a) of this section." As such, the Commission is required by Section 10(e) to act in accordance with the FCC's grant of forbearance to Total Call, and therefore may not apply the facilities-based requirement to Total Call.

Total Call, in its provision of wireless services, will rely on resold services which the Company will obtain from underlying wireless carriers that currently operate their own networks. In its *Lifeline and Link Up Reform Order*, the FCC granted Total Call's request for forbearance from the facilities requirement, and stated, "the Commission will forbear from the "own-facilities" requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:³²

"(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

²⁸ See 47 U.S.C. § 214(e)(1), 47 C.F.R. § 54.201(d)(1) and ARSD § 20:10:32:42.

²⁹ 47 C.F.R. § 54.201(i).

³⁰ See Lifeline and Link Up Reform Order ¶ 521; see also Total Call Mobile, Inc. Petition for Forbearance, WC Dkt. No. 09-197 (filed May 25, 2011)

³¹ 47 U.S.C. § 160(e).

 $^{^{32}}$ See Lifeline and Link Up Reform Order at $\P\P$ 368, 373 and 379.

(2) the carrier must file, and the Bureau must approve, a compliance plan providing specific information regarding the carrier's service offerings and outlining the measures the carrier will take to implement the obligations contained in this Order as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary."

Total Call will avail itself of the FCC's grant of blanket forbearance. In accordance with the *Lifeline and Link Up Reform Order*, Total Call filed its Compliance Plan, which the FCC approved on May 25, 2012. A copy of Total Call's Compliance Plan, as approved, is attached hereto as Exhibit 5. Total Call commits to providing Lifeline service in South Dakota in accordance with its Compliance Plan.

B. Total Call Is a Common Carrier

CMRS providers like Total Call are treated as common carriers for regulatory purposes.³³ Total Call is a common carrier as that term is defined in the Act³⁴ and, as such, is eligible for designation as an ETC.

C. Total Call Will Provide All Required Services and Functionalities

Through its wholesale arrangement with Sprint, Total Call offers, or will offer upon designation as an ETC in South Dakota, all of the services and functionalities required by revised FCC Rules $54.101(a)^{35}$ and $54.202(a)^{36}$, including the following:

1. Voice Grade Access to the Public Switched Telephone Network

Total Call provides the voice grade access to the public switched telephone network

³³ Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1425 ¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory "mobile services" category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) ("mobile services" providers are common carriers); see also PCIA Petition for Forbearance for Broadband PCS, WT Docket No. 98-100, Memorandum Opinion and Order and Notice of Proposed Rulemaking, 13 FCC Rcd 16857, 16911 ¶ 111 (1998) ("We concluded [in the Second Report and Order] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services and resellers of such services.") (emphasis added).

³⁴ See 47 U.S.C. § 153(h)(10).

³⁵ See Lifeline and Link Up Reform Order at page 207, revised § 54.101(a).

³⁶ See Lifeline and Link Up Reform Order at page 208, revised § 54.202(a).

("PSTN") required by revised FCC Rule 54.101(a)³⁷ through the purchase of wholesale CMRS services from Sprint.

Minutes of Use for Local Service 2.

As part of the voice grade access to the PSTN, an ETC is required by revised FCC Rule 54.101(a)³⁸ to provide minutes of use for local service at no additional charge to end-users. The FCC has determined that a carrier satisfies the local usage requirements when it offers customers rate plans containing varying amounts of local usage.³⁹ Total Call offers a variety of rate plans that provide its customers with minutes of use for local service at no additional charge.

3. Access to 911 and E911 Emergency Services

Total Call provides 911 and E911 access for all of its customers to the extent the local government in its service area has implemented 911 or E911 systems. Total Call provides 911 and E911 access for all of its customers even when there is a zero dollar balance on a handset consistent with the requirements of revised FCC Rule 54.101(a)⁴⁰. Total Call also complies with the FCC's regulations governing the deployment and availability of E911 compatible handsets.

4. **Toll Limitation for Qualified Low-Income Customers**

FCC Rule 54.101(a) requires toll limitation services to qualifying low-income consumers. However, in its Lifeline and Link Up Reform Order, the FCC stated that toll limitation would no longer be deemed a supported service.⁴¹ "ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not

³⁷ See Lifeline and Link Up Reform Order at page 207, revised § 54.101(a).

 ³⁸ <u>Id.</u>
 ³⁹ See e.g., Farmers Cellular, Inc., CC Docket No. 96-45, Memorandum Opinion and Order, 18 FCC Rcd 3848,
 ³⁹ See e.g., Farmers Cellular, Inc., CC Docket No. 96-45, Memorandum Opinion 3852 ¶ 9 (2003); Pine Belt Cellular, Inc. and Pine Belt PCS, Inc., CC Docket No. 96-45, Memorandum Opinion and Order, 17 FCC Rcd 9589, 9593 ¶ 10 (2002); Western Wireless Corp., Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming, CC Docket No. 96-45, Memorandum Opinion and Order, 16 FCC Red 48, 52 ¶ 10 (2000).

⁴⁰ I See Lifeline and Link Up Reform Order at page 207, revised § 54.101(a).

⁴¹ See Lifeline and Link Up Reform Order at ¶ 367.

distinguish between toll and non-toll calls."⁴² Nonetheless, Total Call's offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid pay-as-you-go basis. Total Call's services, moreover, are not offered on a distance-sensitive basis and local and domestic long distance minutes are treated the same. Total Call will not seek reimbursement for toll limitation service.

5. Other Services

While no longer required by revised FCC Rule 54.101(a), Total Call provides dual tone multi-frequency ("DTMF") signaling to expedite the transmission of call set up and call detail information throughout the network, single party service for the duration of each telephone call and not multi-party (or "party-line") services, access to operator services, the ability to make interexchange, or long distance, telephone calls, and access to directory assistance services by dialing "411" from the provided wireless handsets.

D. Total Call Will Advertise the Availability of Supported Services

Total Call will advertise the availability and rates for the services described above using media of general distribution as required by Section 214(e)(1)(B) of the Act, FCC Rule 54.201(d)(2), ARSD §§ 20:10:32:42 and 20:10:32:55, and in accordance with the requirements set forth in the *Lifeline and Link Up Reform Order*, as outlined in the Company's Compliance Plan. ⁴³ Total Call will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline services, and will use multiple mediums for outreach, including direct mail, and the internet.⁴⁴ Total Call will engage in advertising campaigns specifically targeted to reach those likely to qualify for Lifeline services, promoting the availability of cost-

⁴² See id. at ¶ 49.

⁴³ See 47 U.S.C. § 214(e)(1), 47 C.F.R. § 54.201(d)(2), ARSD §§ 20:10:32:42 and 20:10:32:55, and .Exhibit 5, section I.E. See also Lifeline and Link Up Reform Order at Section VII.F.

⁴⁴ The planned advertising and outreach campaigns identified herein may be adjusted depending on effectiveness and costs.

effective wireless services to this neglected consumer segment. Total Call will also promote the availability of its Lifeline offerings by distributing brochures through various state and local social service agencies, if permitted, in order to inform customers of the availability of its Lifeline services.

In addition, Total Call intends to utilize its distribution network to help promote the availability of its Lifeline plans, especially those with retail outlets that are frequented by low income consumers. Total Call will provide its distribution with point of sale materials and printed materials describing the Company's Lifeline program for use by retail outlets.⁴⁵ Total Call expects to be able to inform consumers of the availability of Lifeline service in a manner that will result in significantly higher participation by qualified consumers than has been the case in the past.

Total Call will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service: that only eligible consumers may enroll in the program, what documentation is necessary for enrollment, and that the program is limited to one benefit per household, consisting of either wireline or wireless service; that Lifeline is a government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.⁴⁶ Additionally, Total Call will disclose the company name under which it does business and the details of its Lifeline service offerings in any Lifeline-related marketing and advertising.⁴⁷

Statistics suggest that there are many eligible customers who are not yet aware of the programs. According to the best data available to the Company, as of December 31, 2010, only between 10-20% of consumers eligible for Lifeline Services in the State of South Dakota were

⁴⁵ See attached Exhibit 4 for a sample advertisement.

⁴⁶ See Lifeline and Link Up Reform Order at ¶ 275.

⁴⁷ See id.

being provided such services.48

E. Total Call Requests Designation Throughout Its Service Area in South Dakota

Total Call is not a rural telephone company as defined in Section 153(37)⁴⁹ of the Act. Accordingly, it is required to describe the geographic area(s) within which it requests designation as an ETC.⁵⁰ ARSD § 20:10:32:43(3) also requires "identification of the service area, including a detailed map, for which designation is sought."⁵¹ Total Call requests designation as an ETC throughout its entire service area in South Dakota, which is wherever its underlying carrier, Sprint, has coverage.⁵² Total Call, through its resale of wireless services provided by its underlying carrier in South Dakota, can provide service in every Zip Code in the State of South Dakota. Accordingly, Total Call seeks ETC status throughout the entire State of South Dakota.

Total Call understands that its service area overlaps with many rural carriers in South Dakota, but maintains that the public interest factors described below justify its designation in these carriers' service areas, especially because it seeks ETC designation solely to utilize USF funding to provide Lifeline service to qualified low-income consumers. It does not seek and will not accept high cost support. Nor does Total Call seek to provide Link-Up service. Therefore, its designation as an ETC will cause no growth in the high cost portions of the USF and will not erode high cost support from any rural telephone company. In fact, the FCC has determined that "[d]esignation of competitive ETCs promotes competition and benefits consumers in rural and

⁴⁸ See attached Exhibit 6, 2010 Lifeline Participation Rates by State, which was obtained from the Universal Service Administrative Company ("USAC"), an independent non-for-profit corporation designated as the administrator of the federal Universal Service Fund by the FCC. USAC administers Universal Service Fund (USF) programs for high cost companies serving rural areas, low-income consumers, rural health care providers, and schools and libraries.

⁴⁹ 47 U.S.C. § 153(37).

⁵⁰ Public Notice – Procedures for FCC Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act, FCC 97-419, 12 FCC Rcd 22947 (1997).

⁵¹ ARSD § 20:10:32:43(3).

⁵² See Exhibit 7 for a list of wire centers included in the Company's coverage area in South Dakota.

high-cost areas by increasing customer choice, innovative services, and new technologies."⁵³ As an option, the Commission may designate Total Call as an ETC in non-rural areas that Total Call serves without redefining the service areas of non-rural telephone companies. However, the Commission may also designate Total Call as an ETC in rural telephone company service areas upon a finding that such designation would serve the public interest.⁵⁴

With respect to ARSD § 20:10:32:43(3)'s requirement for a detailed map of the service area Total Call does not have access to its underlying carrier's maps of service areas.⁵⁵ Accordingly, Total Call requests a waiver of the requirement that it provide such a map and accept, in its place, Exhibit 7, which is a list of Sprint's wire centers in South Dakota. In the alternative, Total Call requests that the Commission rely on service area information provided to the Commission by Total Call's underlying carrier, Sprint.

F. Compliance with Service Requirements

Revised FCC Rule 54.202(a)(1)(i) requires an applicant to certify that it will comply with the service requirements applicable to the support that it receives.⁵⁶ Total Call provides service in South Dakota by reselling service that it obtains from its underlying carrier. The carrier's network is operational and largely built out. Thus, Total Call will be able to commence offering its Lifeline service to all locations served by its underlying carrier very soon after receiving approval from the Commission. Total Call commits to comply with the service requirements applicable to the support that it receives.⁵⁷

Subject to handset availability, Total Call also commits to provide the supported services

⁵³ See Western Wireless Corporation Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming, Memorandum Opinion and Order, 16 FCC Rcd 48, 55 (2000).

⁵⁴ See 47 C.F.R. § 54.207(c) and ARSD § 20:10:32:42.

⁵⁵ See ARSD § 20:10:32:43(3).

⁵⁶ See Lifeline and Link Up Reform Order at page 207, revised § 54.202(a).

⁵⁷ See Lifeline and Link Up Reform Order page 208, revised § 54.202(a)(1)(i).

on a timely basis to requesting customers within its designated service area pursuant to ARSD § 20:10:32:43.01(1).⁵⁸ However, given that Total Call is a reseller, it does not own or control the networks of its underlying carriers. As such, ARSD § 20:10:32:43.01(2).⁵⁹ is not applicable because Total Call does not have the ability to make modifications or additions to the underlying carriers' networks to serve customers that are outside of its underlying carrier's network coverage. Total Call therefore respectfully requests a waiver of ARSD § 20:10:32:43.01(2) as the Commission recently granted another carrier⁶⁰.

G. Network Improvement Plans

Although revised FCC Rule 54.202(a)(1)(ii) and ARSD § 20:10:32:43.02 require a common carrier seeking ETC designation to submit an improvement plan as part of its petition (a five-year plan under the FCC Rules, and a two-year plan under the ARSD)⁶¹, the FCC has stated that a common carrier seeking designation as a Lifeline-only ETC is not required to submit such a plan as part of its petition for designation as an ETC.⁶² Because Total Call will not apply for or accept federal high-cost funding, it believes that these provisions do not apply. Total Call therefore respectfully requests a waiver of ARSD § 20:10:32:43.01(2) as the Commission recently granted another carrier⁶³.

H. Ability to Remain Functional in Emergency Situations

Revised FCC Rule 54.202(a)(2) and ARSD § 20:10:32:43.03 require information that demonstrates that Total Call has the ability to remain functional in emergency situations, has a

⁵⁸ See ARSD § 20:10:32:43.01(1).

⁵⁹ See ARSD § 20:10:32:43.01(2).

⁶⁰ See Budget Prepay ETC Order at page 2.

⁶¹ See Lifeline and Link Up Reform Order page 208, revised § 54.202(a)(1)(ii), Order Adopting FCC Requirements for Designating ETCs at page 10 \P 2(1)(B), and ARSD § 20:10:32:43.02.

⁶² See Lifeline and Link Up Reform Order at ¶ 386.

⁶³ See Budget Prepay ETC Order at page 2.

reasonable amount of back-up power and is able to reroute traffic spikes caused by emergency situations.⁶⁴ Given that Total Call is a reseller, it neither owns nor operates any cell site, microwave hubs, or switches. Therefore, the requirements in revised FCC Rule 54.202(a)(2) and ARSD § 20:10:32:43.03 that Total Call demonstrate that it has a reasonable amount of back-up power and is able to reroute and manage traffic in emergency situations do not apply. Total Call provides service in South Dakota by reselling services of its underlying wireless network carrier. Through its agreement with its underlying carrier, Total Call will provide its customers with the same ability to remain functional in emergency situations as is currently provided by the ILECs to their own customers.

I. **Commitment to Consumer Protection and Service Ouality**

An ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards in accordance with revised FCC Rule 54.202(a)(3) and ARSD § 20:10:32:43.04.65 Specifically, Total Call commits to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service, and also commits to exceptional customer service standards. Customers will experience the level of service, including wait times typical of post-paid customer service, which is generally superior to prepaid service. Customers will also be able to contact Customer Care via the Company's toll free number or by mail. In addition, there are a number of automated systems and web options for customer needs. Customers may call Total Call or visit the Company's website for additional information or to buy additional airtime, should they wish to do so. Total Call is committed to resolving customer questions, concerns and complaints in a swift and satisfactory manner. Total Call will designate a contact person to work with the Commission regarding complaint

 ⁶⁴ See Lifeline and Link Up Reform Order page 209, revised § 54.202(a)(2) and ARSD § 20:10:32:43.03.
 ⁶⁵ See Lifeline and Link Up Reform Order page 209, revised § 54.202(3) and ARSD § 20:10:32:43.04.

resolution. Once Total Call is made aware of consumer complaints/inquiries, a trained customer care supervisor or manager will respond within 48 hours. Where a phone number is associated with the complaint, the customer will be contacted by telephone (minutes will not count against the customer). Otherwise, Total Call will use e-mail or regular mail, depending on the customer's preference or the information available to Total Call.

J. Local Usage Requirement

FCC rules no longer require an applicant for ETC designation to demonstrate that it offers a local usage plan that is "comparable" to the plan offered by the ILEC in the relevant service territory⁶⁶. Nevertheless, in accordance with ARSD § 20:10:32:43.05⁶⁷, Total Call customers will have options similar to ILEC Lifeline offerings in that they may choose to apply the Lifeline discount to the Company's retail rate plans and will have the option for unlimited local calling (i.e. if the customer signs up for Lifeline Plan 4 (unlimited talk and text for \$29.99) or Lifeline Plan 5 (unlimited talk, text, and data for \$39.00)). Furthermore, not only will Total Call's offering be comparable to the underlying ILEC plans, it will exceed them in several respects. For Lifeline Plans 1 and 2, Total Call will offer Lifeline customers a certain amount of service free of charge. In contrast to the ILEC plans, which contain relatively small local calling areas, Total Call customers can use these free minutes to place calls statewide (or even nationwide) because Total Call does not constrict customers' use by imposing a local calling area requirement. Total Call will also provide Lifeline customers with E911 capabilities at no cost as well as voice mail, caller I.D., and call waiting features at no cost. The very nature of the wireless phone, i.e. mobility, has a tremendous benefit to many consumers, a benefit to which a monetary value cannot be easily assigned.

⁶⁶ See Lifeline and Link Up Reform Order at page 208, revised § 54.202(a).

⁶⁷ See ARSD § 20:10:32:43.05.

K. Equal Access Requirement

Pursuant to revised FCC Rule 54.202(a), Total Call is no longer required to acknowledge that it may be required to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area.⁶⁸ However, pursuant to ARSD § 20:10:32:43.06, Total Call hereby acknowledges that the Commission may require it to provide equal access to long-distance carriers in the event no other eligible telecommunications carrier is providing equal access within the proposed designated service area, thereby meeting the requirement of that provision for wireless carriers.⁶⁹ Total Call would like to note that it does not expect any customers to choose a different long distance carrier because the Company does not have extra per minute charges for long distance calls (i.e. it only charges for minutes used, whether local or long distance).

L. Total Call is Financially and Technically Capable

In accordance with revised FCC Rule 54.202(a)(4)⁷⁰ Total Call is financially and technically capable of providing Lifeline-supported services.⁷¹ Total Call has been in business for 6 years and provides services to both Lifeline and non-Lifeline customers. Total Call already successfully provides wireless services in 49 states. Total Call has not been subject to enforcement action or ETC revocation proceedings in any state. Total Call does not, and has no intent to, offer exclusively Lifeline-supported services—and is therefore not exclusively dependent on universal service funds for its revenue. Total Call also has the financial support of its parent company, KDDI of America, which is a subsidiary of KDDI of Japan, the second largest carrier in Japan. Furthermore, the senior management of Total Call has great depth of

⁶⁸ See id.

⁶⁹ See ARSD § 20:10:32:43.06.

⁷⁰ See Lifeline and Link Up Reform Order page 209, revised § 54.202(4).

⁷¹ See Lifeline and Link Up Reform Order at ¶ 387.

knowledge in the telecommunications industry and offers extensive telecommunications business, technical and managerial expertise to the Company.⁷² Also, since Total Call will be providing resold wireless service, it will rely upon the managerial and technical expertise of its underlying carrier (i.e. Sprint).

M. Total Call Will Comply with Lifeline Certification and Verification Requirements

Revised FCC Rule 54.410 and 54.416 require ETCs to certify and verify a Lifeline customer's initial and continued eligibility.⁷³ Total Call will certify and verify consumer eligibility in accordance with the FCC's requirements, including the new rules set forth in the *Lifeline and Link Up Reform Order*.

N. Total Call Will Comply with All Regulations Imposed By the Commission

By this Petition, Total Call hereby asserts its willingness and ability to comply with all the rules and regulations that the Commission may lawfully impose upon the Company's provision of service contemplated by this Petition, to the extent such provisions apply to a prepaid wireless provider. Upon Commission request, Total Call is prepared to answer questions or present additional testimony or other evidence about its services within the state. Total Call commits that 100% of federal universal service funds will flow through directly to Lifeline customers, and commits, pursuant to ARSD § 20:10:32:51⁷⁴, to use such funds for the provision, maintenance, and upgrading of services for which the support is intended. Total Call also commits to comply with all applicable reporting requirements adopted by the Commission.⁷⁵

1. Request for Waiver of Certain Commission Requirements

Upon designation as a wireless ETC, Total Call will comply with all provisions of the

⁷² See Exhibit 8 for key management resumes.

⁷³ See Lifeline and Link Up Reform Order page 224, revised § 54.410 and 54.416.

⁷⁴ See ARSD § 20:10:32:51.

⁷⁵ See ARSD §§ 20:10:32:54 and 20:10:32:55.

Commission's ETC rules, regulations and requirements. However, Total Call provides service in South Dakota by reselling services of its underlying wireless network carrier. Given that Total Call is a reseller that neither owns, leases, nor operates any facilities, certain provisions of South Dakota's rules and regulations concerning ETC petitions are inapplicable, and Total Call hereby seeks waiver of those requirements. To the extent that the information required by these provisions have already been made available to the Commission by Total Call's underlying carrier, Sprint, Total Call respectfully requests the Commission rely on such information.

The provisions from which Total Call seeks waiver include: ARSD § 20:10:32:43(3) (requiring a detailed map of the service area for which designation is sought), ARSD § 20:10:32:43.01(2) (concerning modifications or additions to the underlying carriers' networks), ARSD § 20:10:32:43.02 (requiring a submission of a two-year plan), and ARSD § 20:10:32:43.03 (concerning demonstration of ability to remain functional in emergency situations). These provisions are addressed in more detail in the relevant sections above.

The Commission may waive regulations pursuant to ARSD § 20:10:32:18 if it is determined by the Commission that granting the waiver does not adversely impact universal service, that quality of service shall continue, and that it is in the public interest.⁷⁶ Neither universal service nor quality of service will be affected by these waivers. Upon designation as an ETC, Total Call will continue to provide wireless service to its current service areas throughout South Dakota. The only difference in Total Call's service will be that it will also offer Lifeline service to qualifying individuals. Furthermore, waiver is in the public interest because it will enable Total Call, whose petition is limited to seeking only federal low-income universal service support, to provide much needed Lifeline services to low-income South Dakota

⁷⁶ See ARSD § 20:10:32:18.

residents more quickly.

2. **Annual Certification Requirements**

Total Call understands that ARSD § 20:10:32:54(1) regarding an annual two-year service improvement plan on the use of high-cost funds⁷⁷, and ARSD § 20:10:32:54(2) regarding a progress report on its previously filed two-year service quality improvement plan⁷⁸, relate solely to the receipt an expenditure of high-cost funds. Because Total Call will not apply for or accept federal high-cost funding, it believes that these provisions do not apply and respectfully requests waivers pursuant to ARSD § $20:10:32:56^{79}$.

Total Call provides service in South Dakota by reselling services of its underlying wireless network carrier. Given that Total Call is a reseller that neither owns, leases, nor operates any facilities, ARSD § 20:10:32:54(3) regarding outage reporting⁸⁰, and ARSD § 20:10:32:54(7) regarding "certification that the eligible telecommunications carrier is able to function in emergency situations as set forth in [ARSD] § 20:10:32:43.03,"⁸¹ do not apply to the Company. As such, Total Call respectfully requests waivers pursuant to ARSD § 20:10:32:5682, and asks that the Commission rely on its underlying wireless network carrier, Sprint, for information related to these provisions.

Pursuant to ARSD § 20:10:32:54(4), Total Call will report the number of unfulfilled Lifeline service requests in the past year and how Total Call attempted to provide service.⁸³

Pursuant to ARSD § 20:10:32:54(5), Total Call will report the number of complaints that its complaint department received from Lifeline consumers for the previous calendar year.⁸⁴

 ⁷⁷ See ARSD § 20:10:32:54(1).
 ⁷⁸ See ARSD § 20:10:32:54(2).

⁷⁹ See ARSD § 20:10:32:56.

⁸⁰ See ARSD § 20:10:32:54(3).

⁸¹ See ARSD § 20:10:32:54(7).

⁸² See ARSD § 20:10:32:56.

⁸³ See ARSD § 20:10:32:54(4).

Pursuant to ARSD § 20:10:32:54(6), Total Call will certify that it is complying with applicable service quality standards and consumer protection rules (i.e. the CTIA Code).⁸⁵

Pursuant to ARSD § 20:10:32:54(8), Total Call will certify that it is offering a local usage plan "comparable," as described in section VII.J above, to that offered by the incumbent LECs in the Designated Service Area.⁸⁶

Pursuant to ARSD § 20:10:32:54(9), Total Call will annually certify that it acknowledges that the Commission may require it to provide equal access to long-distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the designated area.⁸⁷ However, Total Call would like to note, as it did in section VII.K above, that it does not expect any customers to choose a different long distance carrier because the Company does not have extra per minute charges for long distance calls (i.e. it only charges for minutes used whether local or long distance).

Finally, pursuant to ARSD § 20:10:32:55, Total Call will annually notify the availability of federal Lifeline service to existing postpaid customers residing in the carrier's designated service area by written notification provided directly to the existing customer (i.e. as a bill insert), and existing prepaid customers residing in the carrier's designated service area by text message as long as the customer has opted-in to receive promotions via text.⁸⁸ A new customer residing in Total Call's designated service area will receive written notification of its Lifeline plan within 30 days after receiving telecommunications services if they are a postpaid customer (i.e. as a bill insert), and will receive such notification by text message provided that they have

⁸⁴ See ARSD § 20:10:32:54(5).

⁸⁵ See ARSD § 20:10:32:54(6).

⁸⁶ See ARSD § 20:10:32:54(8).

⁸⁷ See ARSD § 20:10:32:54(9).

⁸⁸ See ARSD § 20:10.32:55.

opted-in to receive promotions via text.⁸⁹ Total Call will annually advertise the availability of Lifeline in media of general distribution throughout its service areas.⁹⁰ As part of its annual certification filing, Total Call will submit a report on its outreach efforts designed to increase participation in Lifeline to the Commission.⁹¹

V. DESIGNATION OF TOTAL CALL AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST⁹²

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is "to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies" to all citizens, regardless of geographic location or income.⁹³ ARSD 20:10:32:43.07 states that "prior to designating an eligible telecommunications carrier, the commission shall determine that such designation is in the public interest."⁹⁴ There is no question that designating Total Call as an ETC in South Dakota will further the public interest by providing South Dakota consumers, especially low-income consumers, with lower prices and higher quality services. Many low-income customers in South Dakota have yet to reap the full benefits of the intensely competitive wireless market. Whether it is due to financial constraints, poor credit history or intermittent employment, these consumers often lack the countless choices available to most consumers.

The instant request for ETC designation must be examined in light of the Act's goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers—particularly low-income consumers—

⁸⁹ See id.

⁹⁰ See id.

⁹¹ See id.

⁹² Provision of this statement satisfies ARSD § 20:10:32:43(6).

⁹³ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

⁹⁴ See ARSD § 20:10:32:43.07.

receive affordable and comparable telecommunications services. Given this context, designating Total Call as an ETC would significantly benefit low-income consumers eligible for Lifeline services in the State of South Dakota—the intended beneficiaries of universal service.

A. Advantages of Total Call's Lifeline Offering

The public interest benefits of Total Call's wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted, 911 service even if a handset has a zero balance) and, where available, E911 service in accordance with current FCC requirements. Total Call's Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers. Total Call's Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring a variety of rate plans into the reach of Lifeline customers that are comparable in minutes and features to those available to post-paid wireless subscribers – but at low Lifeline rates and without the burden of credit checks or contracts.

As described above and in Exhibit 2, Total Call offers customers five choices to better meet their needs. All Lifeline plans include a free phone, call waiting, caller ID and voicemail free of charge, and Total Call does not charge an activation fee or any other charge to establish service (other Lifeline service providers often charge an activation charge of \$30.00). Minutes include nationwide coverage, so customers do not incur long distance charges, unlike local calling area offerings which prevent or charge extra for calls made outside of a defined area. Unlike many Lifeline competitor products, Total Call provides customer service calls free of charge (that is, these calls do NOT reduce a customer's minute allotment).

Total Call's Lifeline service will provide low-income South Dakota residents with the convenience and security offered by wireless services – even if their financial position deteriorates. Total Call's prepaid wireless plans enable consumers to enjoy the benefits of wireless telecommunication without being subject to extensive credit reviews and long-term service commitments, which historically have limited the availability of wireless service to many Americans, including many South Dakota residents. ETC designation in South Dakota would enable Total Call to offer appealing and affordable service offerings to low-income South Dakota customers to ensure that they are able to afford wireless services on a consistent and uninterrupted basis.

It is a commonly accepted fact that in today's market all consumers, including qualified Lifeline customers, view the portability and convenience of wireless service not as a luxury, but as a necessity. Mobile service allows children to reach their parents, wherever they may be, allows a person seeking employment the ability to be contacted by potential employers, and provides end users with the ability to contact emergency service providers, regardless of location. Providing Total Call with the authority necessary to offer discounted Lifeline services to those in most danger of losing wireless service undoubtedly promotes the public interest.

Moreover, grant of Total Call's Petition will serve the public interest in increasing the number of ETCs in South Dakota. By granting ETC status to Total Call, the Commission will enable Total Call to increase the number of South Dakota residents receiving Lifeline support, thereby increasing the amount of USF money flowing into South Dakota. In sum, ETC designation in the State of South Dakota would enable Total Call to provide all of the public

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benefits cited by the FCC in its analysis in the *Virgin Mobile Order*. Namely, Total Call would provide "increased consumer choice, high-quality service offerings, and mobility,"⁹⁵ as well as the safety and security of effective 911 and E911 services.⁹⁶

B. The Benefits of Competitive Choice

The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than three decades.⁹⁷. Designation of Total Call as an ETC will promote competition and innovation, and spur other carriers to target low-income consumers with service offerings tailored to their needs and to improve their existing networks to remain competitive, resulting in improved services to consumers. Designation of Total Call as an ETC will help assure that quality services are available at "just, reasonable, and affordable rates" as envisioned in the Act.⁹⁸ Introducing Total Call into the market as an additional wireless ETC provider will afford low income South Dakota residents a wider choice of providers and available services while enhancing the competitive marketplace as ETCs compete for a finite number of Lifeline-eligible customers. Increasing the competitive marketplace of providers has the potential to effectively increase the penetration rate and reduce the number of individuals not connected to the PSTN.

C. Impact on the Universal Service Fund

Total Call's request for designation as an ETC solely for Lifeline purposes would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. With Lifeline, ETCs only receive support for customers they obtain. The amount of support available to an eligible subscriber is exactly the same whether the support is given through a

⁹⁵ See Virgin Mobile Order, 24 FCC Rcd at 3395 ¶ 38.

⁹⁶ See Id. at 3391 ¶ 23.

⁹⁷ See, e.g., Specialized Common Carrier Services, 29 FCC Rcd 870 (1971).

⁹⁸ See 47 U.S.C. § 254(b)(1).

company such as Total Call or the ILEC operating in the same service area. Total Call will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC's Lifeline program. By implementing the safeguards set forth in the Lifeline and Link Up Reform Order, Total Call will minimize the likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. Thus, the Company's designation as an ETC will not increase the number of persons eligible for Lifeline support.

Moreover, Total Call's ability to increase the Lifeline participation rate of qualified lowincome individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service. Indeed, according to the FCC, "the additional choice and service options of another wireless reseller offering a service for low-income consumers represents a significant benefit for consumers and is in the public interest" ⁹⁹ because "a new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance in the context of the Lifeline program outweighs the potential costs."100 Thus, any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable wireless services to low-income consumers.

VI. **ANTI-DRUG ABUSE CERTIFICATION**

Total Call certifies that no party to this Petition is subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

VII. **CONCLUSION**

⁹⁹ See Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A), Order, FCC 10-117 (rel. June 25, 2010) at ¶ 19. ¹⁰⁰ Id.

Based on the foregoing, designation of Total Call as an ETC in the State of South Dakota accords with the requirements of Section 214(e)(2) of the Act and is in the public interest.

WHEREFORE, Total Call respectfully requests that the Commission promptly designate Total Call as an ETC in the State of South Dakota solely for purposes of participating in the Lifeline program.

Respectfully submitted,

Hideki Kato Chief Operating Officer of Total Call Mobile, Inc. 1411 W. 190th St., Suite 700 Gardena, CA 90248 (310) 818-4300 (Phone)

December 12, 2012