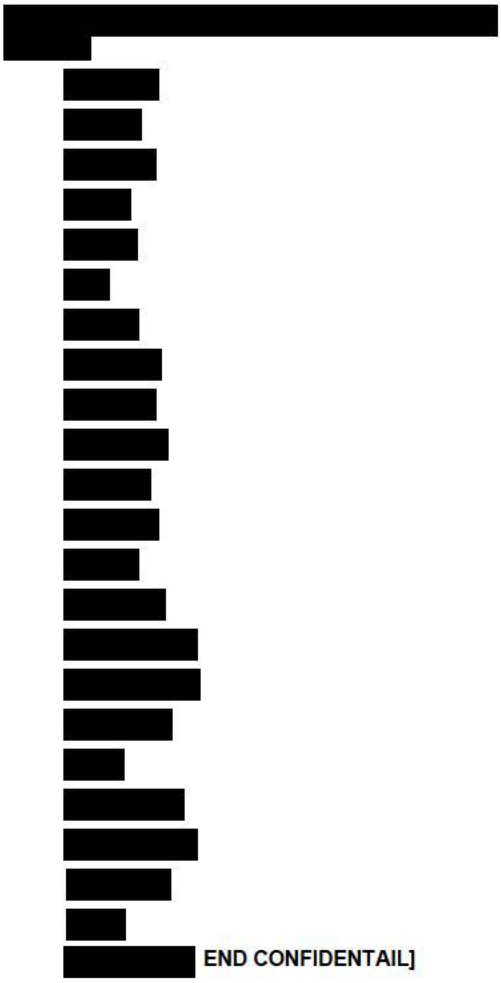
Docket Number: **TC23-041**
Subject Matter: **Third Data Request**
Request to: **TERRACOM INC. dba Maxsip Tel (TERRACOM)**
Request from: **South Dakota Public Utilities Commission Staff**

3-1. Refer to TERRACOM's response to Data Request 1-11. Has the FCC approved TERRACOM's 5th Revised Compliance Plan filed with the FCC on March 1, 2023? If not, provide the status of the filed plan.
Response: TERRACOM's 5th Revised Compliance Plan is still pending with the FCC.

3-2. Refer to Exhibit A provided in response to Data Request 2-1. Provide an updated map showing all tribal boundaries within the proposed service area (similar to what was done on 10/31/24 in docket TC24-003).
Response: Please see attached Exhibit 1 for an updated map showing all tribal boundaries within the proposed service area.

3-3. Refer to the financial statements provided in response to Data Request 1-3. Explain the circumstances that lead to the forgiveness of indebtedness noted in the financial statements.
Response: The debt forgiven arose from loans made by affiliates of TERRACOM. The affiliates had common ownership with TERRACOM at that time and the debt was forgiven to facilitate TERRACOM's ability to enter into possible equity sales to other unrelated parties.

3-4. Page 14 of the Petition states, "Maxsip receives revenue from a number of sources which are independent from the revenue it receives in the form of Lifeline reimbursements" and "TERRACOM never has and will not be relying exclusively on Lifeline reimbursement for its operating revenues". What states does TERRACOM provide services in that generate revenue outside of the Lifeline program? What was the breakdown of Lifeline revenue versus non-Lifeline revenue in 2022 and 2023? List each of the sources of TERRACOM's unsubsidized revenue.
Response: CONFIDENTIAL
See the following analysis of revenue by source and by state for 2022 and 2023:
[BEGIN CONFIDENTIAL



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3-5. Does SurgePays' acquisition of the majority of TERRACOM stock change anything regarding this pending ETC application? Explain.
Response: There will not be an acquisition of any of TERRACOM's stock by SurgePays. The Master Services Agreement with TERRACOM has been terminated, and negotiations regarding SurgePay's stock purchase agreement to acquire the majority of TERRACOM stock have been terminated.

3-6. Is there any risk to TERRACOM or its customers given SurgePays' CEO's recent Lifeline fraud charges? Explain.
Response: There is no risk to TERRACOM, or its customers related to SurgePays. See response to question 3-5 immediately above.

3-7. Has TERRACOM, or any other current or previously affiliated company, been penalized for any sort of waste, fraud, or abuse of the Lifeline program? Explain.
Response: No.

3-8. Why didn't TERRACOM choose to have Verizon as an underlying carrier in addition to T-Mobile and AT&T? Is it something TERRACOM is considering in the future?
Response: TERRACOM deems T-Mobile and AT&T's coverage adequate to accommodate coverage needs of its customers, and the cost of their service is deemed competitive. TERRACOM would consider adding Verizon as an underlying carrier if sufficient customer growth occurs or if price competition improves.

3-9. Is TERRACOM still requesting a waiver of ARSD 20:10:32:43.01(2), or does TERRACOM wish to withdraw this waiver request given the "excessive or unreasonable cost" language in ARSD 20:10:32:43.01(2)?
Response: TERRACOM withdraws the waiver request.

3-10. Refer to page 13 of the Petition. Explain how the underlying carriers reroute traffic around damaged facilities and manage traffic spikes resulting from emergency situations.
Response: TERRACOM relies on its very capable underlying carriers, T-Mobile and AT&T. Their capabilities are as follows:

T-Mobile-

EMERGENCY OPERATIONS PLAN T-Mobile is able to function in emergency situations as set forth in Section 54.201(a)(2), which includes "a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations."

1 In particular, T-Mobile has the following capabilities to remain functional in emergency situations: • Availability of fixed and portable back-up power generators at various network locations throughout T-Mobile's network that can be deployed in emergency situations. • Ability to reroute traffic around damaged or out-of-service facilities through the deployment of cell-on-wheels ("COWs"), redundant facilities, and dynamic rerouting of traffic over alternate facilities. • A network control center that monitors network traffic and anticipates traffic spikes and can then (i) deploy network facilities to accommodate capacity needs, (ii) change call routing translations, and (iii) deploy COWs to temporarily meet traffic needs until longer-term solutions, such as additional capacity and antenna towers can be deployed. • The majority of sites not equipped with fixed generators have battery back-up systems installed to maintain service in the event of a widespread power outage.

AT&T-

AT&T has a suite of powerful tools that can be particularly helpful for both communication and servicing for AT&T customers during times of disaster or emergency. These tools can be used to reroute network traffic, test circuits, report and track service problems, place emergency orders, and perform other customer service-related tasks. Software Defined Wide Area Network also known as AT&T SD-WAN enables redundancy by automatically rerouting network traffic around disruptions caused by heavy traffic loads and planned or unplanned downtime—enabling distributed users to utilize highly-secure access for applications from the closest available location.