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PUBLIC UTILITIES COMMISSION

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August 5, 2026

Leah Mohr
Executive Director
Public Utilities Commission
500 E. Capitol Avenue
Pierre, SD 57501

RE: TC24-003 - In the Matter of the Filing of IM Telecom, LLC dba Infiniti Mobile's Petition for Designation as an Eligible Telecommunications Carrier in the State of South Dakota for the Limited Purpose of Providing Lifeline Service to Qualifying Customers

Ms. Mohr,

Commission staff (Staff) recently became aware of a news release from the Federal Communications Commission (FCC) which states that IM Telecom is blocked from enrolling new Lifeline subscribers nationwide. IM Telecom has an active eligible telecommunications carrier (ETC) designation to provide Lifeline service in certain areas in South Dakota.¹ A copy of the FCC's news release is attached with this Letter. According to the news release, the FCC believes that IM Telecom may have violated its Lifeline compliance plan and the Lifeline rules by:

- Transferring thousands of former subscribers back to IM Telecom without their consent after they decided to switch providers
- Creating a payment scheme to evade the FCC's non-usage rules, which ensure that legitimate customers are actually using the federally subsidized service
- Failing to obtain affirmative consent from subscribers before enrolling or transferring them to IM Telecom
- Changing corporate control without obtaining required federal approvals
- Using bots to evade limits previously imposed on IM Telecom's suspicious application, enrollment, and customer transfer activity.²

Accordingly, the FCC has blocked IM Telecom from enrolling new subscribers. While Staff does not have first-hand knowledge regarding these claims, Staff takes the FCC's news release very seriously.

¹ 12/18/24 - Order Approving Joint Stipulation; Order Granting Petition for Designation as an Eligible Telecommunications Carrier, TC24-003.

² News Release, FCC, *FCC Blocks Lifeline Provider from Enrolling Any New Customers* (Jul. 27, 2026) <https://www.fcc.gov/document/fcc-blocks-lifeline-provider-enrolling-any-new-customers>.

Upon seeing the news release, Staff immediately investigated IM Telecom's Lifeline activity in South Dakota. By both contacting IM Telecom and using the Universal Service Administrative Company's (USAC) open data tools, Staff was able to verify that IM Telecom has not provided Lifeline service to any customers in South Dakota since receiving its ETC status in South Dakota in December of 2024. And since IM Telecom cannot currently enroll new customers, it appears that South Dakota customers are protected at this time.

Staff is actively monitoring the situation and may request future Commission action regarding IM Telecom's ETC status in South Dakota depending on the information that becomes available.

Regards,

Logan Schaeffbauer
Staff Attorney
South Dakota Public Utilities Commission

CC: Joshua Guyan and John Heitmann, IM Telecom
TC24-003 Service List