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

IN THE MATTER OF THE FILING OF TELRITE CORPORATION d/b/a LIFE WIRELESS' 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

TC25-002

# RESPONSES OF TELRITE CORPORATION D/B/A LIFE WIRELESS TO STAFF'S FIRST SET OF DATA REQUESTS

Telrite Corporation d/b/a Life Wireless ("**Telrite**") provides the following response to the first set of data requests of the South Dakota Public Utilities Commission Staff issued on June 3, 2025 ("**First Data Request**"). Provided are a Public version and a Confidential version of its responses.

# **RESPONSE TO FIRST DATA REQUEST**

1-1. Pursuant to South Dakota Administrative Rule (ARSD) 20:10:32:43(2), please provide a proposed effective date of designation of eligible telecommunications carrier status.

### **Response**:

Telrite proposes that the effective date of its designation as an Eligible Telecommunications Carrier ("ETC") be the date the Commission issues an order designating Telrite as an ETC.

1-2. Pursuant to ARSD 20:10:32:43(3), please provide an identification of the service area, including a detailed map, for which the designation is sought. Please consider this request to be an ongoing request. If at any time Life Wireless enters into a stipulation not to provide service to any particular areas in South Dakota, please provide an updated map which details Life Wireless's service area in accordance with the stipulation.

#### **Response:**

Telrite requests designation as an ETC in South Dakota in a service area that is equivalent to its underlying provider's wireless coverage area in South Dakota (including as that coverage area may change going forward). This is depicted on <u>Exhibit E</u> to its Application.

1-3. Pursuant to ARSD 20:10:32:43.01, does Life Wireless commit to providing service throughout its proposed designated service area to all customers making a reasonable request for service?

Objection: Telrite objects to Request 1-3 because the information requested is not relevant to the Commission's review of its Application. The concept of providing service to all customers making a reasonable request, as set forth in ARSD 20:10:32:43.01, can only be accomplished by companies that own their own facilities and that receive high-cost support to build out their networks. As a Mobile Virtual Network Operator ("MVNO"), Telrite relies on the network of its underlying provider and cannot build out to serve all customers making otherwise reasonable requests.

#### **Response**:

Without waiving the foregoing objection, Telrite commits to providing service throughout its proposed designated service area to all qualified consumers making a reasonable request for service.

1-4. Provide all administrative rules for which Life Wireless is requesting a waiver, if any. For each administrative rule, provide an explanation for the request.

### **Response**:

As set forth in its Application, Telrite requests a waiver of:

S.D. Admin. R. § 20:10:32:43.02, which requires that ETCs submit a two-year service quality improvement plan (p. 10);

S.D. Admin. R. § 20:10:32:54(1-2), which requires a new Plan and a progress report on the ones previously filed (pp. 10-11).

Pursuant to 47 C.F.R. § 54.202(a)(1)(ii), a common carrier seeking designation as a Lifeline-only ETC is not required to submit a five-year network improvement plan as part of its petition for designation as an ETC. Telrite is seeking designation as a Lifeline-only ETC.

1-5. Provide updated financial statements for Life Wireless for the year ended December 31, 2024, including a balance sheet, income statement, and a statement of cash flows, audited if available.

# **Response:**

Please see Confidential Exhibit 1-5.

1-6. Provide the number of Lifeline customers, Life Wireless has in each state it offers service in. Please separate out by Tribal and non-Tribal customers.

# **Response:**

Please see Confidential Exhibit 1-6.

1-7. Provide the number of non-Lifeline customers Life Wireless has in each state it offers service in.

# **Response**:

Telrite Corporation d/b/a Life Wireless provides only Lifeline service in the states in which it operates. It has affiliates which provide prepaid wireless service in those states and the remaining United States, including in South Dakota.

1-8. If Life Wireless has non-lifeline customers in South Dakota, please provide a description of the plans, including details and pricing, for these customers.

# **Response:**

Life Wireless does not have customers in South Dakota. Please see response to 1-7.

1-9. Exhibit D states "Telrite also provides a wireless smart device to new subscribers." Do existing Lifeline customers have the option to receive a smart device? If so, please provide the cost for existing Lifeline customers to receive a smart device.

#### **Response**:

Since it began providing Lifeline service, Telrite has always provided a free device to new subscribers. Therefore, all of its Lifeline customers desiring one have received a free device, which has meant a free smart device for new customers enrolling over the past seven or so years. For current subscribers requiring a new device, Telrite has a device replacement policy set forth in its Terms and Conditions at: <a href="https://lifewireless.com/tac">https://lifewireless.com/tac</a>.

1-10 Provide the model(s) of smartphone that is provided to new subscribers and tribal lifeline customers.

# **Response**:

A list of smartphones currently being provided to new Telrite Lifeline customers can be found here: <a href="https://lifewireless.com/hearingaid">https://lifewireless.com/hearingaid</a>.

### 1-11. Does Life Wireless plan to offer refurbished smartphones to customers?

#### **Response:**

Generally, no but as a replacement device, Telrite notes that it may provide a "new or refurbished device." Telrite's Terms and Conditions (<a href="https://lifewireless.com/tac">https://lifewireless.com/tac</a>) provide:

### 3.2. DEVICE AND EQUIPMENT REPLACEMENT POLICY:

Life Wireless will replace a defective Device with a new <u>or refurbished Device</u> free of charge and provide a recharge PIN to customers without unlimited plans. Devices damaged by the customer will be replaced at the customer's expense. (emphasis added)

Also its Return Policy (https://lifewireless.com/returns) provides:

# Free Phones Replacement Policy The First 30 Days After Activation

Customer must call Customer Service to notify Life Wireless of the lost, stolen, defective, or damaged phone, accessory, or SIM. If it is within the first 30 days, the replacement SIM and/or accessories will be sent free of charge. If the customer has received a defective phone, the customer must return the phone to Life Wireless at the customer's expense. If Life Wireless determines the phone is defective, Life Wireless will ship a replacement phone.\* If the phone is damaged, lost, or stolen, the customer must pay \$55.00 before Life Wireless is able to ship the replacement phone.

#### 31 Days and Longer After Activation

Customer must call Customer Service to notify Life Wireless of the lost, stolen, defective or damaged handset, accessory or SIM. If the SIM card, charger or battery is damaged, lost, or stolen, the customer must pay \$5.00 for each item needing replacement. If the phone is damaged, lost, or stolen, the customer must pay \$55.00 before Life Wireless is able to ship the replacement phone\*.

\*Replacement phones may be refurbished phones. (emphasis added)

1-12. Refer to Exhibit D. The South Dakota Lifeline Service Package lists hotspot capability whereas the proposed tribal service package does not list hotspot capability. Does the tribal service package have hotspot capability? If not, explain why.

# **Response**:

This was an oversight. Telrite provides hotspot capability in tribal areas.

1-13.	Does any unused data in a given month roll over to the following months?
Respo	onse:
It does	s not.

1-14. If a customer uses their data allotment, and does not purchase a "top up" plan, is their service suspended until the next month, or is the customer able to use data and is charged for the extra data usage? Please explain.

### **Response:**

No, the service of a customer who uses their full data allotment is not suspended until the following month. An explanation is set forth in Life Wireless' Terms and Conditions. If a subscriber uses their entire data allotment and does not purchase a top-up, their wireless data speeds are reduced to 256 kbps-equivalent until the end of the month. After the subscriber uses an additional 20 GB of data at 256 kbps speed, their speed is further reduced to 125 kbps until the end of the month.

### 1-15. What mobile broadband speed will Lifeline plans provide?

### **Response**:

Life Wireless provides high-speed mobile broadband Internet access service on at least 4G mobile networks at 4G or better speeds (at least 200 kbps symmetrical), where the network will support such performance. Customers may receive 5G or 5G LTE service where available for all or part of their allotted broadband data. Customers will typically experience speeds within the following ranges, which do not necessarily reflect speeds achievable along the entire end-to-end transmission path to all Internet destinations:

Technology	<b>Download Range</b>	<b>Upload Range</b>
4G	2 to 6 Mbps	800 kbps to 1 Mbps
4G LTE	5 to 20 Mbps	3 to 10 Mbps
5G LTE	38 to 120 Mbps	5 to 23 Mbps

# 1-16. What percent of Life Wireless's current subscribers purchase "top up" plans?

**Response: REDACTED** 

Within the first five months of 2025, an average of **[REDACTED]** of Telrite's Lifeline subscribers purchased additional data services from the company.

1-17. Are the plans provided in Exhibit D the same as Life Wireless's plan offerings in other states? If Life Wireless offers different lifeline plans in other states, provide the details of each plan, specifying the state in which that plan is available.

### **Response**:

The plans proposed to be provided in South Dakota match the plans provided in other states where only federal funding is available. In all states in which it provides Lifeline service, Telrite provides unlimited minutes and unlimited texting. Please see Exhibit 1-17 for information on Telrite's Lifeline offerings in other states.

1-18. For Life Wireless's service offerings in South Dakota, provide a breakdown of Life Wireless's fixed cost and variable cost to serve a single Lifeline subscriber.

<u>Objection</u>: Telrite objects to Request 1-18 as irrelevant to the Commission's review of its request for ETC designation in South Dakota to provide federally-supported Lifeline service. There is no legal requirement that an ETC provide information about its cost to provide service. Telrite also objects to Request 1-18 as outside the scope of the Commission's jurisdiction. State Commissions do not have jurisdiction to regulate the finances of wireless carriers. *See* 47 U.S.C. § 332(c)(3)(A).

### **Response:**

Telrite does not maintain information in a form that would be responsive to this question.

1-19.	Confirm Life Wireless will not charge a number-portability fee on its Lifeline plans.
Respo	onse:
Confi	rmed.

1-20. Are there any locations in Life Wireless's proposed service area that do not currently have a wireless Lifeline offering available to them? Are there any locations that do not have a prepaid wireless Lifeline offering available to them?

# **Response**:

Telrite does not have information responsive to this question.

1-21. Provide the details and pricing (including handset costs) of any prepaid Life offerings by the wireless providers currently serving Infiniti's proposed service area. Provide the details and pricing (including handset costs) of any postpaid Lifeline offerings by the wireless providers currently serving Infiniti's proposed service area.

### **Response**:

Telrite does not have information responsive to this question.

### 1-22. How will Life Wireless verify a potential customer resides in a tribal area?

# **Response:**

Telrite, like other ETCs, does not make the determination of whether a customer qualifies for the Tribal benefit. Applicants who wish to claim the Tribal benefit must certify their residency as part of the Lifeline enrollment process. *See* 47 C.F.R. §54.410(d)(3)(iii), *see also* FCC Form 5629 which requires Applicants to attest to their Tribal residency.

Telrite collects the required information and provides it to the National Verifier. The National Verifier then determines both whether the applicant is eligible for Lifeline support and whether the applicant qualifies for the enhanced Tribal benefit, based on both the applicant's certifications and tools that assess whether the residence is within federally recognized Tribal lands.

1-23.	Does Life Wireless utilize tribal/reservation government or other tribal/reservation administrative services to distribute phones to customers?
Respo	onse:

No.

1-24.	Does Life Wireless plan to enter into any agreements with a Tribe where Life Wireless would receive compensation for serving tribal area?
Respo	onse:

No.

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1-25. Provide a copy of all media sources used in the advertising of Life Wireless's services and charges, including point of sale materials, customer direct mail, customer brochures, and print media.

### **Response**:

Attached as Exhibit 1-25 are marketing materials used by Telrite in the past year. Some of these, as is likely clear from the item, are used only in specific markets (such as California and Puerto Rico).

1-26. Will Life Wireless use Marketing Agents to enroll customers? If so, does Life Wireless compensate Marketing Agents based on enrollments? What procedures does Life Wireless have in place to assure its Marketing Agents do not misuse beneficiary data?

# **Response**:

No. Telrite will not use marketing agents to enroll customers in South Dakota.

1-27. Provide the "Terms and Conditions" for plans and enrollment. Are these "Terms and Conditions" provided to the potential customer prior to enrollment?

# **Response**:

Please see Exhibit 1-27 for the Terms and Conditions.

A link to these is available both on the Life Wireless site as well as on one of the screens Applicants see while applying.

1-28. What states does Life Wireless provide services in that generate revenue outside of the Lifeline program? What was the breakdown of Lifeline revenue versus non-Lifeline revenue in 2023 and 2024?

# **Response**:

Telrite Corporation d/b/a Life Wireless provides only Lifeline service in the states in which it operates.

1-29. Does Life Wireless anticipate geographic areas in South Dakota wherein customers may experience service issues due to inadequate coverage by the underlying carrier? If so, what is the process and procedure for handling customer service issues after signing up for services?

#### **Response:**

No, Telrite does not anticipate geographic areas where customers are likely to experience service issues due to inadequate coverage. Telrite's underlying provider provides extensive coverage in South Dakota, as shown on <a href="Exhibit E">Exhibit E</a> to the Application. Should situations arise where a customer experiences inadequate coverage, that customer can contact Telrite's Customer Service to discuss options such as changing handsets or using a hotspot. Any customer finding Telrite's service inadequate can discontinue service with Telrite at no cost.

1-30. Will Life Wireless inform potential customers of potential coverage issues prior to enrolling said customer?

### **Response**:

No, Telrite does not anticipate geographic areas where customers are likely to experience service issues due to inadequate coverage. Telrite's underlying provider provides extensive coverage in South Dakota, as shown on <a href="Exhibit E">Exhibit E</a> to the Application. Should situations arise where a customer experiences inadequate coverage, that customer can contact Telrite's Customer Service to discuss options such as changing handsets or using a hotspot. Any customer finding Telrite's service inadequate can discontinue service with Telrite at no cost.

1-31. Will Life Wireless furnish its own coverage information and maps to potential customers or rely on maps and coverage information from the underlying carrier?

# **Response:**

Telrite has its coverage map on its website: <a href="https://lifewireless.com/coverage">https://lifewireless.com/coverage</a>.

#### 1-32. Provide the information as required in ARSD 20:10:32:43.05.

### **Response:**

ARSD 20:10:32:43.05 sets forth a requirement that was formerly required by the FCC – that ETC applicants demonstrate that they offer a usage plan comparable to that offered by the ILEC in the service area for which ETC designation is sought. In 2012, the FCC removed that requirement, formerly found in 47 C.F.R. § 54.202.<sup>1</sup>

Nonetheless, the service Telrite proposes to provide is comparable to and, in some ways, superior to that provided by ILECs. Most ILEC service includes unlimited voice calling but is only available at a fixed location for a monthly fee. Telrite's proposed service is available at no cost to subscribers. It is portable and provides unlimited voice and texting as well as a bucket of broadband data service.

 $<sup>^1</sup>$  Lifeline and Link-Up Reform and Modernization, Report and Order, WC Docket No. 11-42 et al., FCC 12-11 (rel. Feb. 6, 2012) ¶¶ 46-49.

#### 1-33. Provide the information as required in ARSD 20:10:32:43:06.

#### **Response:**

This rule requires that an ETC certify that it will provide equal access to long distance carriers if no other ETC serves its proposed area. The concept of "equal access to long distance carriers" is no longer required by the FCC. In 2012 the FCC rewrote its regulation at 47 C.F.R. § 54.202 to remove the equal access requirement. <sup>2</sup>

In the wireless context, nearly all providers do not differentiate long-distance calling from local calling. Additionally, like other wireless ETCs, Telrite does not have a monopoly in any area in which it operates. Its customers can choose a different provider if they are displeased with Telrite's services. Importantly, Telrite provides unlimited voice minutes and does not distinguish between local and long distance calls, meaning it provides unlimited local and long distance minutes to its Lifeline subscribers at no charge.

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 $<sup>^{2}</sup>$  *Id.* at ¶¶ 46-49.

1-34. Does Life Wireless currently offer Lifeline services in Tribal areas in any other state?

# **Response:**

Yes. Telrite offers Tribal service in Alaska, Hawaii, Idaho, Montana, and Oklahoma.

1-35. Has Life Wireless, or any other names Life Wireless has operated under, or a company that owns Life Wireless, been investigated or penalized for any sort of waste, fraud, or abuse of the Lifeline program? Please consider this request to be a continuing request. Confirm that, if at any time Life Wireless becomes aware that it is under investigation for waste, fraud, and abuse of the Lifeline program, it will notify the SD PUC.

### **Response:**

In 2017, the FCC approved a Consent Decree between Telrite and the FCC's Enforcement Bureau to resolve an investigation into whether Telrite had provided Lifeline service in 2013 to subscribers who were already receiving the benefit from another provider. Telrite strenuously objected to the Enforcement Bureau's allegations and believed it used the best tools available at the time to prevent such duplicates (which was prior to the National Verifier and NLAD) but stipulated to the Consent Decree to end the investigation. The Order is FCC 17-177. A copy is provided herewith as Exhibit 1-35.

1-36. Has Life Wireless, or any current or previously affiliated company, been penalized for any sort of waste, fraud, or abuse of the Lifeline program?

# **Response:**

Please see response to 1-35.

Respectfully submitted,

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