BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

APPLICATION OF ASSURANCE)	
WIRELESS USA, L.P., TO EXPAND ITS)	
ELIGIBLE TELECOMMUNICATIONS)	Docket No. TC25-003
CARRIER DESIGNATED SERVICE)	
AREA TO INCLUDE TRIBAL LANDS)	

Assurance Wireless's Response to Comments of the SDTA

On May 5, 2025, Assurance Wireless L.P. ("Assurance Wireless") filed a Petition seeking to expand the service area for its Lifeline-only eligible telecommunications carrier ("ETC") designation (granted by the South Dakota Public Utilities Commission ("Commission") last year in Docket No. TC24-002), to include specified Tribal Lands in South Dakota. On July 25, 2025, the South Dakota Telecommunications Association ("SDTA") submitted Comments to the Commission concerning Assurance Wireless's Petition.

In its Comments, the SDTA reiterated many of the same concerns it raised in Docket No. TC24-002. The SDTA also expressed concerns about the prevention of waste, fraud, and abuse. But the SDTA did not suggest that Assurance Wireless's Petition or service is inconsistent with, or fails to meet the requirements of, any federal or South Dakota statutes or rules. The SDTA recommended the imposition of several conditions, including one requiring Assurance Wireless to "develop a process to identify if an unreasonable number of ETC households seek service at the same physical location." But the SDTA did not oppose Assurance Wireless's requested service area expansion.

¹ SDTA Comments at 1-2 ("Many of the issues raised by SDTA in the 2024 Assurance docket remain relevant in this 2025 Assurance docket. SDTA will summarize the relevant issues herein and refers the Commission to its more robust briefing and argument of the issues in TC24-002.")

² *Id.* at 6-7.

³ *Id*. at 8.

Assurance Wireless appreciates the opportunity to address the issues raised by the SDTA and respectfully submits this Response. This Response reaffirms that expansion of Assurance Wireless's Lifeline service area to include the specified South Dakota Tribal Lands is in the public interest. Additionally, SDTA's suggested condition relating to developing a "process to identify if an unreasonable number of ETC households seek service at the same physical location" is (a) not necessary because Assurance Wireless already uses a robust approach to prevent potential waste, fraud, or abuse and (b) is not workable, because it would require Assurance Wireless to have information about other carriers' Lifeline subscribers, which neither Assurance Wireless nor any other carrier have nor should have.

I. <u>Assurance Wireless Has Demonstrated That Expansion of Its ETC Designation Is In the Public Interest</u>

Assurance Wireless's request to expand Lifeline service to South Dakota's Tribal Lands clearly meets the public interest standards established under both federal and South Dakota law.⁴ Despite the concerns raised by the SDTA, the Commission has already concluded that Assurance Wireless's Lifeline service meets the public-interest standard.⁵ As discussed below, Assurance Wireless's requested expansion of its service area does not change that conclusion.

On the federal level, the public interest analysis has traditionally focused on competition and increased consumer choice.⁶ Specifically, the FCC has stated that "granting an ETC designation may serve the public interest by providing a choice of service offerings in rural and

⁴ 47 U.S.C. 214(e)(2); 47 C.F.R. § 54.201(c); S.D.C.L. 49-31-78; A.R.S.D. 20:10:32:43.07.

⁵ See In the Matter of the Petition of Assurance Wireless USA, L.P. for Designation as an Eligible Telecommunications Carrier for the Purpose of Offering Lifeline Service to Qualifying Customers, Docket No. TC24-002, ORDER APPROVING JOINT STIPULATION; ORDER GRANTING PETITION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER at 3 (May 15, 2024) (the "TC24-002 Order") ("The Commission finds the designation of Assurance as a Lifeline-only ETC is in the public interest.")

⁶ In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Report and Order, FCC 05-46 (rel. Mar. 17, 2005) at ¶¶ 40-41, 44.

high-cost areas" and that it is appropriate to consider "the particular advantages and disadvantages of an ETC's service offering."

These considerations overlap with the considerations stated in the Commission's rule specifying the public interest issues the Commission should consider:

The commission shall consider the benefits of increased consumer choice, the impact of multiple designations on the universal service fund, the unique advantages and disadvantages of the applicant's service offering, commitments made regarding the quality of the telephone service provided by the applicant, and the applicant's ability to provide the supported services throughout the designated service area within a reasonable time frame. In addition, the commission shall consider whether the designation of the applicant will have detrimental effects on the provisioning of universal service by the incumbent local exchange carrier.⁸

Under both the federal framework and the South Dakota rule, expansion of Assurance Wireless's Lifeline service to include South Dakota's Tribal Lands is unquestionably in the public interest. The SDTA's recent comments do not present any new information that should alter the Commission's previous conclusion.

The SDTA's concerns begin with a list of alleged limitations related to wireless service and to the Lifeline program in general. But SDTA fails to mention the many advantages of Assurance Wireless's Lifeline service, which include mobility (the ability to make and receive calls from any location), unlimited texts, voicemail, the ability to buy additional usage, and most of all the cost—free to the subscriber.

The SDTA next argues that it is concerned that customers will not be given "sufficient information" to reasonably determine the actual capabilities and value of Assurance Wireless's Lifeline service, and recommends that "consumers will benefit if a wireless Lifeline ETC company is required to disclose information, annually, to the Commission....that could indicate whether

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⁷ *Id.* at ¶ 44.

⁸ A.R.S.D. 20:10:32:43.07.

⁹ SDTA Comments at 2-3.

customers are provided with misleading or insufficient information prior to initiating service."¹⁰ This concern, reiterated from Docket TC24-002, is without merit. Consumers are well aware of the pros and cons of wireless service. Assurance Wireless has consistently demonstrated that customers are given sufficient information about Lifeline service. The Commission found Assurance Wireless's outreach to Lifeline-eligible consumers sufficient.¹¹ Additionally, since Assurance Wireless's ETC designation in South Dakota last year, Assurance Wireless has received minimal South Dakota subscriber complaints, and none from a person alleging they were not fully informed about the service.¹² In last year's docket, the Commission found that "the designation of Assurance will bring the benefits of increased consumer choice and it has committed to providing quality services to the designated service area."¹³ The Commission should reach the same conclusion here and should reject the SDTA's proposed condition as unnecessary.

The SDTA next discusses alleged disadvantages of Assurance Wireless's Lifeline service—
it provides only the "minimum service standards" for data, enrollments are handled online, and
Assurance does not have physical retail locations in South Dakota. ¹⁴ Again, these arguments were
raised, and rejected, in last year's docket. The FCC has carefully considered how much data should
be included in Lifeline service, and has rejected the SDTA's approach because it would create cost
barriers that would defeat the purpose of Lifeline. ¹⁵ The SDTA's other concerns about the lack of

¹⁰ SDTA Comments at 4.

¹¹ TC24-002 Order at 2 ("Assurance stated that it will advertise the availability of its services and the charges in a manner reasonably designed to reach Lifeline-eligible consumers in accordance with all applicable requirements. The Commission finds that Assurance has demonstrated that it will meet the advertising requirement.")

¹² Assurance Wireless has been notified of one issue, which was resolved.

¹³ TC24-002 Order at 3 ("As a Lifeline-only ETC it would serve the needs of low-income customers by increasing customer choice and offering a zero-cost option for Lifeline customers.")

¹⁴ SDTA Comments at 4.

 $^{^{15}}$ In the Matter of Lifeline and Link Up Reform and Modernization, WC Dockets No. 11-42 et al, Order, DA 23-589 (rel. July 7, 2023) at ¶ 15.

physical locations in South Dakota overlook the reality of customer preference for handling enrollments and other customer service remotely, rather than at a store.¹⁶

Next, the SDTA reiterated concerns about service quality commitments.¹⁷ Assurance Wireless's Lifeline service meets or exceeds FCC minimum standards, and uses T-Mobile's extensive and reliable network, which includes widespread 5G coverage across South Dakota. Assurance Wireless' service involves no contracts and no cancellation fees or penalties, allowing customers complete freedom to discontinue service if it does not meet their needs. Nothing has changed on this topic since last year, when the Commission found Assurance Wireless's Lifeline designation was in the public interest.¹⁸

Finally, SDTA discusses the impact of Assurance Wireless's proposed expanded Lifeline service on the Universal Service Fund and on the ability of South Dakota ILECs to provide universal service. In Docket No. TC24-002, Commission staff noted that Assurance Wireless's designation was unlikely to have any material effect on the Universal Service Fund. Assurance Wireless's ETC designation will result in increased competition in the provision of Lifeline service in South Dakota, but that is not a "detrimental" effect on universal service. Again, SDTA's concerns on this topic are nothing new and need not be addressed further.

II. Assurance Wireless Understands the Unique Challenges of Serving on Tribal Lands

Assurance Wireless is aware of the unique challenges present on Tribal Lands and has proactively partnered with the Coalition of Large Tribes ("COLT") as it seeks to provide Lifeline

¹⁶ See https://www.ctia.org/the-wireless-industry/map/4g (South Dakota); Pew Research Center, Demographics of Mobile Device Ownership and Adoption in the United States (Jan. 31, 2024), https://www.pewresearch.org/internet/fact-sheet/mobile/.

¹⁷ SDTA Comments at 5.

¹⁸ TC24-002 Order at 3.

¹⁹ See In the Matter of the Petition of Assurance Wireless USA, L.P. for Designation as an Eligible Telecommunications Carrier for the Purpose of Offering Lifeline Service to Qualifying Customers, Docket No. TC24-002, Staff Memo at 10 (May 1, 2024).

in Tribal Lands. One of the reasons why Assurance Wireless has partnered with COLT is to seek COLT's suggestions as to the development of outreach programs tailored to Tribal communities. By working with COLT, Assurance Wireless seeks to ensure culturally relevant and context-specific solutions that directly address tribal community needs and promote compliance with Lifeline regulations.²⁰

SDTA expresses concern regarding the potential for waste, fraud, and abuse in the administration of Assurance Wireless's Lifeline services, highlighting challenges associated with the housing shortage on Tribal Lands. ²¹ Assurance Wireless acknowledges that on Tribal lands, it sometimes happens that multiple households are based at the same address, and that the need to gather accurate address information from subscribers is especially acute on Tribal lands. The SDTA implies that a problem exists because "a company has no internal process to track how many ETC households accumulate at a particular address." This is misleading—unless it is a monopoly provider, no carrier has the ability to track whether someone at a particular address already has service (Lifeline or otherwise) from another carrier. The SDTA faults Assurance Wireless for not having "a process in place to track the number of ETC households that accumulate at any one address," but no carrier has such a process. ²³ The SDTA's claim that Assurance Wireless or similar providers should inherently possess information about whether a subscriber's housemate has Lifeline service through another provider is unrealistic. Assurance Wireless, like other ETCs, can only manage and verify data pertaining to its own subscribers.

In the Lifeline system, this risk is handled in a different way. First, Assurance Wireless maintains best-in-class procedures regarding address collection from new subscribers, and

²⁰ See Assurance Wireless Responses to SDTA First Discovery Request at 5.

²¹ SDTA Comments at 6-7.

²² SDTA Comments at 7.

²³ *Id*. at 7.

thoroughly trains its sales representatives, ensuring that each customer interaction adheres to established compliance standards. Next, the Universal Service Administrative Company ("USAC") sends carriers a de-enrollment application when its finds that there are an abnormal number of people sharing the same address. When USAC notifies Assurance Wireless of any such potential irregularity, Assurance Wireless quickly investigates, resolves any discrepancy, and proactively communicates with USAC to protect subscribers from disruptions or loss of service.

In addition, Assurance Wireless also utilizes a robust backend process to detect and prevent multiple Lifeline households from seeking service at the same physical address. In addition to compliance with the National Verifier and NLAD, including enforcement of the one-per-household rule through the submission of a completed Household Worksheet when applicable, addresses with an unusual number of activations within a single service month are flagged and referred to the compliance monitoring team for investigation. These reviews assess whether the address represents a legitimate multi-household location or requires corrective action, thereby reinforcing program integrity and alignment with federal requirements.

In conclusion, the concerns raised by SDTA regarding waste, fraud, and abuse linked to provision of Lifeline service on Tribal lands are adequately addressed by existing processes and strategic partnerships. The collaborative efforts with COLT, extensive employee training, thorough data collection practices, and proactive response mechanisms demonstrate Assurance Wireless' comprehensive approach to fraud prevention and compliance. SDTA's proposed compliance conditions are unnecessary and unworkable.

III. <u>CONCLUSION</u>

The SDTA's Comments reiterate speculative questions and unfounded allegations to create unnecessary doubt about Assurance Wireless' Lifeline service. Assurance Wireless has provided

detailed information to Staff and the Commission that demonstrates that the public interest would be served by granting Assurance Wireless' expansion petition, just as Assurance Wireless' original designation last year was in the public interest. By granting Assurance Wireless's petition to expand its Lifeline service area to include specified Tribal Lands in South Dakota, the Commission will allow the convenience and utility of wireless voice and broadband Lifeline service to be available to eligible residents of Tribal Lands.

Dated this 1st day of August, 2025

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