

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INQUIRY INTO THE STATE) CASE NO. 2016-00059
UNIVERSAL SERVICE FUND)

**I-WIRELESS LLC'S SUPPLEMENTAL RESPONSES
TO COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION**

i-Wireless, LLC hereby serves its Supplemental Response to the Kentucky Public Service Commission Request for Information Nos. 3 and 8 dated April 6, 2016.

REQUEST NO. 3. Refer to the Lifeline plans you filed with the Commission with your Application for Designation as an Eligible Telecommunications Carrier ("ETC"). State whether there have been changes to these Lifeline plans since the Commission entered an Order designating you as an ETC for the purpose of offering Lifeline service in Kentucky. If there have been changes to the Lifeline plans, provide:

- a. Copies of all Lifeline plans currently offered to Kentucky subscribers.
- b. For each new or modified Lifeline plan, explain in detail:
 - i. How the current Lifeline plan modifies the Lifeline plan in effect when you were designated as an ETC:
 - ii. Whether the current Lifeline plan was offered in addition to Lifeline plans in effect when you were designated as an ETC.
- c. An explanation for why existing Lifeline plans were changed or additional Lifeline plans were added.

RESPONSE:

Current Lifeline Service Offering Available to low-income Kentucky residents:

- Free Android smartphone
- 750 Minutes per month
- 250 Additional Minutes per month (contingent on receipt of KUSF support)
- 500 MB Data
- Unlimited Text Messaging
- Free voicemail, caller ID and call waiting
- Free calls to customer care
- Free Minutes wireless rewards program with Kroger shopper's card registration
- Net cost to Lifeline customer: \$0.00

Top-Up Options:

- Add \$5 – 250 Minutes, 250 MB Data
- Add \$10 – 500 Minutes, Unlimited Text Messaging, 500 MB Data
- Add \$25 – Unlimited Talk for 30 days, Unlimited Text Messaging, 1 GB Data
- Add \$35 – Unlimited Talk for 30 days, Unlimited Text Messaging, 2.5 GB Data
- Add \$50 – Unlimited Talk for 30 days, Unlimited Text Messaging 4 GB Data

Historical Timeline of i-wireless Lifeline Rates in Kentucky:

11/23/2011 – EXHIBIT 2 outlined i-wireless' Lifeline Service Offering included in Petition for ETC Designation:

- Free handset
- 100 Minutes per month (Additional usage priced at \$0.10 per minute/text message)
- Free voicemail, caller ID and call waiting
- Free incoming text messages
- Free calls to customer care

- Free Minutes wireless rewards program with Kroger shopper's card registration
- Net cost to Lifeline customer: \$0.00

12/2011 – Lifeline Service Offering at Market Launch:

- Free handset
- 150 Minutes per month
- Free voicemail, caller ID and call waiting
- Free incoming text messages
- Free calls to customer care
- Free Minutes wireless rewards program with Kroger shopper's card registration
- Net cost to Lifeline customer: \$0.00

Lifeline customers could also elect to apply a \$15 credit toward the purchase of a retail rate plan.

8/2012 – Lifeline Service Offering increased as a result of competitive market dynamics:

- Free handset
- 250 Minutes/Texts per month
- Free voicemail, caller ID and call waiting
- Free incoming text messages
- Free calls to customer care
- Free Minutes wireless rewards program with Kroger shopper's card registration
- Net cost to Lifeline customer: \$0.00

7/2015 – Lifeline Service Offering included free Android smartphone device to all qualified KY Lifeline applicants.

8/2015 – Lifeline Service Offering increased as a result of competitive market dynamics:

- Free Android smartphone
- 250 Minutes per month
- Unlimited text messaging
- Free voicemail, caller ID and call waiting
- Free calls to customer care
- Free Minutes wireless rewards program with Kroger shopper's card registration
- Net cost to Lifeline customer: \$0.00

12/2016 – Lifeline Voice Service Offering as a result of the Lifeline Reform Order and minimum service standards:

- Free Android smartphone
- 500 Minutes per month
- 250 Additional Minutes per month (contingent on receipt of KUSF support)
- Unlimited text messaging
- 50 MB Data
- Free voicemail, caller ID and call waiting
- Free calls to customer care
- Free Minutes wireless rewards program with Kroger shopper's card registration
- Net cost to Lifeline customer: \$0.00

12/2016 – Lifeline Broadband Service Offering as a result of the Lifeline Reform Order and minimum service standards:

- Free Android smartphone
- 100 Minutes per month
- 250 Additional Minutes per month from State Funds
- Unlimited text messaging
- 500 MB Data
- Free voicemail, caller ID and call waiting
- Free calls to customer care
- Free Minutes wireless rewards program with Kroger shopper’s card registration
- Net cost to Lifeline customer: \$0.00

12/2017 – Lifeline Voice Service Offering as a result of the new minimum service standards:

- Free Android smartphone
- 1,000 Minutes per month
- Unlimited text messaging
- 500 MB Data
- Free voicemail, caller ID and call waiting
- Free calls to customer care
- Free Minutes wireless rewards program with Kroger shopper’s card registration
- Net cost to Lifeline customer: \$0.00

RESPONSIBLE WITNESS: Sam Bailey.

REQUEST NO. 8. State whether you have been subjected to FCC investigation, action, and/or penalties relating to participation in the Lifeline program. If you have been so subjected, provide in detail, including citations to the FCC action, the investigation, action, and/or penalties to which you were subjected.

RESPONSE:

i-wireless, LLC d/b/a Access Wireless (i-wireless or the Company) has been subjected to Federal Communication Commission (FCC) investigation and action relating to its participation in the Lifeline program. It has not been subjected to any penalties.

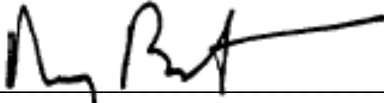
On November 1, 2013, the FCC issued a Notice of Apparent Liability for Forfeiture (NAL) (File No.: EB-IHD-13-00010656) to i-wireless alleging that i-wireless sought reimbursement from the universal service fund for intra-company duplicate subscribers. The NAL proposed a monetary forfeiture of \$8,753,074. i-wireless takes very seriously the issue of alleged intra-company duplicates raised in the NAL. We believed that the NAL was both misguided and unfounded, and on January 10, 2014, i-wireless submitted its response to the NAL seeking cancellation of the proposed forfeiture.

On December 29, 2017, i-wireless and the FCC entered into a Consent Decree to resolve the investigation and the Consent Decree was adopted by Order (FCC 17-176). The proposed forfeiture was reduced to \$750,000 and i-wireless agreed to implement a compliance plan to ensure that it adheres to the FCC's rules.

RESPONSIBLE WITNESS: Sam Bailey.

CERTIFICATE OF SERVICE

In accordance with 807 KAR 5:001, Section 8, I certify that the January 17, 2018 electronic filing of these Data Responses is a true and accurate copy of the same document being filed in paper medium; that the electronic filing was transmitted to the Commission on January 17, 2018; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original paper medium of these Data Responses will be mailed to the Commission by first class United States mail, postage prepaid, on January 17, 2018.



Douglas F. Brent