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IDAHO PUBLIC
UTILITIES COMMISSION

April 10, 2012

VIA UPS OVERNIGHT MAIL

Ms. Jean Jewell, Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
472 West Washington
Boise, ID 83720-0074

TMW-T-10-01

Re: In the Matter of the Application of T-Mobile West Corporation for Conditional Designation as an Eligible Telecommunications Carrier for Purposes of Participating in the Mobility Fund Phase I Auction and Request for Expedited Consideration

Dear Ms. Jewell:

On behalf of T-Mobile West Corporation, enclosed for filing are an original and seven copies of Application of T-Mobile West Corporation for Conditional Designation as an Eligible Telecommunications Carrier for Purposes of Participating in the Mobility Fund Phase I Auction and Request for Expedited Consideration.

Also enclosed is a Stamp-and-Return copy. Please acknowledge receipt by date stamping the extra copy of the Application and returning it to us in the self-addressed stamped envelope provided. Should you have any questions regarding this Application, please contact me.

Very truly yours,

Davis Wright Tremaine LLP

Mark P. Trinchero

MPT/jan

Enclosures

cc: Coeur d'Alene Tribe
Shoshone-Banock Tribes of the Fort Hall Reservation of Idaho
Nez Perce Tribe of Idaho
Kootenai Tribe of Idaho

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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of)
T-Mobile West Corporation) Case No. TMW-T-10-01
for Conditional Designation as an Eligible) **T-MOBILE APPLICATION AND**
Telecommunications Carrier for Purposes) **REQUEST FOR EXPEDITED**
of Participating in the Mobility Fund) **CONSIDERATION**
Phase I Auction.)

**APPLICATION OF T-MOBILE WEST CORPORATION FOR
CONDITIONAL DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS
CARRIER FOR THE PURPOSES OF ESTABLISHING ELIGIBILITY TO
PARTICIPATE IN THE MOBILITY FUND PHASE I AUCTION ON
SEPTEMBER 27, 2012 AT THE FEDERAL COMMUNICATIONS COMMISSION
AND REQUEST FOR EXPEDITED CONSIDERATION**

T-Mobile West Corporation, wholly-owned subsidiary of T-Mobile USA, Inc. and doing business as T-Mobile (referred to as “T-Mobile” or “Company”), pursuant to 47 U.S.C. § 214(e)(2), 47 C.F.R. § 54.1003, and the Idaho Public Utilities Commission’s (“Commission”) ETC designation requirements,¹ hereby petitions for conditional designation as an Eligible

¹ See *In the Matter of the Application of WWC Holding Co., Inc. dba CellularOne Seeking Designation as an Eligible Telecommunications Carrier That May Receive Federal Universal Service Support*, Order No. 29841, Appendix pp. 1-3 (IPUC Case No. WST-T-05-1, served August 4, 2005) (hereinafter “IPUC ETC Requirements Order”).

Telecommunications Carrier (“ETC”) in areas outside its existing ETC Area² for the purpose of establishing eligibility to participate in the Mobility Fund Phase I auction at the Federal Communications Commission (“FCC”) that is scheduled to be held on September 27, 2012 (“Auction 901”).³ As explained in greater detail below, the FCC, in its *USF/ICC Transformation Order*,⁴ established for the first time a universal service support mechanism dedicated exclusively to mobile services – the Mobility Fund. Phase I of the Mobility Fund will provide up to \$300 million in one-time support to “immediately accelerate deployment of networks for mobile voice and broadband services in unserved areas.”⁵

There are numerous unserved census block groups in Idaho where carriers may bid to receive Mobility Fund support to build infrastructure over which to deliver 3G or better broadband and voice service.⁶ However, to participate in Auction 901, a carrier must be designated as an ETC in all census blocks for which it desires to submit a bid. Furthermore, a carrier must be designated as an ETC at the time it files its short-form application for participation in the auction. Short-form applications for Auction 901 are expected to be due 90 days prior to the start of the auction, which would mean that short-form applications could be due on **June 29, 2012**. The deadline for short-form applications for Auction 901 has not been set

² T-Mobile received ETC designation in Idaho, effective August 9, 2011. *In Re the Application of T-Mobile West Corp. For Designation as an Eligible Telecommunications Carrier*, Case No. TMW-T-10-01, Order No. 32319 (August 9, 2011) (2010 T-Mobile ETC Order); T-Mobile’s ETC Area in Idaho includes all of the incumbent local exchange company wire centers listed in Attachment A to its Application, as Amended January 2011. See 2010 T-Mobile ETC Order at 13.

³ *Mobility Fund Phase I Auction Scheduled for September 27, 2012, Comment Sought on Competitive Bidding Procedures for Auction 901 and Certain Program Requirements*, AU Docket No. 12-25, Public Notice, DA 12-121 (rel. Feb. 2, 2012) (“Phase I Mobility Fund PN”).

⁴ Connect America Fund, WC Docket No. 10-90, A National Broadband Plan for Our Future, GN Docket No. 09-51, Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135, High-Cost Universal Service Support, WC Docket No. 05-337, Developing an Unified Intercarrier Compensation Regime, CC Docket No. 01-92, Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Lifeline and Link-Up, WC Docket No. 03-109, Universal Service Re4form – Mobility, WT Docket No. 10-208, *Report and Order and Further Notice of Proposed Rulemaking*, FCC 11-161, rel. November 18, 2011 (“*USF/ICC Transformation Order*”).

⁵ *Id.* at ¶ 28.

⁶ See http://wireless.fcc.gov/auctions/default.htm?job=auCTION_summary&id=901. See also *Eligible Telecommunications Carrier Designation for Participation in Mobility Fund Phase I*, WC Docket No. 09-197; WT Docket No. 10-208; AU Docket No. 12-25, Public Notice, DA 12-271 at ¶2 (rel. February 24, 2012) (“*Phase I Mobility Fund Designation PN*”).

by the FCC, and it is possible that the short-form application deadline could be set for an earlier or later date than the typical 90 days prior to the start of an auction.

T-Mobile desires to participate in the FCC's Mobility Fund Phase I auction to bring voice and mobile broadband services to unserved areas in Idaho, thereby giving Idaho consumers increased access to basic and advanced telecommunications services. T-Mobile is a facilities-based telecommunications carrier with a substantial Idaho presence that is seeking the additional approval necessary to be eligible to participate in the Mobility Fund Phase I auction for census blocks outside its existing ETC Area. T-Mobile seeks ETC designation for census blocks outside its existing ETC Area that is conditioned upon T-Mobile winning support from the Mobility Fund Phase I auction, which is permitted by the FCC's USF/ICC Transformation Order.⁷

T-Mobile meets all statutory and regulatory prerequisites for ETC designation⁸ and the public interest would be greatly served by granting this application, thereby enabling T-Mobile to bid in the FCC's Auction 901 and, if successful, deploy mobile wireless infrastructure in order to provide mobile voice and broadband service to unserved areas of the state that would benefit consumers in rural Idaho.

Due to the upcoming Auction 901 that is scheduled to occur on September 27, 2012, and the FCC's requirement that all carriers that wish to participate must be designated as ETCs at the time the auction short-form applications are filed with the FCC, T-Mobile requests expedited review and consideration of its Application.

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⁷ See ICC/USF Transformation Order footnote 665; 47 C.F.R. §54.1003(a).

⁸ See 2011 T-Mobile ETC Order.

I. BACKGROUND

A. Company Overview

T-Mobile is a national facilities-based provider of wireless voice, messaging, and data services capable of reaching over 293 million Americans. T-Mobile employs approximately 42,000 individuals nationwide and has had a long-standing presence in Idaho, where it employs more than 700 individuals. At the end of the fourth quarter of 2011, T-Mobile had approximately 33.2 million mobile customers nationwide. T-Mobile has deployed an advanced telecommunications network capable of serving consumers' basic and advanced communications needs.

B. Previous ETC Designations

T-Mobile's corporate affiliates have been designated as an ETC in ten jurisdictions -- nine states and Puerto Rico.⁹ In addition to Idaho, the eight other states in which T-Mobile has been designated include Florida, Georgia, Hawaii, Kentucky, Louisiana, Minnesota, North Carolina, and Washington. T-Mobile also has nineteen pending requests for high cost or Lifeline-only ETC designation for purposes of providing Lifeline service in Alabama, Arizona,

⁹*Order Granting Eligible Telecommunications Carrier Designation, In Re: Petition for designation as eligible telecommunications carrier by T-Mobile South LLC*, Docket No. 090507-TP, Order No. PSC-IO-0475-PAA-TP (Florida Public Service Commission, July 28, 2010) (*Florida ETC Order*); *Application of T-Mobile South LLC for designation as an Eligible Telecommunications Carrier pursuant to Section 214(e)(2) of the Communications Act of 1934*, Docket No. 32967 (Ga. Pub. Serv. Comm'n, decided Feb. 10, 2012, adopted Nov 17, 2011) *Decision and Order, In Re the Application of T-Mobile West Corporation For Designation as an Eligible Telecommunications Carrier in the State of Hawaii*, Docket No. 2010-0119 (Hawaii Public Utilities Commission, March 14, 2011); *Order, In Re Petition of T-Mobile Central LLC and Powertel/Memphis, Inc. for Designation as Eligible Telecommunications Carriers Pursuant to Section 214(E)(2) of the Communications Act of 1934* (Kentucky Public Service Commission, July 14, 2010); *Public Decision, T-Mobile Central, LLC, ex parte. In Re Application for Designation as an Eligible Telecommunications Carrier (ETC) for the purposes of receiving Universal Service Support for low income and rural service*, S-31865 (Louisiana Public Service Commission, Minutes from Open Session, October 12, 2011 (corrected), Ex. 31, p. 7); *Order Granting Petition for ETC Designation, Setting Conditions, and Requiring Compliance Filings, In Re T-Mobile Central LLC's Petition for Designation as an Eligible Telecommunications Carrier (ETC) in Minnesota*, Docket No. P-6856/M-11-123 (Minnesota Public Utilities Commission, September 27, 2011); *Order, High-Cost Universal Service Support; Federal-State Joint Commission on Universal Service*, WC Docket No. 05-337, CC Docket No. 96-45, Order, 23 FCC Rcd 8834, 8837-50, ¶ 42 (2008) (*Interim Cap Order*); *Resolution and Order, Telecorp Communications, Inc., d/b/a AT&T Wireless*, Case No. JRT-2003-SU-0003 (Puerto Rico Telecommunications Regulatory Commission, September 10, 2003); *Order Granting Designation as an Eligible Telecommunications Carrier, In Re the Petition of T-Mobile West Corporation for Designation as an Eligible Telecommunications Carrier*, Docket No. UT-101060 (Washington Utilities and Transportation Commission, October 14, 2010).

Connecticut, Delaware, District of Columbia, Indiana, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Tennessee, and Virginia. In addition, T-Mobile has filed or will file requests for conditional ETC designation for purposes of obtaining Mobility Fund Phase I support in a number of states in addition to Idaho.

C. The Mobility Fund – Phase I Auction and Commission Authority to Designate ETCs

On November 18, 2011, the FCC adopted comprehensive reforms of the universal service and intercarrier compensation systems “to ensure that robust, affordable voice and broadband service, both fixed and mobile, are available to Americans throughout the nation.”¹⁰ The FCC recognized that “too many Americans today do not have access to modern networks that support broadband” and that “[t]here are unserved areas in every state of the nation and its territories, and in many of these areas there is little reason to believe that Congress’s desire to ‘ensure that all people of the United States have access to broadband capability’ will be met any time soon with current policies.”¹¹

As part of the FCC’s reform of the universal service program, the FCC created a Mobility Fund as part of the Connect America Fund, which is the first universal service mechanism dedicated to ensuring availability of mobile wireless networks for voice and broadband services. In Phase I of the Mobility Fund, the FCC stated that it will provide up to \$300 million in one-time support to accelerate the deployment of next generation 3G or better networks for mobile voice and broadband services in unserved areas. Mobility Fund Phase I support will be awarded through a nationwide reverse auction, administered by the FCC, which will be held on

¹⁰ *USF/ICC Transformation Order* at ¶1.

¹¹ *Id.* at ¶4.

September 27, 2012.¹² The FCC has published a preliminary list of census blocks that are potentially eligible for Mobility Fund Phase I support. The list includes census blocks that the FCC considers unserved today by mobile broadband services, based on a centroid analysis of whether there is service at the center of the census block.¹³ T-Mobile seeks conditional designation as an ETC in all census blocks in Idaho outside of its existing ETC Area that are designated as eligible for bidding in the Mobility Fund Phase I auction. The FCC's preliminary list was released by the FCC on February 10, 2012, along with an interactive map of the potentially eligible blocks on the list.¹⁴ The FCC has not yet released a final list. T-Mobile will provide the Commission a copy of the final list from the FCC once it is published.¹⁵

To participate in Auction 901, at the time it files its short-form application for participation in the auction, a carrier must be designated as an ETC for all census blocks for which it intends to submit a bid. The typical timeframe for submitting a short-form application in a spectrum auction is 90 days prior to the start of the auction. In this case, that would make a short-form application due by **June 29, 2012**. This would, in turn, require T-Mobile to be designated as an ETC for all census blocks for which it intends to submit a bid in a reasonable timeframe before that short-form application deadline.

In states that retain jurisdiction for designating ETCs, such as Idaho, it is the state commission that must grant the necessary ETC designation. The FCC stated that:

By statute, the states, along with the [FCC], are empowered to designate common carriers as ETCs. ETCs must satisfy various service obligations, consistent with the public interest. We decline to adopt new federal rules to govern the ETC designation process solely for purposes of designating entities to receive non-recurring

¹² See *Phase I Mobility Fund PN*.

¹³ See http://wireless.fcc.gov/auctions/default.htm?job=auction_summary&id=901.

¹⁴ See http://wireless.fcc.gov/auctions/Auction_901_Attachment_A_Jan2012.htm.

The map can be found at <http://www.fcc.gov/maps/mobility-fund-phase-1-potentially-eligible-areas>.

¹⁵ Many parties, including T-Mobile, filed comments on March 16, 2012, challenging the FCC's determinations regarding the potential eligibility of specific census blocks for Mobility Fund Phase I support. Reply comments were filed on March 26th.

support, as suggested by some commenters. In light of the roughly comparable amounts of time required for the Commission and states to process applications to be designated as an ETC . . . parties contemplating requesting new designations as ETCs for purposes of participating in the auction should act promptly to begin the process. The Commission will make every effort to process such applications in a timely fashion, and **we urge the states to do the same.**¹⁶

Therefore, the Commission has the authority necessary to designate T-Mobile as an ETC pursuant to this petition. 47 U.S.C. § 214(e), 47 C.F.R. 54.1003 and the IPUC ETC Requirements Order provide the Commission with the authority to designate competitive carriers as ETCs, which the Commission previously exercised in designating T-Mobile as an ETC.¹⁷

T-Mobile seeks ETC designation conditioned upon T-Mobile winning support from the Mobility Fund Phase I auction, which is permitted by the FCC's USF/ICC Transformation Order.¹⁸ Therefore, T-Mobile would ultimately be an ETC in the areas in which it won Mobility Phase I support.

T-Mobile satisfies all of the requirements for designation as an ETC, including: (i) common carrier status; (ii) offering all of the supported services; (iii) offering service throughout its designated ETC service area; (iv) advertising the availability of its universal service offerings; and (v) meeting all other requirements for designation as an ETC. Based on satisfying the ETC designation requirements, and the FCC's encouragement to the states to process ETC applications in a timely fashion so that carriers can participate in Auction 901, the Commission should expeditiously designate T-Mobile as an ETC in Idaho.

¹⁶ USF/ICC Transformation Order at ¶390 (emphasis added).

¹⁷ See 2011 T-Mobile ETC Order.

¹⁸ See ICC/USF Transformation Order footnote 665; 47 C.F.R. section 54.1003(a).

II. T-MOBILE MEETS THE STATUTORY AND REGULATORY PREREQUISITES FOR ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION

As demonstrated herein, and as previously determined by the Commission,¹⁹ T-Mobile meets the requirements for designation as an ETC as established under federal law,²⁰ Federal Communications Commission (“FCC”) rules,²¹ and applicable Idaho requirements.²² In particular, T-Mobile:

1. is a common carrier;²³
2. will offer the services supported by federal universal service support mechanisms;²⁴
3. will use its own facilities to provide the supported services;²⁵
4. will provide the supported services throughout its designated service area;²⁶
5. will advertise the availability of its universal service offerings and charges for such offerings using media of general distribution;²⁷
6. will make Lifeline service available to qualifying low-income consumers;²⁸
7. will meet the additional application requirements:
 - a) certify that it will comply with the service requirements applicable to the support that it receives;²⁹
 - b) submit a 2-year service improvement plan;³⁰
 - c) be able to remain functional in emergency situations;³¹
 - d) satisfy consumer protection and service quality standards;³²

¹⁹ See 2011 T-Mobile ETC Order.

²⁰ 47 U.S.C. § 214(e)(1).

²¹ 47 C.F.R. § 54.201(d). In its *USF/ICC Transformation Order*, the FCC modified the required supported services in 47 C.F.R. § 54.101 and the additional requirements for designation as an ETC in 47 C.F.R. § 54.202.

²² IPUC ETC Requirements Order.

²³ 47 U.S.C. § 214(e)(1); 47 C.F.R. § 54.201(d).

²⁴ 47 U.S.C. § 214(e)(1)(A); 47 C.F.R. §§ 54.201(d)(1) and 54.405.

²⁵ 47 U.S.C. § 214(e)(1)(A); 47 C.F.R. § 54.201(d)(1).

²⁶ 47 U.S.C. § 214(e)(1); 47 C.F.R. § 54.201(d).

²⁷ 47 U.S.C. § 214(e)(1)(B); 47 C.F.R. § 54.201(d)(2).

²⁸ 47 C.F.R. § 54.405; see also *In the Matter of Lifeline and Link Up Reform and Modernization, Report and Order and Further Notice of Proposed Rulemaking*, WC Docket No. 11-42, FCC 12-11, released February 6, 2012 (“*Lifeline Reform Order*”). The FCC adopted comprehensive reforms to the federal low-income program, including steps to limit fraud, waste and abuse within the program.

²⁹ 47 C.F.R. § 54.202 (a)(1)(i).

³⁰ 47 C.F.R. § 54.202 (a)(1)(ii) and IPUC ETC Requirements Order, App., at 2-3.

³¹ 47 C.F.R. § 54.202(a)(2); IPUC ETC Requirements Order, App., at 3.

- e) provide local usage plans comparable to the incumbent local exchange carriers (ILECs) already operating in the proposed area;³³
 - f) provide notice to affected tribal governments or tribal regulatory authorities.³⁴
8. will comply with all applicable reporting requirements;³⁵ and
9. will take steps to limit fraud, waste and abuse of the FUSF.³⁶

Furthermore, T-Mobile's conditional designation as an ETC serves the public interest by expanding the availability of next generation networks, if T-Mobile receives Mobility Fund Phase I support, which will increase customer choice and service availability and make available to consumers new service offerings, including wireless broadband and Lifeline services.³⁷ This is consistent with the Commission's conclusions in the 2011 T-Mobile ETC Order, where the Commission stated:

We find that designating T-Mobile as an ETC in its requested rural and non-rural service areas is in the public interest. Granting ETC status will benefit consumers by offering new services and increased competition. In addition, we find granting T-Mobile ETC status will provide rural customers with greater access to wireless services and may be beneficial to eligible recipients for ITSAP and Lifeline services.³⁸

Therefore, in granting the additional conditional ETC designations requested in this Petition, the Commission will further advance the public interest by permitting T-Mobile to participate in Auction 901 and thereby, if it is the successful bidder, allow T-Mobile to bring enhanced service offerings and broadband wireless and Lifeline services to unserved areas in the State.

³² 47 C.F.R. § 54.202(a)(3); IPUC ETC Requirements Order, App., at 3.

³³ IPUC ETC Requirements Order, App., at 3. In the *USF/ICC Reform Order*, the FCC eliminated the additional requirement of offering local usage, but T-Mobile will continue to meet this requirement to the extent it is still required do so in Idaho.

³⁴ *Id.* at 2. Because the FCC has not yet finalized the list of census block groups eligible for Auction 901, T-Mobile is providing a courtesy copy of its Application to all Tribal governments in Idaho.

³⁵ See IPUC ETC Requirements Order, App., at 3-4.

³⁶ See *Lifeline Reform Order*. T-Mobile will comply with all applicable Lifeline requirements and implement measures to prevent fraud, waste, and abuse.

³⁷ 47 U.S.C. § 214(e)(2).

³⁸ 2011 T-Mobile ETC Order at 13.

T-Mobile's compliance with each of the applicable federal and Idaho requirements to obtain designation as an ETC is further discussed below.

A. T-Mobile is a Common Carrier

T-Mobile is a Commercial Mobile Radio Service ("CMRS") provider, and, as such, T-Mobile is regulated as a common carrier,³⁹ subject to all applicable regulations. Therefore, T-Mobile meets the ETC requirement of being a common carrier.⁴⁰

B. T-Mobile Offers the Services Supported by the Federal Universal Service Support Mechanisms

T-Mobile provides each of the four services supported by federal universal service support mechanisms and will provide toll-limitation service for qualifying low-income consumers upon designation as an ETC as set forth below.⁴¹ In the 2011 T-Mobile ETC Order, the Commission concluded that T-Mobile provides the requisite services.⁴²

1. Voice Grade Access To The Public Switched Telephone Network⁴³ – T-Mobile meets this requirement through its provision of mobile voice communications service and interconnection to the public switched telephone network.
2. Local Usage – an amount of minutes of use provided free of charge to end users.⁴⁴ T-Mobile meets this requirement by providing an amount of local usage free of charge in each universal service rate plan.
3. Access To Emergency Services – access to emergency services includes both access to 911 and E911 services to the extent the local government has implemented such services.⁴⁵ T-Mobile meets this requirement by providing 911 service and meeting all requests for E911 service from local public service answering points ("PSAPs").

³⁹ 47 C.F.R. § 20.9.

⁴⁰ See 2011 T-Mobile ETC Order at 12-13.

⁴¹ In the *USF/ICC Transformation Order*, the FCC revised the supported services to eliminate the requirement to offer dual tone multi-frequency signaling, single party service, access to operator service, access to interexchange service, and directory assistance, but T-Mobile continues to provide these services and functionalities as part of its universal service offerings, including Lifeline service.

⁴² 2011 T-Mobile ETC Order at 12-13.

⁴³ 47 C.F.R. § 54.101(a).

⁴⁴ 47 C.F.R. § 54.101(a).

⁴⁵ 47 C.F.R. § 54.101(a).

4. Toll Limitation For Qualifying Low-Income Consumers – toll limitation means both toll blocking and toll control, or, if a carrier is not capable of providing both toll blocking and toll control, then toll limitation is defined as either toll blocking or toll control.⁴⁶ Upon implementing any Lifeline service offering that distinguishes between toll and non-toll calls, T-Mobile will offer toll limitation to qualifying low-income consumers at no additional charge. However, T-Mobile’s typical service offerings do not distinguish between toll and non-toll calls and, therefore, toll limitation service is not applicable to such offerings.⁴⁷

C. T-Mobile is a Facilities-Based Wireless Telecommunications Carrier

T-Mobile is a facilities-based wireless telecommunications carrier with its own switching, cell sites, and associated telecommunications facilities in Idaho, enabling T-Mobile to provide universal service throughout its proposed designated ETC service area.⁴⁸ The Company uses radio licenses issued by the FCC to provide CMRS and will use its own extensive network facilities throughout Idaho to provide service to consumers in its requested ETC Service Area. In the 2011 T-Mobile ETC Order, the Commission concluded that T-Mobile is a facilities-based carrier.⁴⁹

D. T-Mobile Will Provide Service Throughout Its Designated Service Area

T-Mobile commits to provide all of the supported services throughout its designated service area, consistent with all applicable requirements. T-Mobile holds radio licenses from the FCC that cover the entire state of Idaho. In the 2011 T-Mobile ETC Order, the Commission concluded that T-Mobile satisfies this requirement.⁵⁰

⁴⁶ 47 C.F.R. § 54.101(a); 47 C.F.R. § 54.400(d).

⁴⁷ In its *Lifeline Reform Order*, the FCC stated “[i]n this Order, we relieve ETCs of the obligation to offer TLS in the first instance if their Lifeline offering does not distinguish in the pricing of toll and non-toll calls, which may relieve many ETCs of the obligation to offer TLS.” *Lifeline Reform Order* at ¶ 238. T-Mobile has not previously sought and has no plans in the future to seek reimbursement for any toll limitation services provided to Lifeline customers.

⁴⁸ 47 U.S.C. § 214(e)(1)(A); 47 C.F.R. § 54.201(d)(1).

⁴⁹ 2011 T-Mobile ETC Order at 12-13.

⁵⁰ *Id.*

E. T-Mobile Will Advertise the Availability of Its Universal Service Offerings and Charges for Such Offerings Using Media of General Distribution

T-Mobile will advertise the availability of, and charges for, its universal service offerings using media of general distribution, and will undertake outreach initiatives to increase consumer awareness of T-Mobile's Lifeline service offering, consistent with all applicable requirements.⁵¹ T-Mobile currently offers and advertises its wireless telecommunications services, including those offerings that include all of the supported services, using radio, television, billboards, print, internet, and targeted mailings, among others. T-Mobile will use the appropriate media outlets to advertise its universal service offerings in a manner consistent with applicable requirements, and, for its Lifeline service offerings, it will undertake outreach initiatives designed to reach eligible low-income consumers and will include all required disclosures in its Lifeline advertising and outreach.⁵² In the 2011 T-Mobile ETC Order, the Commission concluded that T-Mobile satisfies this requirement.⁵³

F. T-Mobile Meets the Additional Requirements for Designation as an ETC

1. Certify Compliance With Applicable Service Requirements

T-Mobile will serve all consumers within its ETC service area, and certifies that it will comply with the service requirements applicable to the support that it receives, consistent with 47 C.F.R. § 54.202(a)(1)(i).

2. Service Improvement Plan ("SIP")

T-Mobile will use universal service funding consistent with the applicable requirements for funding received under the Phase I Mobility Fund. The FCC has set forth several specific requirements for providers who are awarded Mobility Fund Phase I support. Mobile service

⁵¹ 47 U.S.C. § 214(e)(1)(B); 47 C.F.R. § 54.201(d)(2).

⁵² 47 C.F.R. §§ 54.405(b) and (c).

⁵³ 2011 T-Mobile ETC Order at 12-13.

providers are obligated to provide the supported services over a 3G or better network with specific data transmission speeds.⁵⁴ Recipients that provide the supported services over 3G networks will have two years from authorization of support to meet their requirements; those deploying 4G networks will have three years. At the end of the build-out periods, recipients must provide service over the areas in which they received support over at least 75 percent of the total road miles in the identified census blocks.⁵⁵

T-Mobile will use funding to construct facilities and provide service in the census blocks where it receives Mobility Fund Phase I funding. The FCC has not released the final list of census blocks eligible for Mobility Fund Phase I support, but T-Mobile will provide the final list as soon as it is released by the FCC. T-Mobile will prepare and file with the Commission a comprehensive service improvement plan ("SIP") for any additional ETC service areas outside its existing ETC Area after the FCC awards funding through its reverse auction.

3. Ability to Function in Emergency Situations

T-Mobile has the "ability to remain functional in emergency situations."⁵⁶ As demonstrated in its Emergency Operation Plan, T-Mobile has a reasonable amount of back-up power to ensure functionality without an external power source, is able to re-route traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations. T-Mobile's Emergency Operation Plan is confidential and will be provided once a Protective Order is issued. In the 2011 T-Mobile ETC Order, the Commission concluded that T-Mobile satisfies this requirement.⁵⁷

⁵⁴ See FCC ICC/USF Transformation Order at ¶¶ 360-362.

⁵⁵ *Id.* at ¶ 365. The percentage build-out requirement is subject to change based on the FCC's final rules on the Mobility Phase I auction.

⁵⁶ 47 C.F.R. § 54.202(a)(2); IPUC ETC Requirements Order, App., at 3.

⁵⁷ 2011 T-Mobile ETC Order at 13.

4. Consumer Protection and Service Quality Standards

T-Mobile will satisfy applicable consumer protection and service quality standards in accordance with 47 C.F.R. § 54.202(a)(3) and the IPUC ETC Requirements Order.⁵⁸ T-Mobile is a strong supporter of and abides by the CTIA-The Wireless Association's® Consumer Code for Wireless Service ("Consumer Code"). T-Mobile has been a signatory of the Consumer Code since 2003. Most recently, T-Mobile was certified as CTIA compliant with the Consumer Code as evidenced by the CTIA letter of certification dated October 7, 2011, attached hereto as Exhibit 1.

5. Comparable Local Usage

T-Mobile's service offerings are comparable to the offerings of the ILECs, taking into consideration all of the attributes of its and the ILECs' service offerings.⁵⁹ In the 2011 T-Mobile ETC Order, the Commission concluded that T-Mobile satisfies this requirement.⁶⁰

G. Make Available Lifeline Service To Eligible Low-Income Consumers

Upon designation as an ETC and receipt of Mobility Fund Phase I support, T-Mobile will make available to qualified low-income consumers a discounted service offering that meets all applicable Lifeline requirements. Consumers increasingly rely on their mobile phones for all of their communications needs and qualifying low-income consumers are no exception.

T-Mobile's Lifeline service offering, which is subject to change, includes:

- a low \$6.49 per month Lifeline rate;
- 145 Whenever minutes[®],⁶¹ 500 night minutes, and 500 weekend minutes per month,⁶²

⁵⁸ See IPUC ETC Requirements Order, App., at 3.

⁵⁹ In its *USF/ICC Transformation Order*, the FCC eliminated the requirement to offer local usage comparable to the ILEC offerings. Nevertheless, to the extent it is still required, T-Mobile will comply.

⁶⁰ 2011 T-Mobile ETC Order at 13.

⁶¹ Whenever minutes[®] are minutes that can be used at anytime and anywhere on T-Mobile's nationwide network.

⁶² Weekend minutes are currently defined as midnight Friday to midnight Sunday, and nights are currently defined as 9:00 p.m. to 6:59 a.m. Monday-Friday, based on the start time of call.

- additional minutes priced at \$0.05 per minute;
- an affordable handset; and
- terms and conditions of service as identified in generally available service offerings identified on its web page: <http://www.t-mobile.com/>.

T-Mobile's Lifeline service offering provides consumers additional benefits. For example, calls to 911 and to customer service (dialing 611 from the mobile handset) will be free calls, regardless of whether the customer has sufficient remaining minutes available in their account, and those calls will not be deducted from the monthly included minutes or charged as additional minutes. Additionally, qualified consumers who subscribe to T-Mobile's Lifeline offering are not charged a fee for the cost of the federal universal service fund or other government-related surcharges (including a fee for the cost of local number portability). In addition to voice services, Lifeline customers will also have access to a variety of other standard features at no additional charge, including voice mail, caller identification and call-waiting services. T-Mobile also intends to offer Lifeline discounts to other rate plans in the near future. In its *Lifeline Reform Order* released on February 6, 2012, the FCC adopted comprehensive reforms to the low-income program to revise and modernize the Lifeline service requirements and implement measures to address fraud, waste, and abuse within the system. T-Mobile has thoroughly reviewed the Lifeline Reform Order and all newly-adopted requirements and will implement the internal controls and processes necessary to ensure compliance with the FCC's final rules and any subsequent FCC orders.⁶³ T-Mobile is a well-established universal service provider operating in multiple states, including Idaho, with a comprehensive compliance program in place to address all existing and future requirements. In the 2011 T-Mobile ETC Order, the Commission reviewed this same T-Mobile Lifeline service offering, and found that "granting T-

⁶³ T-Mobile notes that the *Lifeline Reform Order* may be subject to petitions for reconsideration.

Mobile ETC status will provide rural customers with greater access to wireless services and may be beneficial to eligible recipients for ITSAP and Lifeline services.”⁶⁴

IV. DESIGNATING T-MOBILE AS AN ETC IS IN THE PUBLIC INTEREST

T-Mobile meets all of the requirements for designation as an ETC by providing the supported services, committing to serve all consumers throughout its designated service area, offering a Lifeline service consistent with all applicable requirements, advertising the availability of its universal service offerings, and furthering the goals of the universal service program. Moreover, conditional designation of T-Mobile as an ETC for census blocks outside its existing ETC Area is in the public interest because, if T-Mobile is successful in obtaining Mobility Fund support, consumers will benefit from competitive pricing, new services, a higher level of service quality, and great customer service. Furthermore, the designation will not adversely impact the universal service fund. As noted above, in the 2011 T-Mobile ETC Order, the Commission concluded that granting T-Mobile ETC designation satisfies the public interest test, stating “[g]ranteeing ETC status will benefit consumers by offering new services and increased competition.”⁶⁵

Granting T-Mobile conditional ETC designation for census blocks outside its existing ETC Area will allow T-Mobile to participate in the FCC’s Auction 901 and bid to serve portions of Idaho that currently do not have access to 3G or better mobile wireless services. Idaho consumers will benefit if T-Mobile is successful in winning support from the FCC’s Mobility Fund. This will lead to: (i) customer choice for basic and advanced communications needs; (ii) new service offerings with competitive pricing, services, and features; and (iii) construction

⁶⁴ 2011 T-Mobile ETC Order at 13.

⁶⁵ *Id.*

and operation of telecommunications facilities and services in unserved areas of the state to deploy 3G or better networks.

The benefits of competition are widely recognized and extend to all markets, as recognized by the FCC:

We note that an important goal of the Act is to open local telecommunications markets to competition. Designation of competitive ETCs promotes competition and benefits consumers in rural and high-cost areas by increasing customer choice, innovative services, and new technologies. We agree with Western Wireless that competition will result not only in the deployment of new facilities and technologies, but will also provide an incentive to the incumbent rural telephone companies to improve their existing network to remain competitive, resulting in improved service to Wyoming consumers [consumers in the proposed ETC service area]. In addition, we find that the provision of competitive service will facilitate universal service to the benefit of consumers in Wyoming by creating incentives to ensure that quality services are available at “just, reasonable, and affordable rates.”⁶⁶

If T-Mobile obtains Mobility Fund Phase I support, T-Mobile’s conditional designation as an ETC for census blocks outside its existing ETC Area will result in consumers having greater access to wireless telecommunications services, thereby advancing the basic goal of preserving and advancing universal service. Congress established a competitive universal service framework to expand the level of competition among carriers vying for the business of consumers based on price, service offerings, coverage, and service quality. T-Mobile offers consumers competitive service offerings and high-quality customer service, and through its potential entry into additional universal service markets, more Idaho consumers may now have greater access to all of these benefits. The wireless service that T-Mobile offers will provide

⁶⁶*In the Matter of the Federal-State Joint Commission on Universal Service, Western Wireless Corp. Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming*, CC Docket No. 96-45, *Memorandum Opinion and Order*, DA 00-2896, ¶ 17 (released December 26, 2000).

these additional customers with an affordable alternative to traditional telecommunications service.

The wireless consumer in Idaho has taken advantage of heavy market penetration. Approximately 1.25 million Idaho residents are wireless subscribers.⁶⁷ According to the Centers for Disease Control, 31.7% of adults in Idaho were living in wireless-only households in June of 2010.⁶⁸ And prices for wireless services continue to fall dramatically. Text messaging prices declined from \$0.011 per message in 2008 to \$0.009 in 2009.⁶⁹ Average smartphone prices net of carrier subsidies decreased from \$220 in 4Q06 to \$120 in 4Q09, with average prices for all handsets after discounts falling from \$85 in 4Q06 to \$50 in 4Q09.⁷⁰ Although average monthly data traffic per subscriber grew 78% between 2008 and 2009, wireless data service ARPU rose only 22% in that period.⁷¹ Indeed, as the most recent data from the U.S. Bureau of Labor Statistics' Wireless Price Index shows, as of July 2011 the price of wireless service has fallen some 40% since December 1997.⁷² Despite continuing economic difficulties, incremental capital investment increased from \$20.2 billion in 2008 to \$20.4 billion in 2009. Wireless accounts for more than 30% of all telecommunications investment, nearly a quarter of all information and communications technology investment, and two percent of total investment in the U.S. economy.⁷³

⁶⁷ See *Local Telephone Competition: Status as of December 31, 2010, tbls 8,9,17* (FCC, Industry Analysis & Technical Division, Wireline Competition Bureau, Oct. 2011)[available at http://transition.fcc.gov/Daily_Releases/Daily_Business/2011/db1007/DOC-310264A1.pdf].

⁶⁸ See *Wireless Substitution: State-level Estimates From the National Health Interview Survey, January-June 2010*. U.S. Centers for Disease Control and Prevention, Division of Health Interview Statistics, National Center for Health Statistics. Table 1 (April 20, 2011), available at <http://www.cdc.gov/nchs/data/nhsr/nhsr039.pdf>.

⁶⁹ *Annual Report and Analysis of Competitive Market Conditions With Respect to Mobile Wireless, Including Commercial Mobile Services*, 2011 FCC LEXIS 2636, ¶ 193 (2011) (*FCC Report*).

⁷⁰ *Id.* ¶ 334.

⁷¹ *Id.* ¶¶ 186, 203.

⁷² See Bureau of Labor Statistics Consumer Price Index – All Urban Consumers, Series ID CUUR0000SEED03, available at <http://data.bls.gov/pdq/querytool.jsp?survey=cu>.

⁷³ *Annual Report and Analysis of Competitive Market Conditions With Respect to Mobile Wireless, Including Commercial Mobile Services*, 2011 FCC LEXIS 2636, (2011) (*FCC Report*).

T-Mobile's designation will not impact the federal universal service fund, since the FCC has set aside up to \$300 million for the Mobility Fund Phase I auction.

T-Mobile's conditional designation as an ETC for census blocks outside its existing ETC Area will enable the Company to make available universal service offerings to consumers throughout its designated service area in Idaho, which, for some consumers, T-Mobile's service offerings will be their primary means of communications. Conditionally designating T-Mobile as an ETC for census blocks outside its existing ETC Area will enable the Company to participate in the upcoming Phase I Mobility Fund auction on September 27, 2012, to expand its coverage and extend its services to consumers in additional rural areas. Conditionally, designating T-Mobile as an ETC for census blocks outside its existing ETC Area will also help to secure, and potentially enhance, the contributions T-Mobile makes to Idaho's economy.

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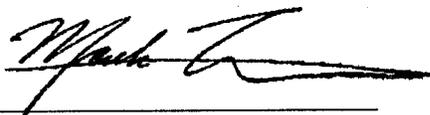
VI. CONCLUSION

WHEREFORE, for the reasons stated above, T-Mobile respectfully requests that the Commission expeditiously: (i) designate T-Mobile as an ETC for eligibility for federal universal service funding conditioned upon T-Mobile winning support from the Mobility Fund Phase I auction, such that T-Mobile shall be deemed an ETC outside its existing ETC Area only in the areas in which it is awarded Mobility Fund support; (ii) send the appropriate notice of the Order designating T-Mobile as an ETC for census blocks outside its existing ETC Area to the FCC and the Universal Service Administrative Company; and (iii) order such other relief as may be appropriate.

Dated this 10th day of April, 2012.

Respectfully submitted,

T-Mobile West Corporation

By: 

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Steve Largent
President/CEO

October 7, 2011

Ms. Kelsey Joyce
Director of Legal Affairs
Marketing
T-Mobile USA, Inc.
12920 SE 38th Street
Bellevue, WA 98006

Dear Kelsey:

Congratulations! This letter is to notify you that T-Mobile USA ("T-Mobile") has completed the recertification process for the CTIA Consumer Code for Wireless Service ("Voluntary Consumer Code") for the period January 1, 2011 – December 31, 2011, and is deemed compliant with the principles, disclosures and practices set forth in the Voluntary Consumer Code. Accordingly, T-Mobile is authorized to use and display the CTIA Seal of Wireless Quality/Consumer Information, subject to the terms and conditions set forth in the attached License Agreement.

Please ensure that the relevant employees of T-Mobile review the License Agreement before using the Seal. Use of the Seal constitutes acceptance of these terms and conditions. Upon request, we will provide two specimens (color and black/white) of the Seal for T-Mobile's use on its website or collateral materials. If you should have any questions concerning the recertification process or use of the Seal, please contact Andrea Williams, CTIA's Vice President of Law and Assistant General Counsel, at (202) 736-3215 or awilliams@ctia.org.

CTIA commends T-Mobile for its ongoing leadership and participation in the CTIA Voluntary Consumer Code, and we look forward to continuing to work with T-Mobile on this important industry initiative.

Sincerely,

Congratulations!

Steve Largent
Steve Largent

Attachment

cc: Philipp Humm
Dave Miller

