THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners: Andrew J. French, Chairperson

Dwight D. Keen Annie Kuether

In the Matter of IM Telecom, LLC d/b/a)	
Infiniti Mobile's Application for Designation)	Docket No. 24-IMTT-515-ETG
as an Eligible Telecommunications Carrier.)	

ORDER GRANTING APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

The above-captioned matter comes before the State Corporation Commission of the State of Kansas ("Commission") for consideration and determination. Having examined its files and records, the Commission finds and concludes:

- 1. On January 23, 2024, IM Telecom, LLC d/b/a Infiniti Mobile ("Infiniti") filed an application ("Application") requesting designation as an Eligible Telecommunications Carrier ("ETC") to provide federal and state Lifeline services utilizing the underlying wireless networks in the service areas of the facilities-based providers T-Mobile USA, Inc. ("T-Mobile), AT&T, and Verizon Wireless ("Verizon"). ¹
- 2. To receive an ETC designation, the applying carrier must make showings required under federal law. Specifically, pursuant to 47 U.S.C. § 214(e)(1) (2), § 254(c), and 47 C.F.R. § 54.101(a), the carrier must show:
 - a. The carrier will offer the services supported by federal universal service support mechanisms under 47 U.S.C. § 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another ETC) throughout the service area for which designation is received.²

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¹Application of IM Telecom, LLC for Designation as an Eligible Telecommunications Carrier in the State of Kansas, Jan. 23, 2024, p. 1.

²The supported services are codified in 47 C.F.R. § 54.101(a), which reads as follows:

- b. The carrier will advertise the availability of such services and the charges using media of general distribution.³
- c. Designation will be consistent with public interest, convenience, and necessity. 4
- 3. The federal Lifeline program no longer requires ETCs to offer both voice telephony and broadband in order to qualify for the full \$9.25 per month federal subsidy.⁵ Infiniti provides broadband Internet access service to ensure its Lifeline customers receive full Lifeline support.⁶ As of July 30, 2024, the federal Lifeline Program minimum service standards for fixed broadband is 25/3 Mbps with 1,024 GB of usage.

⁽a) Voice telephony services shall be supported by federal universal service support mechanisms. Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E of this part.

Carriers who receive forbearance from the "own-facilities" requirement for federally supported universal service still need to meet the "own facilities" requirement in order to be eligible for Kansas Universal Service Fund ("KUSF") support. K.S.A. 66-2008(b)(l); Order Dismissing Application, ¶¶ 39-42, Docket No. 17-TFWZ-237-ETC (May 11, 2017). In determining whether "minutes of use for local service is provided at no additional charge to end users," the Commission will consider the comparability of a competitive Eligible Telecommunications Carrier's ("ETC's") offering to the incumbent local exchange carrier's offering. See Docket No. 06-GIMT-446-GIT, Order Addressing Comments Regarding Revisions to Eligible Telecommunications Carrier Certification Forms, October 2, 2007. The Commission will evaluate the total service package, "including the local calling scope, included features, and usage that might otherwise be considered long distance." *Id.* The Commission will also consider whether an ETC applicant offers unlimited calling to government, social service, health facilities, educational institutions and emergency numbers when considering comparability. *Id.*

³47 U.S.C. § 214(e)(1)(B).

⁴The Commission will weigh certain factors to determine whether it is in the public interest to grant another carrier ETC status. Those factors include a) benefits of increased competitive choice; b) the impact of multiple ETC designations on the KUSF; c) the unique advantages and disadvantages of the carrier's service offering; d) commitments made regarding quality of telephone service provided by competing providers; and e) the carrier's ability to provide the supported services throughout the designated service area within a reasonable time frame. See Docket No. 04-RCCT-338-ETC, Order No. 14 Order Granting ETC Designation and Addressing Additional Issues, September 30, 2004, and Docket No. 04-ALKT-283-ETC, Order Granting ETC Designation and Addressing Additional Issues, September 24, 2004. The Commission will also consider any other relevant factors in determining whether ETC designation is in the public interest.

⁵See, 47 C.F.R. § 54.101(a).

⁶Application, p. 10; R&R pp. 5–6, 9.

- 4. To show that an ETC designation is in the public interest, ⁷ for both federal and state purposes, the Commission requires an applicant to show:
 - a. The carrier is financially and technically capable of providing the supported Lifeline service in compliance with all of the low-income program rules.⁸
 - b. The carrier has received approval of its Compliance Plan with the FCC (if applicable).
 - c. The carrier undertakes efforts to eliminate waste, fraud, and abuse in the Lifeline program.
 - d. The carrier has sufficient back-up power to remain functional without external power in emergency situations, is able to reroute traffic around damaged facilities, and can manage emergency traffic spikes.⁹
 - e. The carrier will provide service throughout its designated service area to all customers making a reasonable request for service.
 - f. The carrier will comply with all applicable federal and state laws, rules, regulations, and orders. The carrier will inform the Commission of any changes in service made to comply with updated laws, rules, regulations, and orders.

⁷The Commission will weigh certain factors to determine whether it is in the public interest to grant another carrier ETC status. Those factors include a) benefits of increased competitive choice; b) the impact of multiple ETC designations on the KUSF; c) the unique advantages and disadvantages of the carrier's service offering; d) commitments made regarding quality of telephone service provided by competing providers; and e) the carrier's ability to provide the supported services throughout the designated service area within a reasonable time frame. See Docket No. 04-RCCT-338-ETC, Order No. 14 Order Granting ETC Designation and Addressing Additional Issues, September 30, 2004, and Docket No. 04-ALKT-283-ETC, Order Granting ETC Designation and Addressing Additional Issues, September 24, 2004. The Commission will also consider any other relevant factors in determining whether ETC designation is in the public interest.

⁸See 47 § C.F.R. 54.201(h), 54.202(a)(4); Docket No. 10-GIMT-658-GIT, Order Requiring Lifeline-Only ETC Applicants to Provide Kansas-Specific Information and Requesting Comments on AT&T Refund Issue, June 21, 2012. The FCC has stated that relevant considerations for such a showing include: a) Whether the Applicant previously offered services to non-Lifeline consumers; b) How long the Company has been in business; c) Whether the Applicant intends to rely exclusively on USF disbursements to operate; d) Whether the Applicant receives or will receive revenue from other sources; and e) Whether the Company has been subject to enforcement action or an ETC revocation proceeding in any state. In Docket No. 10-GIMT-658-GIT, the Commission also stated that lifeline-only ETC applicants should provide Kansas-specific information regarding technical and financial capacity similar to the information provided in the carrier's FCC Compliance Plan.

⁹See Docket No. 06-GIMT-446-GIT, Order Adopting Requirements for Designations of Eligible Telecommunications Carrier, October 2, 2006.

- 5. Finally, if a carrier seeks ETC designation for purposes of participation in the Kansas Lifeline Service Program (KSLP) to receive the additional \$7.77 state subsidy, the carrier must show:
 - a. Lifeline customers will be able to apply the Lifeline discount to any calling plan offered by the carrier. ¹⁰ Additionally, the entirety of the KLSP discount will be passed along to the end user consumer. ¹¹ If the carrier offers the same service plans in other states that do not have additional support on top of federal Lifeline subsidies, the carrier will offer a plan in Kansas that justifies the additional Lifeline funds from KLSP. ¹²
 - b. The carrier will offer KLSP services using its own facilities. ¹³
 - c. The carrier, in its advertising, will use "meaningful language so that consumers will understand what they can expect from an ETC," and include contact information for the Commission's Office of Public Affairs and Consumer Protection ("PACP"), the Kansas Corporation Commission, and the Kansas Relay Center for the hearing of speech impaired.
 - d. The carrier will use the Kansas Lifeline Credit Application to enroll eligible customers in the KLSP or its own Credit Form which must contain all the data found in the Kansas Lifeline Credit Application. ¹⁴
 - e. The carrier is properly registered with the Kansas Secretary of State's Office.
- 6. On June 30, 2025, Commission staff ("Staff") submitted its Report and Recommendation ("R&R") containing Staff's evaluation and analysis from its review of the Application.
- 7. The Commission adopts Staff's R&R, attached hereto and made a part hereof by reference, as findings herein.

 $^{^{10}}Id$.

¹¹See Docket No. 10-GIMT-658-GIT, Order Addressing Issues Concerning The Kansas Lifeline Service Program, Aug. 17, 2011.

¹² This only applies if the carrier is seeking KLSP funds.

¹³K.S.A. 66-2008(b)(1); Order Dismissing Application, ¶¶39–42, Docket No. 17-TFWZ-237-ETC (May 11, 2017).

¹⁴See Docket No. 10-GIMT-658-GIT, Order Order Requiring Eligible Telecommunications Carriers to Comply with New Lifeline Requirements and Requesting Comments, Mar. 27, 2012; 47 C.F.R. § 54.410.

- 8. Based on the applicant's representations and Staff's review of the information submitted by TruConnect in this docket, the Commission finds that TruConnect has shown it meets conditions set forth in paragraphs 2.a., 2.b., 4.a–f., and 5.a–e. above.
- 9. The Commission concludes that Infiniti's ETC designation as requested in the exchange areas for federal Lifeline program purposes meets the public interest, convenience, and necessity by being a benefit to low-income Kansas consumers and, therefore, is just and reasonable.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

- A. The Application of IM Telecom, LLC d/b/a Infiniti for ETC designation is approved. The company is granted ETC status in all the requested exchanges provided in Exhibit 3 to the Application.
- B. Infiniti shall use federal and state Lifeline funds for their intended purpose, and the company shall pass the entire Lifeline credit through to consumers. Furthermore, the company shall abide by Lifeline-only ETC requirements adopted by this Commission, including annual ETC recertification requirements, and Infiniti shall comply with such requirements to continue to receive state and federal support.
- C. Infiniti shall file in this docket within thirty (30) days of this order a revised advertisement including Public Affairs and Consumer Protection ("PACP") contact information in the instant docket.

D. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).¹⁵

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, C	Commissioner; Kuether	, Commissioner
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Dated: ____07/29/2025

Celeste Chaney-Tucker Executive Director

BWB

¹⁵ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).



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Laura Kelly, Governor

Andrew J. French, Chairperson Dwight D. Keen, Commissioner Annie Kuether, Commissioner

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO: Andrew J. French, Chairperson

Dwight D. Keen, Commissioner Annie Kuether, Commissioner

FROM: Drennan Dolsky, Telecommunications Analyst

Steve Garrett, Deputy Chief of Telecommunications

Janet Buchanan, Deputy Director of Utilities

Justin Grady, Director of Utilities

DATE: June 30, 2025

SUBJECT: Docket No. 24-IMTT-515-ETC

In the Matter of IM Telecom, LLC d/b/a Infiniti Mobile's Application for

Designation as an Eligible Telecommunications Carrier.

EXECUTIVE SUMMARY:

On January 23, 2024, IM Telecom, LLC d/b/a Infiniti Mobile ("Infiniti") filed an Application with the Kansas Corporation Commission ("Commission") for Eligible Telecommunications Carrier (ETC) designation in order to receive federal and state Lifeline support using the underlying wireless networks of facilities-based providers, T-Mobile USA, Inc. ("T-Mobile"), AT&T Mobility ("AT&T"), and Verizon Wireless ("Verizon") in the service areas of these underlying providers in the State of Kansas.

Staff has conducted a review of the company's Application and issued a data request to gather additional information necessary for evaluation of Infiniti's request. Based on a review of information provided by Infiniti, Staff concludes that the company meets the applicable requirements to be designated as an ETC for receipt of federal and state Lifeline support for those areas set out in Exhibit 3 of the Application. Staff recommends the Commission grant Infiniti's Application.

BACKGROUND:

On January 23, 2024, Infiniti filed an Application seeking ETC designation solely to provide Lifeline service to qualifying Kansas customers. Infiniti is a Delaware corporation with its

principal office located at 500 N. Central Expressway, Suite 202, Plano, Texas 75074. Infiniti is in an "Active and Good Standing" status with the Kansas Secretary of State Office.¹

Lifeline service is among the services supported through the Federal Universal Service Fund (FUSF) and the Kansas Universal Service Fund (KUSF), which were established through the Federal and Kansas Telecommunications Acts respectively. The Lifeline program assists low-income consumers by providing a discount on their monthly local telephone charges so that the telephone service is more affordable.

To be eligible to receive support from the FUSF and KUSF, a carrier is required to be designated as an ETC. A state commission may designate a carrier as an ETC in accordance with 47 U.S.C. § 214(e)(l), which requires:

A common carrier designated as an eligible telecommunications carrier under paragraph (2), (3), or (6) shall be eligible to receive universal service support in accordance with section 254 of this title and shall, throughout the service area for which the designation is received:

- (A) offer the services that are supported by Federal universal service support mechanisms under section 254(c) of this title, either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier); and
- (B) advertise the availability of such services and the charges therefore using media of general distribution.

The Commission derives its authority to designate ETCs pursuant to 47 U.S.C. § 214(e)(2), which requires:

A State commission shall upon its own motion or upon request designate a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier for a service area designated by the State commission. Upon request and consistent with the public interest, convenience, and necessity, the State commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the State commission, so long as each additional requesting carrier meets the requirements of paragraph (1). Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the State commission shall find that the designation is in the public interest.

Additionally, Kansas law (K.S.A. 66-2008(b)), adopts the federal standards contained in 47 U.S.C. § 214(e)1. Specifically, K.S.A. 66-2008(b) states:

Pursuant to the federal act, distributions from the KUSF shall be made in a competitively neutral manner to qualified telecommunications public utilities,

¹ Kansas Secretary of State, Infiniti, https://www.sos.ks.gov/eforms/BusinessEntity/Search.aspx, Last viewed June 18, 2025.

telecommunications carriers and wireless telecommunications providers, that are deemed eligible both under subsection (e)(1) of section 214 of the federal act and by the commission.

The Federal Communications Commission (FCC) has set forth the services which are to be supported by the FUSF in rural, insular and high-cost areas. These services are found in 47 C.F.R. §54.101, which states:

- (a) Services designated for support. Voice Telephony services and broadband services shall be supported by federal universal service support mechanisms.
- (1) Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charges to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E of this part.
- (2) Eligible broadband Internet access services must provide the capability to transmit data to and receive data by wire or radio from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up service.²

Finally, an ETC is also subject to the requirements of the following FCC rules set out in 47 C.F.R. §§ 54.201, 54.202, 54.203, 54.205, 54.207, 54.408, and 54.410.³

ANALYSIS:

To review the company's Application, Staff issued Data Request 1 (DR1). Infiniti responded on February 25, 2025. Within DR1, Staff requested various information such as compliance with Life-Line income-based eligibility, the impact on interaction with customers related to the lack of physical locations and employees, discrepancies between the original filing and amended Application, and missing financial statements.

Federal and State ETC Requirements

The statutes of the Federal Act mentioned earlier herein, 47 U.S.C. § 214(e)(1) and 47 U.S.C. § 214 (e)(2), provide information on how a carrier can be designated as an ETC. Congress empowered the states to designate a common carrier as an ETC. The Commission must evaluate Assurance Wireless' ability to meet the criteria set out in 47 U.S.C. § Section 214(e)(2). Assurance Wireless requests ETC designation in several rural service areas, therefore, the Commission is required to make a public interest determination with regard to the service areas and Staff will provide a public interest recommendation.

² 47 C.F.R. § 54.101.

³ Part 54 – Universal Service Subpart C – Carriers Eligible for Universal Service Support

Kansas law adopts the federal standards, contained in 214(e)(1), for designating a provider as an ETC for KUSF purposes. K.S.A. 66-2008(b) states:

Pursuant to the federal act, distributions from the KUSF shall be made in a competitively neutral manner to qualified telecommunications public utilities, telecommunications carriers and wireless telecommunications providers, that are deemed eligible both under subsection (e)(1) of section 214 of the federal act and by the commission.

In order to be designated as an ETC, a company must be a "common carrier" as defined in 47 U.S.C. § 153(11):

The term "common carrier" or "carrier" means any person engaged as a common carrier for hire, in interstate or foreign communication by wire or radio or interstate or foreign radio transmission of energy, except where reference is made to common carriers not subject to this chapter; but a person engaged in radio broadcasting shall not, insofar as such person is so engaged, be deemed a common carrier.

Infiniti provides Commercial Mobile Radio Service (CMRS) and therefore qualifies as a common carrier service. Infiniti states in its Application that it offers local exchange service including the basic phone line and various features to choose from, such as Caller ID, Call Waiting, Voicemail features, and access to 911 services regardless of the number of voice minutes remaining on the Lifeline consumer's plan. Staff's review of the current Application requesting Lifeline-Only ETC designation has determined that Infiniti meets the federal definition of a common carrier. Staff is satisfied that Infiniti meets the requirements of a common carrier to provide, on a non-discriminatory basis, broadband and voice services to the public.

Service or Functionalities

The FCC identifies the services or functionalities that shall be supported by the federal universal service support mechanisms, pursuant to 47 U.S.C. § 254 (c). The supported services are codified in 47 C.F.R. § 54.101(a),

Voice Telephony services shall be supported by federal universal service support mechanisms. Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E of this part.

With regard to the local usage component, the Commission determined in its October 2, 2006, Order in Docket No. 06-GIMT-446-GIT (446 Order) that it would follow the FCC's guidance and evaluate local usage by considering the comparability of a competitive ETC's offering on a case-

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⁵ See Application at ¶ IV, B.

by-case basis "by evaluating the total service package, including the local calling scope, included features, and usage that might otherwise be considered long distance." The Commission further stated that it would consider whether an ETC applicant offers unlimited calling to government, social service, health facilities, educational institutions and emergency numbers when considering comparability.⁶

In its Application, Infiniti provided the following explanations of how it proposes to provide Voice Telephony services.

Voice-grade access to the public switched network – Infiniti will provide voice grade access to the public switched telephone network ("PTSN") through the purchase of wholesale CMRS services from its facilities-based underlying characters.⁷

Local usage – Infiniti offers rate plans that provide its customers with minutes of use for local service at no additional charge. 8

Access to emergency services – Infiniti provides 911 and E911 access for all of its customers to the extent the local government in its service areas has implemented 911 or E911 systems. The services will be free and available regardless of activation status or minute availability. Infiniti will also all the deployment and availably of E911 compatible handsets.⁹

Toll limitation—Infiniti's offerings allow Lifeline subscribers to control their usage whether they prefer prepaid or pay-as-you-go. The company treats local and domestic long-distance minutes the same.¹⁰

Infiniti's proposed voice calling plans provide access to the public switched telephone network and include unlimited local calling. As a result, Staff contends Infiniti's local usage offering is comparable to the local usage offered by incumbent providers. Additionally, Infiniti provides access to 911 and E911 for its customers. Therefore, Staff is satisfied that the company has demonstrated an ability to provide the service or functionalities supported by the universal service support systems and that its local usage component is comparable to that of the incumbent providers.

However, Infiniti's services do not distinguish between toll and non-toll services. In instances such as this, the FCC has indicated that toll limitation does not need to be offered. Therefore, Infiniti does not need to provide toll limitation services in order for the Commission to designate the company as an ETC for purposes of receiving Lifeline support. To the extent Infiniti provides devices for use with Lifeline-supported broadband service, such devices will meet the equipment requirements set forth in 47 C.F.R. § 54.408(f), and Infiniti will not impose an additional or

⁶ Order Adopting Requirements for Designation of Eligible Telecommunications Carriers, Docket No. 06-GIMT-446-GIT, October 2, 2006, ¶¶ 7-8, p. 4-5.

⁷ See Application, ¶ IV, C., 1.

⁸ See Id.

⁹ See Id.

¹⁰ See Id.

¹¹ See 47 C.F.R. § 54.401(a)(2)

separate tethering charge for mobile data usage below the minimum standard. ¹² All plans will include nationwide domestic long-distance at no extra per-minute charge, and Infiniti will not assess any usage for access to its free customer services. ¹³ Staff is satisfied that Infiniti meets the FCC's rules pursuant to 47 C.F.R. § 54.408(f) as offering free optional per-minute blocking of local usage will assist Lifeline customers in managing their communications bills and adopts free optional blocking as a requirement for ETCs that do not provide unlimited local usage. In accordance with 47 C.F.R. § 54.405(e)(3), Infiniti will provide the subscriber with advanced notice, using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the notice period will result in service termination for non-usage. Customers that have been deactivated may participate in the company's Lifeline service in the future by reapplying and re-establishing eligibility. ¹⁴ Staff is satisfied that Infiniti meets the FCC's rules pursuant to 47 C.F.R. § 54.408(e)(3) that all ETCs offer at least one plan without a termination fee and that all ETCs shall offer at least one plan without a termination fee.

The following table, found on the website of the Universal Service Administrative Company (USAC), outlines the current Lifeline service type options, and the federal Lifeline support amount associated with them. ¹⁵ Currently, Lifeline support offered through the KUSF is \$7.77 for voice service. Infiniti will offer various plans with prices that very depending on whether the customer chooses to include a data plan and the amount of data selected.

Federal Lifeline Support Amounts

Service Type	Description	Lifeline Support Amount
Voice *	Subscriber is provided a Voice only service that meets the minimum service standards.	\$5.25
Broadband	Subscriber is provided a Broadband only service that meets the minimum service standards.	\$9.25
Bundled Voice *	Subscriber is provided a Voice and Broadband service that meets the Voice minimum service standards only.	\$5.25
Bundled Broadband	Subscriber is provided a Voice and Broadband service that meets the Broadband minimum service standards only.	\$9,25
Bundled Voice and Broadband	Subscriber is provided a Voice and Broadband service that meets both the Voice and Broadband minimum service standards.	\$9.25

*On July 30, 2024 m the Wireline Competition Bureau rWCBI, paused the phase-out of Lifeline support for voice only services for an additional year. As such, the basic Lifeline support of \$5.25 remains available to eligible consumers who subscribe to voice only service until at least December 1, 2025.

¹⁴ See Application, ¶ V, G.

¹² See Application, ¶ V, E.

¹³See Id.

¹⁵ https://www.usac.org/lifeline/rules-and-requirements/minimum-service-standards/.

Service Areas

Section 214(e)(5) of the Federal Act defines "service area" as:

The term "service area" means a geographic area established by a state commission for the purpose of determining universal service obligations and support mechanisms. In the case of an area served by a rural telephone company, "service area" means such company's "study area" unless and until the [Federal Communications] Commission and the States, after taking into account recommendations of a Federal-State Joint Board instituted under section 410(c), establish a different definition of service area for such company.

"Service areas" or "operating areas" are defined by the state act in K.S.A. 66-1,187(k). K.S.A. 66-1,187(k) provides that,

- (1) In the case of a rural telephone company, operating area or service area means such company's study area or areas as approved by the federal communications commission.
- (2) In the case of a local exchange carrier, other than a rural telephone company, operating area or service area means such carrier's local exchange service area or areas as approved by the commission.

Specifically for Lifeline, K.S.A. 66-2006(c) states:

To generate and facilitate participation in the lifeline service program, provide choice for Kansas consumers, and allow collection of federal lifeline program reimbursements, the KCC shall approve a wireline (non-CMRS) facilities-based telephone service provider's application for eligible telecommunications carrier, hereinafter referred to as the ETC, designation in a non-rural service area for the purpose of receiving low-income federal universal service fund support for participation in the lifeline service program, for the area equal to the applicant provider's own service area, provided the applicant provider meets all other ETC eligibility requirements. The commission, however, may condition that such designation remains consistent with the guidelines of the federal program. (emphasis added)

On April 15, 2013, the FCC released an Order¹⁶ granting forbearance from the requirements of Section 47 U.S.C. § 214(e)(5) of the Act and 47 C.F.R. § 54.207(b) that the service area of an ETC conform to the service area of any rural telephone company serving the same area. The forbearance Order is limited to a carrier's designation as a Lifeline-Only ETC and applies to any ETC that has been designated as Lifeline-Only or any existing ETC seeking a limited designation to participate in the Lifeline-Only program.

Forbearance in these limited circumstances merely removes the requirement to conform to the service area of any rural telephone company serving the same area for previously designated ETCs receiving Lifeline-Only support and carriers with pending or future ETC designation requests for

¹⁶ Telecommunications Carriers Eligible for Support, Lifeline and Link Up Reform, Virgin Mobile USA, L.P., et al Petitions for Forbearance, FCC 13-44 Order, April 15, 2013.

Lifeline-Only support. The Commission may now designate Lifeline-Only ETCs in a "portion" of a rural service area without redefinition of that rural service area. However, the Commission is still required to consider the public interest, convenience and necessity of designating carriers as a competitive ETC in a rural area already served by a rural telephone company.¹⁷

Infiniti seeks ETC designation for low-income support within the State of Kansas listed in Exhibit 3 of the Application. ¹⁸ Staff's review of the map that Infiniti provided believes it to be an accurate representation of the proposed service areas in this Application.

Advertising

Eligibility for Federal universal service support is addressed by Section 214(e) of the Federal Act. Section 214(e) (1) of the Federal Act states as follows:

(1) ELIGIBLE TELECOMMUNICATIONS CARRIERS – A common carrier designated as an eligible telecommunications carrier under paragraph (2) or (3) shall be eligible to receive universal service support in accordance with section 254 and shall, throughout the service area for which the designation is received – (A) offer the services that are supported by Federal universal service support mechanisms under section 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier); and (B) advertise the availability of such services and the charges therefore using media of general distribution.

Infiniti states it will satisfy the federal Lifeline promotional requirements set forth in 47 C.F.R. § 54.201(d)(2) and the FCC's rules in section 54.405(c). The company provided sample advertisements in Exhibit 4 of the Application.

In the 466 Order, the Commission established a requirement for competitive ETCs to develop ". . meaningful language so that consumers will understand what they can expect from an ETC. . .". ¹⁹ In addition, the Commission determined that all competitive ETCs shall include contact information for the Commission's Office of Public Affairs and Consumer Protection (PACP) in its advertisements to make sure that customers know where to turn with questions and complaints. ²⁰

After a review of Infiniti's advertising, Staff requested that the Company correct PACP's email to kcc.public.affairs@ks.gov within its Sample Advertisement from the Application.

Staff is satisfied that Infiniti will meet the advertising requirements and requests that Infiniti file a revised advertisement in the instant docket.²¹

¹⁷ 47. U.S.C. § 214(e)(2); 47 C.F.R. § 54.201(c).

¹⁸ Application, ¶ IV, D.

¹⁹ Order Adopting Requirements for Designation of Eligible Telecommunications Carriers, Docket No. 06-GIMT-446-GIT, dated October 2, 2006, ¶ 12

²⁰ *Id.*, ¶ 13

²¹ *Id.*, ¶ 77b

Public Interest

The FCC, in its *Virginia Cellular Order*, made new findings regarding determination of the public interest.²² In this Order, the FCC determined that the ". . .value of increased competition, by itself, is not sufficient to satisfy the public interest test in rural areas."²³ The FCC indicated it would consider the following in evaluating the public interest:

- the benefits of increased competition;
- the impact of multiple designations on the universal service fund;
- the unique advantages and disadvantages of the applicant's service offering;
- any commitments made regarding quality of service; and
- the applicant's ability to provide the supported services throughout the designated service area within a reasonable amount of time.²⁴

While the FCC's decision is not binding on this Commission, the Commission found in its ALLTEL²⁵ and RCC Minnesota²⁶ Orders that examination of the additional factors enumerated in the FCC's Order is reasonable. Infiniti provided the following explanation in its Application to support a finding that it would be in the public interest to support a finding that it would be in the public interest for the company to be designated as an ETC for Lifeline Support:

Advantages of Infiniti's Service Offering – Infiniti offers an easy to use, competitive, and highly affordable wireless telecommunications service, which benefits qualified consumers who either have no other service alternatives or who choose a wireless prepaid solution in lieu of more traditional service. The public interest benefits of Infiniti's wireless service include larger calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile service, and a generous amount of voice and broadband access included at limited cost (after the application of Lifeline support), as well as free access to caller ID, call waiting, and Voicemail features, and access to 911 services regardless of the number of voice minutes remaining on the Lifeline consumer's plan. . . . Mobile service allows children to reach their parents wherever they may be, allows a person seeking employment greater ability to be contacted by potential employers, and provides end users with the ability to contact emergency service providers regardless of location. Mobile service often also serves as a key bridge in closing the homework gap for students who live in rural areas with limited access to broadband. . . . [P]repaid wireless services have become essential for low-income customers, providing them with value for their money, access to

²² See In the Matter of Federal State Joint Board on Universal Service: Virginia Cellular, LLC Petition for Designation as an Eligible Telecommunications Carrier In the Commonwealth of Virginia, Released: January 22, 2004 ("Virginia Cellular Order"), FCC Docket No. DA 03-338.

 $^{^{23}}$ Id., \P 4.

²⁴ *Id*.

²⁵ Order Granting ETC Designation and Addressing Additional Issues, Docket No. 04-ALKT-283-ETC, dated Sept. 24, 2004, ¶ 28.

²⁶ Order No. 14: Granting ETC Designation and Addressing Additional Issues., Docket No. 04-RCCT-338-ETC, dated Sept. 9, 2004, ¶ 26.

emergency services on wireless devices, and a reliable means of contact for prospective employers, social service agencies or dependents.²⁷...

The Benefits of Competitive Choice – . . . Designation of Infiniti as an ETC will help ensure that quality services are available at "just, reasonable, and affordable rates" as envisioned in [47 U.S.C. § 254(b)(1)]. Introducing Infiniti into the market as an additional wireless ETC provider will afford low-income Kansas residents a wider choice of providers and available services while creating a competitive marketplace as ETCs compete for a finite number of Lifeline-eligible customers. Increasing the competitive marketplace of providers has the potential to effectively increase the penetration rate and reduce the number of individuals not connected to the PSTN. ²⁸

Impact on the Universal Service Fund- With Lifeline, ETCs only receive support for customers they obtain. The amount of support available to an eligible subscriber is the same whether the support is given through a company such as Infiniti or the Incumbent LEC operating in the same service area. The number of persons eligible for Lifeline support is the same regardless of the number of ETCs; thus, Infiniti will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not already enrolled in another ETC's Lifeline program.²⁹

Infiniti also commits to comply with service quality standards developed by the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service.³⁰ After reviewing Infiniti's Application, Staff contends that the company has demonstrated that it is in the public interest to designate its ETC in the requested service areas for the purpose of participating in the federal and state Lifeline program. Infiniti will only increase the amount of USF and KUSF Lifeline funding in situations where it obtains Lifeline customers not already enrolled in another ETC's Lifeline program.³¹

Consumer Eligibility and Enrollment

In the FCC's *Lifeline Reform Order*, the FCC comprehensively reformed and began the modernization of the federal Lifeline program.³² Pursuant to the Order and 47 C.F.R. 54.410(d), ETCs in all states were required to update their Lifeline Certification forms by June 1, 2012, to include specific information in clear, easily understood language and participants are required to make initial and annual certifications. The information required to be disclosed includes that Lifeline is a Federal benefit and that Lifeline can only be received for one line per household.

²⁷ *Id.*, ¶ VI, A.

²⁸ *Id.*, ¶ VI, B.

²⁹ *Id.*, ¶ VI, C.

³⁰ *Id.*, ¶ V, C.

³¹ See Application¶ VI, C.

³² See In the Matter of Lifeline and Link Up Reform and Modernization; Lifeline and Link Up; Federal-State Joint Board on Universal Service; Advancing Broadband Availability Through Digital Literacy Training; WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23; Report and Order and Further Notice of Proposed Rulemaking; Rel. Feb. 6, 2012, ("Lifeline Reform Order").

Staff's review of Infiniti's website link to the Lifeline Certification Form and determined the form is clear in its indication that consumers may receive only one Lifeline benefit per household.³³ Staff is satisfied that the form complies with Federal rules that prohibit subscribers from receiving more than one Lifeline service per household.³⁴

Technically and Financially Capable

The FCC, in its *Lifeline Reform Order*, amended 47 C.F.R. §54.202 of its rules, which governs ETC designation by states to require a carrier seeking designation as a Lifeline-only ETC to demonstrate that it is technically and financially capable of providing the supported Lifeline service in compliance with all of the low-income program rules. The FCC stated that among the relevant considerations for such a showing are:

- a) Whether the Applicant previously offered services to non-Lifeline consumers.
- b) How long the company has been in business.
- c) Whether the Applicant intends to rely exclusively on USF disbursements to operate.
- d) Whether the Applicant receives or will receive revenue from other sources.
- e) Whether the company has been subject to enforcement action or an ETC revocation proceeding in any state.

The Commission requested comments in its March 27, 2012, Order in Docket No. 10-GIMT-658-GIT on what additional information should be provided by Lifeline-only ETCs to demonstrate their technical and financial capacity in Kansas. After reviewing the comments filed, the Commission determined in its June 21, 2012, Order that:

Lifeline-only ETC applicants are hereby required to file Kansas-specific information regarding technical and financial capacity similar to the information provided in the carrier's FCC Compliance Plan when filing for Lifeline-only ETC status in Kansas.

In its Application, Infiniti states that it provides service to both Lifeline and non-Lifeline customers.³⁵ Infiniti also indicates that it has not been subject to any enforcement action or ETC revocation in any state except for Wisconsin in Docket No. 5-TI-2723 on July 30, 2020. However, the ETC designation was later reinstated on July 20, 2022.³⁶

Staff is satisfied that Infiniti meets the FCC's rules pursuant to 47 C.F.R. § 54.201 and 54.202 as being technically and financially capable to offer Lifeline-only supported service in its requested service areas.

Ability to Remain Functional in an Emergency

The Commission determined in the 446 Order that, as part of its public interest evaluation, the Commission will require an ETC Applicant to demonstrate that it has sufficient back-up power to

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³³ https://infinitimobile.com/lifeline-eligibility/.

³⁴ 47 C.F.R. § 54.405(c)

³⁵ See Application, ¶ V, D.

³⁶ See Id.

remain functional without external power in emergency situations, is able to reroute traffic around damaged facilities, and can manage emergency traffic spikes.³⁷

Infiniti's Application states it will remain functional during emergencies as required by 47 C.F.R. § 54.202(a)(2). Infiniti will utilize the extensive and well-established network and facilities of Verizon Wireless, AT&T and T-Mobile to provide its Lifeline services. The company states that it believes these networks have access to a reasonable amount of back-up power to ensure functionality without an external power source. Additionally, these carriers are able to reroute traffic around damaged facilities and manage any potential traffic spikes resulting from emergencies at the same functionality as Infiniti.³⁸

Staff is satisfied that Infiniti will be able to properly respond to emergency situations and remain functional during emergencies as required by 47 C.F.R. § 54.202(a)(2).

Benefit Transfers

The Universal Service Administrative Company (USAC) database defines a benefit transfer as when one service provide transfers a subscriber's Lifeline program benefit from another service provider. The benefit transfer must be at the request of the subscriber. The subscriber's new service provider initiates the transaction in the National Lifeline Accountability Database (NLAD) on the subscriber's behalf. Prior to initiating a benefit transfer in NLAD, the service provider must obtain the consent of the subscriber and obtain proper documentation of consent.³⁹

Staff is satisfied that Infiniti will follow the safeguards set in place by the *Lifeline and Link Up Reform Order* and utilizing the NLAD and National Verifier in order to lessen the likelihood of Infiniti's subscribers receiving improper support from USF Lifeline funding. Staff reminds Infiniti to follow the guidelines set in place by USAC if Infiniti is ever transferring the subscriber's service to or from the company.

RECOMMENDATION:

Based on its review of Infiniti's Application and responses to Staff DR 1, Staff recommends the Commission grant Infiniti's request for Lifeline ETC designation in the T-Mobile, AT&T, and Verizon service areas on a wholesale basis detailed in Exhibit 3 of the Application. Staff is satisfied that Infiniti has demonstrated its ability to meet the federal and state requirements in order to be designated as a Lifeline-only ETC in the proposed service areas.

Staff contends that Infiniti has demonstrated that it is in the public interest to seek its ETC designation in the requested service areas for the purpose of participating in the federal and state Lifeline program.

Infiniti should be reminded that federal and state Lifeline funds must be used for their intended purpose, and Infiniti shall pass the entire Lifeline credit through to the consumer.

³⁷ The FCC also revised its rules in 47 C.F.R. 54.202(a)(2) to require an ETC to demonstrate it has the ability to remain functional in an emergency.

³⁸ See Application, ¶ V, B.

³⁹ https://www.usac.org/lifeline/national-lifeline-accountability-database-nlad/benefit-transfers/.

Additionally, Infiniti should be aware that it is required to abide by Lifeline-only ETC requirements adopted by this Commission, including annual ETC recertification requirements, and Infiniti will be required to follow these to continue to receive state and federal support.

Staff recommends the Commission issue an Order granting Infiniti's request to seek its Lifeline ETC designation in the T-Mobile, AT&T, and Verizon service areas on a wholesale basis. Staff further recommends the Commission issue an Order:

- 1. Granting Infiniti's request for a Lifeline-only ETC in the areas identified in Exhibit 3 of the Application.
- 2. Requiring Infiniti to file a revised advertisement including the corrected Public Affairs and Consumer Protection contact information in the instant docket.

CERTIFICATE OF SERVICE

24-IMTT-515-ETC

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of

electronic service on	
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