# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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Jay Scott Emler, Chairman

Shari Feist Albrecht

Pat Apple

In the Matter of the Application of Boomerang	)	
Wireless, LLC for Expanded Service Area as a	)	Docket No. 16-BOWZ-437-ETC
Wireless Eligible Telecommunications Carrier	)	
in the State of Kansas (Low Income Only).	)	

# ORDER GRANTING APPLICATION TO EXPAND 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 record, and being duly advised in the premises, the Commission finds and concludes as follows:

1. On March 24, 2016, Boomerang Wireless, LLC (Boomerang) filed an Application requesting to expand its designation as an Eligible Telecommunications Carrier (ETC) within the State of Kansas. Boomerang provides prepaid wireless telecommunications services to consumers using the underlying networks of Sprint, Verizon, T-Mobile, and AT&T on a wholesale basis. Citing the Commission's October 2, 2006 Order issued in Docket No. 06-GIMT-446-GIT and federal authorities, Boomerang requests the Commission approve an Expanded Service Area in which the company is designated as an ETC. Boomerang states that it has obtained access to the AT&T network via its Mobile Virtual Network Enabler (MVNE) and, therefore, has expanded its coverage area throughout the state. Boomerang requests the Commission approve its Expanded Service Area for the purpose of receiving federal low-income support for prepaid wireless services, specifically Lifeline. Boomerang is not seeking Kansas Universal Service Fund (KUSF) support. Boomerang states its plan to offer Lifeline service in

all areas in Kansas that are served by its underlying carriers, including Sprint, Verizon, T-Mobile, and AT&T. Consequently, Boomerang requests designation statewide in all exchanges to the extent that its underlying carriers have facilities and coverage.<sup>1</sup>

- 2. In order for a carrier to receive federal low-income Lifeline wireless ETC designation from the Federal Communications Commission (FCC), the requesting carrier must make showings required under federal law. Pursuant to 47 U.S.C. §214(e)(1)-(2), §254(c), and 47 C.F.R. §54.101(a), the carrier must make the following showings:
  - (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.
  - (b). The carrier will advertise the availability of such service and the charges therefor using media of general distribution.
  - (c). Designation would be consistent with the public interest, convenience, and necessity.<sup>2</sup>
- 3. Pursuant to FCC Orders, Commission Orders, and Kansas law, the carrier requesting low-income Lifeline wireless ETC designation must also show:
  - (a). Lifeline customers will be able to apply the Lifeline discount to any calling plan offered by the carrier.<sup>3</sup>
  - (b). The carrier will use the Kansas Lifeline Credit Application to enroll eligible customers in the Lifeline Program or their own credit form which must contain all the data found in the Kansas Lifeline Credit Application.<sup>4</sup>
  - (c). The carrier is financially and technically capable of providing the supported Lifeline service in compliance with all of the low-income program rules.<sup>5</sup>

<sup>2</sup> See Docket No. 04-RCCT-338-ETC, Order No. 14 Granting ETC Designation and Addressing Additional Issues, issued September 30, 2004, ¶29. See also 47 C.F.R. §214(e)(2).

<sup>&</sup>lt;sup>1</sup> Application, pages 1 and 2.

<sup>&</sup>lt;sup>3</sup> See Docket No. 06-GIMT-446-GIT, Order Adopting Requirements for Designation of Eligible Telecommunications Carriers, issued October 2, 2006, ¶77.

<sup>&</sup>lt;sup>4</sup> See Docket No. 10-GIMT-658-GIT, Order issued March 27, 2012, ordering ¶B. See also Docket No. 00-GIMT-910-GIT, Order issued January 21, 2003, ordering ¶A.

<sup>&</sup>lt;sup>5</sup> Id. (10-658), Order issued June 21, 2012, ordering ¶A; See also 47 C.F.R. §54.201 and §54.202.

- (d). The carrier has received approval of its Compliance Plan with the FCC (if applicable).
- (e). The carrier undertakes efforts to eliminate waste, fraud, and abuse in the Lifeline Program.
- (f). 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 or speech impaired.
- (g). 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.<sup>6</sup>
- (h). The carrier is properly registered with the Kansas Secretary of State's office.
- (i). The carrier will provide service throughout its designated service area to all customers making a reasonable request for service.
- (j). 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.
- 4. On September 22, 2016, the Commission Staff (Staff) submitted its Report and Recommendation, including Exhibits A and B attached thereto, dated September 14, 2016, recommending the Commission grant Boomerang's Application and approve expansion of Boomerang's designation as an ETC for Federal Universal Service Fund (FUSF) low-income purposes in ten (10) additional AT&T exchanges the company has determined it is capable of serving in their entirety. In addition, Boomerang requests designation as an ETC in specific Rural Local Exchange Carrier (RLEC) study areas, including the entire study areas served by Council Grove Telephone Co. (Council Grove), Elkhart Telephone Co., Inc. (Elkhart), Gorham Telephone Co., Inc. (Gorham), H&B Communications, Inc. (H&B), Mutual Telephone Co.

<sup>&</sup>lt;sup>6</sup> See Docket No. 06-GIMT-446-GIT, Order Adopting Requirements for Designation of Eligible Telecommunications Carriers, issued October 2, 2006, ¶34.

(Mutual), and United Telephone Association, Inc. (United) for the purpose of receiving low-income FUSF support for its wireless customers. Boomerang also requests expanded designation as a Lifeline-Only ETC for FUSF purposes in specific exchanges served by Craw-Kan Telephone Cooperative, Inc. (Craw-Kan), Golden Belt Telephone Association (Golden Belt), JBN Telephone Company, Inc. (JBN), Pioneer Telephone Association, Inc. (Pioneer), Rural Telephone Service Company, Inc. (Rural), S&T Telephone Cooperative Association (S&T), South Central Telephone Association, Inc. (South Central), Sunflower Telephone Co., Inc. (Sunflower), Totah Communications, Inc. (Totah), Tri-County Telephone Association, Inc. (Tri-County), United Telephone Companies of Kansas d/b/a CenturyLink (CenturyLink) and AT&T Kansas. Staff includes as Exhibit A to its Report and Recommendation a complete listing of all the study areas and exchanges comprising Boomerang's requested Expanded Service Area.

5. Staff's Report and Recommendation reflects a thorough examination of Boomerang's Application and accompanying Exhibits. Staff also provides historic information leading to Boomerang's initial ETC designation granted pursuant to the Commission's March 13, 2013 Order, issued in Docket No. 13-BOWZ-121-ETC. Boomerang is properly registered with the Kansas Secretary of State's office as a foreign limited liability company, whose status with that office is shown to be *active and in good standing*. Staff, in its analysis, reiterates that Boomerang is not seeking to receive high-cost support, only federal Lifeline support, in the service areas listed in Exhibit A to Staff's Report and Recommendation. Boomerang does not seek KUSF support.<sup>8</sup>

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<sup>&</sup>lt;sup>7</sup> See Report and Recommendation, Exhibit A, for exchange and study area details.

<sup>&</sup>lt;sup>8</sup> Report and Recommendation, pages 2 and 3.

6. Staff includes in its analysis of Boomerang's Application the provisions of 47 U.S.C. §214(e)(1) and 47 U.S.C. §214 (e)(2) which set forth the statutory requirements applicable to ETC designation and functioning. Under the heading of *Service or Functionalities*, Staff states that 47 U.S.C. §254(c) identifies the services or functionalities that are supported by the FUSF mechanisms and that the supported services are codified in 47 C.F.R. §54.101(a), which provides that:

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 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E of this part.

With respect to voice grade access to the public switched network, Staff relates Boomerang's explanation that each of the Lifeline plans offered by Boomerang provides the ability for end users to access the public switched telephone network with voice grade access, utilizing the facilities of Boomerang's underlying carriers, and to the same extent provided by the underlying carriers. This requirement is met through the purchase by Boomerang of Commercial Mobile Radio Service (CMRS) services from Sprint, Verizon, its MVNE, and AT&T network. Regarding local usage, Boomerang includes a designated number of minutes which may be used by the end user as deemed appropriate. This includes minutes of use for local service provided at no additional charge to end users as required by Section 54.101 of the FCC Rules. In response to the requirement that an ETC provide access to emergency services, Boomerang provides access to emergency services provided by local government or public safety officials, including 911 and enhanced 911 (E-911) to the extent the local government in its service area has implemented 911 and E911 systems. Boomerang also complies with the FCC's forbearance grant conditions

relating to the provision of 911 and E911 services and handsets as detailed in Boomerang's Compliance Plan. Regarding *toll limitation*, Staff cites the FCC's Lifeline Reform Order<sup>9</sup> and 47 C.F.R. §54.101(a)(2), which provides that toll limitation service does not need to be offered for any Lifeline service that does not distinguish between toll and non-toll calls in the pricing of service. Staff indicates that Boomerang satisfies this requirement for the following reasons. Since Boomerang is a prepaid service provider, customers cannot be disconnected for failure to pay toll charges, nor are there additional charges for exceeding their minutes. Further, Boomerang, like most wireless carriers, does not differentiate domestic long distance toll usage from local usage and all usage is paid for in advance.<sup>10</sup>

7. Addressing the *local usage* component, Staff references the Commission's October 2, 2006 Order issued in Docket No. 06-GIMT-446-GIT, wherein the Commission stated 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-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 Order further states that the Commission will consider whether an ETC applicant offers unlimited calling to government, social service, health facilities, educational institutions and emergency numbers when considering comparability. According to Staff, Boomerang's Existing Lifeline Plans<sup>11</sup> offer two options for Lifeline customers: (1) a Base Plan which includes 250 free minutes each month, which do not carry over to the next month if unused, and 10 MB of data each month; and (2) a Lifeline Upgrade Data Plan with 250 free minutes each month without rollover and 250 MB of data per month. This

<sup>&</sup>lt;sup>9</sup>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, KCC 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 at ¶230).

<sup>&</sup>lt;sup>10</sup>Report and Recommendation, pages 3-5.

<sup>&</sup>lt;sup>11</sup>Id., Exhibit B.

plan is free to Lifeline customers and has three different device arrangements. Boomerang offers two Tribal Lifeline Plans<sup>12</sup>: (1) a Tribal Base Plan including 1,100 minutes each month, which does not carry over to the next month if unused and 100 MB of data per month; and (2) a Tribal Lifeline Upgrade Data Plan with 1,100 free minutes per month without rollover and 500 MB of data per month. This plan is free to Lifeline customers residing on tribal land and has two different device arrangements. Both Lifeline plans include a free 911 compliant handset and the following custom calling features: Caller ID; Call Waiting; Call Forwarding; 3-Way Calling; Staff includes a discussion of the FCC's objective to phase-down Lifeline and Voicemail. support for providers that do not offer minimum service standards for mobile voice service per 47 C.F.R. §54.408(3) and includes a chart detailing the FCC's Minimum Service Standards and Schedule. Inasmuch as Boomerang's current Lifeline plans do not meet the projected FCC's new minimum standards that will commence December 1, 2016, Staff queried Boomerang as to how the company intends to comply. Responding, Boomerang indicated that it has developed a new Minute Plan that offers 500 voice minutes, 100 texts, and 10 MB of data per month free to eligible customers. Boomerang plans to transition its existing subscribers to the qualifying plans that meet the minimum service standards prior to or on December 1, 2016. This proposed phaseout will transpire after all subscribers are transitioned to the new plan that meets the FCC's minimum service standards. Boomerang's incumbent local exchange carriers' monthly rate for residential access line ranges from \$13.27 to \$24.70 per month before the Lifeline discounts are applied. Customer calling features, such as Caller ID and Call Waiting, are offered for an additional charge. The local calling scope is the exchange, but local calls are unlimited. Staff does not believe the local usage that will be offered in Boomerang's wireless calling packages is clearly comparable. In this case, Staff believes that local usage comparability would depend on

<sup>&</sup>lt;sup>12</sup>Report and Recommendation, Exhibit B.

the usage pattern of the particular customer. A customer completing calls primarily within their exchange may not find the amount of local usage offered by Boomerang to be comparable to the offering of the incumbent. However, a customer that completes calls outside of their exchange may find that the local usage is comparable. Staff states that when one considers the calling scope, usage that might otherwise be considered long distance and mobility, a consumer may find Boomerang's plans comparable to the incumbent's service offering.<sup>13</sup>

8. According to Staff, the Commission's October 2, 2006 Order issued in Docket No. 06-GIMT-446-GIT determined, among other items, that ETCs must apply the Lifeline discount to the service plan a qualifying Lifeline customer chooses, stating:

ETCs are required to allow Lifeline customers to choose a calling plan and to apply the Lifeline discount to the plan selected by the customers. Any ETC that does not allow customer selection at this time must do so within 180 days of the date of this Order.

Boomerang confirms that the company's Lifeline customers will be able to apply the Lifeline discount to any calling plan offered by Boomerang, thereby satisfying the Commission's October 2, 2006 Order.

- 9. Staff's Report and Recommendation provides an extensive analysis of the various requirements of the FCC, Kansas statutes, and Commission Orders associated with applications requesting ETC designation as a Lifeline-Only ETC for FUSF purposes; as well as Boomerang's status and qualifications in response to these criteria.
- <u>Consumer Eligibility and Enrollment</u>: Pursuant to the FCC's Lifeline Reform Order<sup>14</sup>, 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

<sup>&</sup>lt;sup>13</sup> Report and Recommendation, pages 5-7.

<sup>&</sup>lt;sup>14</sup> 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, KCC Docket No. 96-45, WC Docket No. 12-23; Report and Order and Further Notice of Proposed Rulemaking; Rel. Feb. 6, 2012, (FCC Lifeline Order).

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. In response, the Commission's March 27, 2012 Order issued in Docket No. 10-GIMT-658-GIT required ETCs to utilize the Kansas Lifeline Certification Form created by Staff by June 1, 2012, or utilize its own form that includes the same information. Boomerang opted to use its own Lifeline Certification Form, included with its Application, as outlined in its sample advertising. Staff has reviewed Boomerang's Form finding that it includes all the required information.

- <u>Financially and Technically Capable</u>: The FCC's Lifeline Reform Order, and amended Sections 54.201 and 54.202 of its rules require a carrier seeking designation as a Lifeline-Only ETC to demonstrate that it is financially and technically capable of providing the supported Lifeline service in compliance with all the low-income program rules. Concluding its detailed discussion of Boomerang's history and extent of service, as well as the company's revenue sources, Staff is satisfied that Boomerang is financially and technically capable of offering Lifeline-Only support in its requested service areas.
- Types of Facilities Used to Provide Service: Boomerang indicates that it is a reseller of Commercial Mobile Radio Service (CMRS). The company provides service via MVNE consisting of services obtained from Sprint, Verizon, T-Mobile, and AT&T. Staff indicates that 47 U.S.C. §214(e)(1)(A) prohibits state commissions from designating as an ETC a telecommunications carrier that offers services exclusively through the resale of another carrier's services. However, Boomerang petitioned for and was granted forbearance of this facilities-based service requirement by the FCC subject to conditions. Staff's Report and Recommendation provides a detailed listing of the FCC's conditions and Staff confirms that Boomerang demonstrated in Docket No. 13-BOWZ-121-ETC that the company met all the FCC's forbearance conditions. Staff states that it is satisfied that Boomerang will comply with the FCC's forbearance requirements.
- <u>Service Areas</u>: Staff provides a discussion regarding both Federal and state definitions of service area(s) and study area(s) as they relate to universal service obligations and support mechanisms. Staff cites K.S.A. 66-1,187(k) wherein service areas or operating areas are defined as follows:
  - (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 FCC; and
  - (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.

Staff states that all RLECs and CenturyLink are considered rural telephone companies for federal Lifeline support purposes, and AT&T Kansas is considered a non-rural telephone company for federal Lifeline support purposes. The study area is the service area currently designated for universal service support for areas served by rural telephone companies and the wire center is the service area currently designated by the Commission for universal service support for areas

served by non-rural telephone companies. Boomerang requests ETC designation for Federal low-income support purposes for the entire study areas served by Council Grove, Elkhart, Gorham, H&B, Mutual, and United. Staff discusses the FCC's Order granting forbearance from the FCC's rules that the service area of an ETC conform to the service area of any rural telephone company serving the same area. The Forbearance Order applies to any ETC that has been designated or any ETC seeking limited designation as an ETC to participate in the Lifeline program only and is limited to carrier's designation as a Lifeline-Only ETC. 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.<sup>15</sup>

- Advertising: Section 214(e)(1) of the Federal Communications Act of 1996 (Federal Act) requires ETCs to advertise the availability of the supported services and the associated charges using media of general distribution. Boomerang indicates that it will announce and advertise telecommunications services as an ETC in its Expanded Service Area and will publicize the availability of Lifeline services in a manner reasonably designed to reach those likely to qualify for those services. Boomerang is also mindful that the Commission requires all competitive ETCs to include contact information for the Commission's Public Affairs & Consumer Protection Division in their advertisement so the customer knows where to direct questions or complaints.
- <u>Public Interest</u>: Staff states that the FCC, in its Virginia Cellular Order<sup>16</sup>, made new findings regarding determination of public interest. Although the FCC's decision in the Virginia Cellular Order is not binding on the Commission, Staff indicates that the Commission, nevertheless, in the ALLTEL and RCC Minnesota Orders<sup>17</sup> found that examination of the additional factors enumerated in the FCC's Order is reasonable. Staff's summarization of Boomerang's explanations of how it meets the FCC guidelines includes the following:
  - (1) Benefits of Increased Competitive Choice: The benefits of competitive choice are especially valuable in situations in which wireless providers like Boomerang seek to provide service to rural communities and elsewhere. Boomerang's wireless Lifeline service alternative will provide consumers with convenient and affordable telecommunications service, both from their residences and when they are away from their homes. The availability of a wireless competitor benefits all consumers. Boomerang anticipates that these additional competitive advantages will create an atmosphere that will cause many qualified consumers, at their option, to select Boomerang's low-income wireless Lifeline service in lieu of the more traditional wireline or wireless services. Conceivably, this results in improved consumer services and, consistent with federal law, benefits consumers

<sup>&</sup>lt;sup>15</sup> 47 U.S.C. §214(e)(2); 47 C.F.R. §54.201(c).

<sup>&</sup>lt;sup>16</sup> 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.

<sup>&</sup>lt;sup>17</sup> See Docket No. 04-ALKT-283-ETC, September 24, 2004 Order, and Docket No. 04-RCCT-338-ETC, September 30, 2004 Order.

- by allowing Boomerang to offer the services designated for support at rates that are "just, reasonable, and affordable".
- (2) Competitive ETC's Ability to Provide the Supported Services Throughout the Designated Service Area Within a Reasonable Time Frame: Boomerang has provided CMRS service in Kansas since 2013, and in numerous other states since 2010. In Kansas, Boomerang obtains service from Sprint, Verizon, T-Mobile, and AT&T. Boomerang's arrangements with these providers enable it to offer services wherever any of those providers offer service in the State of Kansas.
- (3) Impact of Multiple Designations on the Universal Service Fund: Boomerang will only increase the amount of USF Lifeline funding in situations where it obtains lifeline customers not enrolled in another ETC's Lifeline program. By implementing the safeguards set forth in the *Lifeline and Link Up Reform Order*, Boomerang will minimize the likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. In addition, designation of the company as an ETC will not pose any adverse effect in the growth in the high cost portions of the USF, nor will it create or contribute to an erosion of high cost funding from any rural or non-rural telephone company.
- (4) Unique Advantages and Disadvantages of the Competitor's Service Offering: Boomerang states that it will offer a unique, easy to use, competitive and highly affordable wireless telecommunications service, which will be available to qualified consumers who either have no other service alternatives or who choose a wireless prepaid solution in lieu of more traditional services. Boomerang will provide universal service as an ETC in all of its expanded service area, will provide equal access to long distance carriers to the extent to which it is able to do so, and offers a local usage plan comparable to that offered by the ILEC in the expanded service area. Boomerang's Lifeline service is available with no credit check, deposit requirement, minimum service periods, or early termination fees.
- (5) Commitments Made Regarding Quality of Telephone Service provided by Competing Providers: Under the FCC Rules, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards. Boomerang maintains that it will satisfy all such standards. Boomerang commits to satisfying all applicable state and federal requirements related to consumer protection and service quality standards. Boomerang also commits to providing and maintaining essential telecommunications services in times of emergency.
- (6) Impact on Funds: Staff states that it is important to recognize the differences between low-income funding for the Lifeline program and high-cost funding. With Lifeline, ETCs only receive USF support for customers they obtain. If Boomerang acquires Lifeline customers currently served by other ETCs, Boomerang will gain the Lifeline support for those customers, but the ETCs losing the customers will lose the support. Boomerang will only increase the amount of USF funding in situations where it obtains new Lifeline customers (i.e., customers not currently enrolled in other ETC's Lifeline programs). Boomerang

currently projects approximately 2,500 Lifeline subscribers as a result of the expansion and estimates a net impact of \$23,125 on the FUSF and \$0 on the KUSF (since Boomerang does not participate in the KUSF). However, some of these customers may be current Lifeline subscribers with other carriers who switch service to Boomerang (resulting in no net effect on the federal USF). Boomerang maintains that the effect will be negligible on a low-income program which was estimated at \$2.4 Billion in 2012. Staff states that the FCC has adopted stringent new requirements to reduce waste, fraud and abuse in the low-income program. According to Staff, the FCC recently issued a press release stating that its reform efforts have saved the USF \$15 million so far and are on track to save \$2 billion over the next three years.

- (7) Ability to Remain Functional in an Emergency: As part of its public interest evaluation, the Commission requires an ETC Applicant to demonstrate that it 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. Boomerang indicates that as a reseller of other carriers' wireless services, Boomerang's service is of the same quality and reliability as its underlying vendors. Boomerang maintains that its underlying vendors have implemented state-of-the-art network reliability standards and that Boomerang and its customers benefit from their high standards. <sup>18</sup>
- 10. Concluding its analysis, Staff determines that Boomerang has demonstrated that it is in the public interest to expand Boomerang's designation as an ETC for Lifeline-Only support in the study areas and exchanges as listed on Exhibit A to Staff's Report and Recommendation. Boomerang will be eligible to receive FUSF low-income support only, and Staff believes the addition of Boomerang's Lifeline service offerings will be a benefit to low-income Kansas consumers. Staff recommends the Commission grant Boomerang's Application and designate the company as a Lifeline-Only ETC in the entire study areas served by Council Grove, Elkhart, Gorham, H&B, Mutual, and United, as listed on Exhibit A to Staff's Report and Recommendation, for the purpose of receiving low-income FUSF support for its wireless customers. Staff also recommends the Commission grant Boomerang's Application and designate Boomerang as a Lifeline-Only ETC in the specific exchanges served by Craw-Kan, Golden Belt, JBN, Pioneer, Rural, S&T, South Central, Sunflower, Totah, Tri-County, and

<sup>&</sup>lt;sup>18</sup> Application, page 17.

CenturyLink<sup>19</sup>, as well as the ten (10) exchanges of AT&T Kansas, all of which are listed on Exhibit A to Staff's Report and Recommendation, for the purpose of receiving Federal Lowincome FUSF support for its wireless customers.

11. The Commission adopts Staff's analysis and recommendations of September 14, 2016, as stated in its Report and Recommendation, which is attached hereto and incorporated herein by reference, and finds that Boomerang's Application is consistent with the public interest, convenience, and necessity and should be granted. The Commission further finds that Boomerang should be designated a Lifeline-Only ETC for the purpose of receiving Federal low-income FUSF support in all of the study areas and exchanges listed on Exhibit A to Staff's Report and Recommendation.

# IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. Boomerang Wireless, LLC's Application filed March 24, 2016 requesting expansion of its service area is hereby granted and Boomerang is hereby designated a Lifeline-Only ETC in the entire study areas served by Council Grove, Elkhart, Gorham, H&B, Mutual, and United, as listed on Exhibit A to Staff's Report and Recommendation, for the purpose of receiving low-income FUSF support for its wireless customers. Boomerang is also designated a Lifeline-Only ETC in the specific exchanges served by Craw-Kan, Golden Belt, JBN, Pioneer, Rural, S&T, South Central, Sunflower, Totah, Tri-County, CenturyLink and AT&T Kansas, as listed on Exhibit A to Staff's Report and Recommendation, for the purpose of receiving low-income FUSF support for its wireless customers.

B. The parties have fifteen (15) days, plus three (3) days if service of this Order is by mail, from the date this Order was served in which to petition the Commission for

<sup>&</sup>lt;sup>19</sup> United Telephone Company of Kansas d/b/a CenturyLink and United Telephone Company of Eastern Kansas d/b/a CenturyLink.

reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 2015 Supp. 77-529.

C. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further order, or orders, as it may deem necessary.

# BY THE COMMISSION IT IS SO ORDERED.

Emler, Chairman; Albrecht, Commissioner; Apple, Commissioner

Dated: SEP 2 7 2016

Amy L. Green

Secretary to the Commission

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Order Mailed Date

SEP 28 2016

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Sam Brownback, Governor

Jay Scott Emler, Chairman Shari Feist Albrecht, Commissioner Pat Apple, Commissioner

# REPORT AND RECOMMENDATION UTILITIES DIVISION

TO:

Chairman Jay Scott Emler

Commissioner Shari Feist Albrecht

Commissioner Pat Apple

FROM:

Hal Baumhardt, Senior Telecommunications Analyst

Christine Aarnes, Chief of Telecommunications

Jeff McClanahan, Director of Utilities

DATE:

September 14, 2016

**SUBJECT:** 

16-BOWZ-437-ETC

In the Matter of the Application of Boomerang Wireless, LLC for Expanded Service Area as a Wireless Eligible Telecommunications

Carrier in the State of Kansas (Low Income Only)

## **EXECUTIVE SUMMARY:**

Boomerang Wireless, LLC. (Boomerang) has filed an Application to expand its designation as an Eligible Telecommunications Carrier (ETC) in the state of Kansas. Boomerang provides prepaid wireless telecommunications services to consumers using the underlying networks of Sprint, Verizon, AT&T, and T-Mobile on a wholesale basis. Boomerang previously received ETC designation to provide Lifeline service with CMRS, with Sprint and Verizon, as well as other GSM carrier networks such as AT&T, to ensure ubiquitous coverage to qualifying consumers in specific Southwestern Bell Telephone Company d/b/a AT&T Kansas (AT&T Kansas) wire centers and specific Rural Local Exchange Carrier (RLEC) study areas in Kansas. With this Application, Boomerang seeks to expand its ETC designation in specific RLEC study areas and 10 additional AT&T Kansas exchanges it has determined it is capable of serving in their entirety.

Staff recommends approval of Boomerang's Application for the designation as an ETC in the entire study areas served by Council Grove Telephone Co. (Council Grove), Elkhart Telephone Co., Inc. (Elkhart), Gorham Telephone Co., Inc. (Gorham), H&B Communications, Inc. (H&B), Mutual Telephone Co. (Mutual), and United Telephone Association, Inc. (United) for the purpose of receiving low-income Federal Universal Service Fund (FUSF) support for its wireless customers.

Staff also recommends approval of Boomerang's request for expanded designation as a Lifeline-Only ETC for FUSF purposes in specific exchanges served by Craw-Kan

Telephone Cooperative, Inc. (Craw-Kan), Golden Belt Telephone Association (Golden Belt), JBN Telephone Company, Inc. (JBN), Pioneer Telephone Association, Inc. (Pioneer), Rural Telephone Service Company, Inc. (Rural), S&T Telephone Cooperative Association (S&T), South Central Telephone Association, Inc. (South Central), Sunflower Telephone Co., Inc. (Sunflower), Totah Communications, Inc. (Totah), Tri-County Telephone Association, Inc. (Tri-County), United Telephone Companies of Kansas d/b/a CenturyLink (CenturyLink), and AT&T Kansas. Boomerang is not seeking Kansas Universal Service Fund (KUSF) support.

## **BACKGROUND:**

On July 27, 2012, Boomerang filed an Application in Docket No. 13-BOWZ-121-ETC (121 Docket) requesting ETC designation for the purpose of providing Lifeline service, under its trade name enTouch Wireless, to qualifying Kansas consumers. Boomerang did not request ETC designation for the purpose of receiving high-cost support from either the FUSF or the KUSF. Boomerang requested ETC designation for only federal low-income support in specific non-rural local exchanges in Kansas.

On January 18, 2013, Staff recommended dismissal without prejudice of Boomerang's request for designation as a wireless Lifeline ETC for FUSF purposes because approval would not be in the public interest. Staff's analysis found that Boomerang had a history of late Carrier Remittance Worksheets (CRWs) and KUSF payments going back to 2010, among other issues such as an ambiguous service area request.

On January 31, 2013, Boomerang filed an Amended Application and submitted its remaining responses to the four Requests for Information (RFI) and provided copies of the electronically submitted updates requested to their Federal filings. As of January 31, 2013, all outstanding KUSF balances and penalty fees had been paid. The Company also indicated they have contracted with a third party provider to process their KUSF reports and payments to the KUSF Administrator in the future. On February 5, 2013, Staff recommended to withdraw its prior recommendation for the dismissal of Boomerang's Application for ETC designation and to continue its analysis. On March 13, 2013, the Commission issued an Order granting Boomerang's Amended Application for ETC designation for FUSF Lifeline support in specific AT&T Kansas and RLEC exchanges.

On March 24, 2016, Boomerang filed this Application to expand its ETC designation in specific RLEC service areas and additional AT&T exchanges for purposes of receiving federal low-income universal support for prepaid wireless services, specific to Lifeline. Boomerang is <u>not</u> seeking KUSF support.

Boomerang is a Limited Liability Company (LLC) organized under the laws of the state of Iowa. Boomerang is authorized to conduct business as an LLC in the state of Kansas and its status is "active and in good standing."

<sup>&</sup>lt;sup>1</sup> Reference Exhibit [A] for exchange details.

## **ANALYSIS:**

Boomerang's Application indicates it is not seeking to receive high-cost support, only federal Lifeline support, in the service areas listed in the enclosed Exhibit [A] to this Application.

Boomerang requests ETC designation for Federal low-income support purposes for the entire study areas served by Council Grove, Elkhart, Gorham, H&B, Mutual, and United.

Boomerang is also requesting designation as a Lifeline-Only ETC for FUSF purposes in specific exchanges served by Craw-Kan, Golden Belt, JBN, Pioneer, Rural, S&T, South Central, Sunflower, Totah, Tri-County, United, CenturyLink, and ten additional AT&T Kansas wire centers.

# **Statutory ETC Requirements**

Pursuant to 47 U.S.C. § 214(e)(1),

(1) 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 therefor using media of general distribution.

Congress empowered the states to designate a common carrier as an ETC. Pursuant to 47 U.S.C. § 214 (e)(2),

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.

#### Service or Functionalities

The Federal Communications Commission (FCC) identified 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), which reads as follows:

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.

In its Application, Boomerang provided the following explanation of how it provides Voice Telephony services.<sup>2</sup>

Voice Grade Access to the Public Switched Network – Consistent with state and federal policies favoring universal service, Boomerang will offer voice telephony services as described in Section 54.101 of the FCC Rules, "voice grade access to the public switched network or its functional equivalent." Each of the Lifeline plans offered by Boomerang Wireless provides the ability for end users to access the public switched telephone network with voice grade access, utilizing the facilities of Boomerang Wireless' underlying carriers, and to the same extent provided by the underlying carriers. This requirement is met through the purchase by Boomerang Wireless of wholesale CMRS services from Sprint, Verizon and now through its Mobile Virtual Network Enabler (MVNE), AT&T network.

**Local Usage** – As part of the voice grade access to the public switched telephone network, each of the Lifeline plans offered by Boomerang Wireless includes a designated number of minutes which may be used by the end user as deemed appropriate. This includes minutes of use for local service provided at no additional charge to end users as required by Section 54.101 of the FCC Rules.

Access to Emergency Services – Boomerang Wireless also provides access to emergency services provided by local government or public

<sup>&</sup>lt;sup>2</sup> Boomerang advised Staff in response to DR 1 on how it will offer voice telephony services as described in Section 54.101 of the FCC Rules.

<sup>&</sup>lt;sup>3</sup> USF/ICC Transformation Order and FNPRM, FCC 11-161 at paras. 3, 78; see also revised section 54.101(a).

safety officials, including 911 and enhanced 911 (E911) to the extent the local government in its service area has implemented 911 and E911 systems. Boomerang Wireless also complies with the FCC's forbearance grant conditions relating to the provision of 911 and E911 services and handsets as detailed in Boomerang Wireless' Compliance Plan.

Toll Limitation – Pursuant to FCC's 2012 Lifeline Reform Order and Section 54.101(a)(2), toll limitation service does not need to be offered for any Lifeline service that does not distinguish between toll and non-toll calls in the pricing of service. Accordingly, Boomerang Wireless satisfies this requirement for the following reasons. Since the Company is a prepaid service provider, customers cannot be disconnected for failure to pay toll charges, nor are there additional charges for exceeding their minutes. Further the Company, like most wireless carriers, does not differentiate domestic long distance toll usage from local usage and all usage is paid for in advance.

With regard to the local usage component, the Commission determined in its October 2, 2006, Order in Docket No. 06-GIMT-446-GIT (October 2<sup>nd</sup> 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-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.

Boomerang's existing Lifeline plans, as filed in this Application, offers two options for Lifeline customers: (1) a base plan which includes 250 free minutes each month, which do not carry over to the next month if unused and 10 MB of data each month; and (2) a Lifeline Upgrade Data Plan with 250 free minutes each month without rollover and 250 MB of data per month. The plan is free to Lifeline customers and has three different device arrangements.

Moreover, Boomerang is offering two Tribal Lifeline plans: (1) a base plan which includes 1,100 minutes each month, which does not carry over to the next month if unused and 100 MB of data per month; and (2) a Tribal Lifeline Upgrade Data Plan with 1,100 free minutes per month without rollover and 500 MB of data per month. This plan is free to Lifeline customers residing on tribal land and has two different device arrangements.<sup>4</sup>

Both Lifeline plans include a free 911 compliant handset and the following custom calling features: Caller ID; Call Waiting; Call Forwarding; 3-Way Calling; and Voicemail.

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<sup>&</sup>lt;sup>4</sup> See Exhibit [B] for details.

However, with the FCC's Third Report and Order, Further Report and Order, and Order on Reconsideration (WC Docket No. 11-42), released April 27, 2016, the FCC's objective is to phase-down Lifeline support for providers that do not offer minimum service standards for mobile voice service per 47 C.F.R. 54.408(3).

Below is the FCC's outlined minimum Lifeline service standards and schedule it adopted that will begin December 1, 2016, in the FCC Order (FCC 16-38) for both mobile data and voice:<sup>5</sup>

Date	Mobile Voice	Mobile Broadband	Fixed Broadband	Support Amount
Later of December 1, 2016, or 60 days after PRA approval	500 minutes	500 megabytes (MB) monthly at 3G speeds	Speed: 10/1 Usage Allowance: 150 GB. Usage Allowance: 150 GB.	\$9.25*
December 1, 2017	750 minutes	1 gigabyte (GB)	Speed: Updated annually based on the 30th percentile of speeds reported nationally on Form 477.  Usage Allowance: Updated annually based on CAF standard or "substantial majority".	\$9.25*
December 1, 2018	1,000 minutes	2 GB	Speed: Updated annually based on the 30th percentile of speeds reported nationally on Form 477.  Usage Allowance: Updated annually based on CAF standard or "substantial majority".	\$9.25*
December 1,2019	1,000 minutes	Updated annually based on 70% of the calculated average mobile data usage per household.	Speed: Updated annually based on the 30th percentile of speeds reported nationally on Form 477.  Usage Allowance: Updated annually based on CAF standard or "substantial majority".	7.25**
December 1, 2020	1,000 minutes	Updated annually based on 70% of the calculated average mobile data usage per household.	Speed: Updated annually based on the 30th percentile of speeds reported nationally on Form 477.  Usage Allowance: Updated annually based on CAF standard or "substantial majority".	\$5.25
December 1, 2021	1,000 minutes	Updated annually based on 70% of the calculated average mobile data usage per household.	Speed: Updated annually based on the 30th percentile of speeds reported nationally on Form 477.  Usage Allowance: Updated annually based on CAF standard or "substantial majority".	\$0

\* From December 1, 2016, through November 30, 2019, a mobile bundle of voice and data services must include at least one supported service (voice or broadband) meeting the minimum service standard applicable at that time for such supported service.

However, Boomerang's current Lifeline plans submitted in this Application do not meet the FCC's new minimum standards that will begin December 1, 2016. On June 13, 2016, and on July 19, 2016, Staff submitted RFIs 5.1 and 6.2, respectively asking how Boomerang intends to comply with the FCC's minimum mobile service standard requirement and provide a list of the new or revised Lifeline plan(s) that will be offered beginning December 1, 2016. On August 29, 2016, Boomerang provided amended responses to Staff's two RFIs. In their responses Boomerang indicated that it has developed a new Minute Plan that offers 500 voice minutes, 100 texts, and 10 MB of data per month free to eligible customers.<sup>6</sup> It is Boomerang's plan to transition its existing

<sup>\*\*</sup> From December 1, 2019, to November 30, 2021, a voice and broadband Lifeline bundle must include a broadband offering that meets the applicable minimum service standard to be eligible for the full \$9.25 benefit.

<sup>&</sup>lt;sup>5</sup> See Third Report and Order, Further Report and Order, and Order on Reconsideration (WC Docket No. 11-42, ¶ 65 and 100, respectively).

<sup>&</sup>lt;sup>6</sup> There is no device available with this offer. Lifeline minutes, texts, and data are automatically posted each month on the customer's service date. No rollover of minutes, texts or data, which will expire on the customer's service date the following month.

subscribers to the qualifying plans that meet the minimum service standards prior to or on December 1, 2016. Boomerang also indicated that the existing plans, previously filed with this Application, will be phased out and no longer available to new applicants sometime prior to December 1, 2016. This phase out will transpire after all subscribers are transitioned to the new plan that meets the FCC's minimum service standards.<sup>7</sup>

The incumbent local exchange carriers' monthly rate for a residential access line ranges from \$13.27 to \$24.70 per month before the Lifeline discounts are applied. Customer calling features, such as Caller ID and Call Waiting, are offered for an additional charge. The local calling scope is the exchange, but local calls are unlimited.

Staff does not believe the local usage that will be offered in Boomerang's wireless calling packages is clearly comparable. Rather, Staff believes, in this case, local usage comparability would depend on the usage pattern of the particular customer. A customer that completes calls primarily within their exchange may not find the amount of local usage offered by Boomerang to be comparable to the offering of the incumbent. However, a customer that completes calls outside of their exchange may find that the local usage is comparable. When one considers the calling scope, usage that might otherwise be considered long distance and mobility, a consumer may find Boomerang's plans comparable to the incumbent's service offering.

#### Lifeline Calling Plan Rule

In the Commission's October 2nd Order, the Commission determined that, among other things, ETCs must apply the Lifeline discount to the service plan a qualifying Lifeline customer chooses. The Commission specifically ordered the following:

ETCs are required to allow Lifeline customers to choose a calling plan and to apply the Lifeline discount to the plan selected by the customers. Any ETC that does not allow customer selection at this time must do so within 180 days of the date of this Order.<sup>8</sup>

In Boomerang's Application, they concur that the Company's Lifeline customers will be able to apply the Lifeline discount to any calling plan offered by Boomerang, thereby, satisfying the Commission's October 2nd Order.<sup>9</sup>

#### **Consumer Eligibility and Enrollment**

In the FCC's Lifeline Reform Order, the FCC comprehensively reformed and began the modernization of the federal Lifeline program. Pursuant to the Order and 47 C.F.R.

<sup>&</sup>lt;sup>7</sup> Amended RFIs 5.1 and 6.2, dated August 29, 2016.

<sup>&</sup>lt;sup>8</sup> In the Matter of a General Investigation Addressing Requirements for Designation of Eligible Telecommunications Carriers, Docket No. 06-GIMT-446-GIT, Order Adopting Requirements for Designation of Eligible Telecommunications Carrier, October 2, 2006, (446 Order), ¶ 77e.

<sup>&</sup>lt;sup>9</sup> See Application, at ¶ 1, with reference to Docket No. 06-GIMT-446-GIT.

<sup>&</sup>lt;sup>10</sup> 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

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.

In its March 27, 2012, Order in Docket No. 10-GIMT-658-GIT, the Commission required ETCs to utilize the Kansas Lifeline Certification Form created by the Commission Staff by June 1, 2012, or utilize its own form that includes the same information. Boomerang opted to utilize its own Lifeline Certification Form, included with its Application, as outlined in its sample advertising. Staff has reviewed the Form and finds that it includes all of the required information.

#### Financially and Technically Capable

The FCC, in its Lifeline Reform Order, amended Sections 54.201 and 54.202 of its rules, which govern ETC designation by states to require a carrier seeking designation as Lifeline-Only ETC's to demonstrate that it is financially and technically capable of providing the supported Lifeline service in compliance with all of the low-income program rules. Therefore, in order to ensure Lifeline-Only ETCs are financially and technically capable to provide Lifeline service, the FCC included an explicit requirement in both 54.201 and 54.202 for a common carrier seeking to be designated as a Lifeline-Only ETC to demonstrate its financial and technical capability to provide the supported service.

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; and
- 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 financial and technical capacity. After reviewing the Comments filed, the Commission determined in its June 21, 2012, Order that:

The FCC requires Lifeline-only ETC applicants to provide, in their Compliance Plan, a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier's various Lifeline service plan offerings, including subscriber rates,

*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, ("FCC Lifeline Order").

number of minutes included and types of plans available. Lifeline-only ETC applicants should file Kansas-specific information regarding financial and technical capacity similar to the information provided in the carrier's FCC Compliance Plan when filing for Lifeline-only ETC status in Kansas.

Boomerang indicates it has been in business since October 2010 when it began offering Lifeline supported services. Boomerang currently provides Lifeline service to approximately 230,000 customers in 24 States with pending applications in 17 other jurisdictions. Boomerang indicates it also has 50,000 non-Lifeline customers (retail) in the 24 States, including Kansas since 2013, and it does not rely exclusively on Lifeline reimbursement from the FUSF in operating revenue. Boomerang's revenue is substantially derived from non-Lifeline services. Boomerang further states that it has not been subject to an enforcement action or an ETC revocation proceeding in any state. <sup>11</sup>

In addition, Boomerang provided a Kansas-specific description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier's various Lifeline service plan offerings, including subscriber rates, number of minutes included, and types of plans available in its Application.

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

#### Types of Facilities Used to Provide Service

Boomerang indicates it is a reseller of Commercial Mobile Radio Service (CMRS). Boomerang provides service via MVNE, consisting of services obtained from Sprint, Verizon, AT&T, and T-Mobile.

47 U.S.C. § 214 (e)(1)(A) states that ETCs shall offer services, at least in part, over their own facilities and that Section 54.201(i) of the FCC's Rules (47 C.F.R. § 54.201(i)) prohibits state commissions from designating as an ETC a telecommunications carrier that offers services exclusively through the resale of another carrier's services.

47 U.S.C. § 160(e) states "[a] State commission may not continue to apply or enforce any provision of this chapter that the Commission has determined to forbear from applying under subsection (a) of this section." Therefore, since the FCC has granted such forbearance request, this Commission may not continue to enforce the requirement for Boomerang to provide universal service through its own facilities for federal Lifeline purposes.

On August 9, 2012, the FCC approved Boomerang's Compliance Plan, which was filed as a condition of Boomerang's FCC blanket forbearance, where the FCC in the *Lifeline Reform Order* found that a grant of blanket forbearance of the facilities requirement,

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<sup>11</sup> Staff's DR 3.2, dated June 13, 2016.

subject to certain public safety and compliance obligations, is appropriate for carriers seeking to provide Lifeline Only Service. 12

In granting Boomerang's forbearance request, the FCC subjected Boomerang to the following conditions: (a) must provide Lifeline customers with basic 911 and enhanced (E911) access regardless of activation status and availability of prepaid minutes; (b) must provide its new Lifeline customers with E911-compliant handsets and replace any existing customers' non-compliant handsets at no additional charge; (c) must comply with conditions (a) and (b) as of the date it provides Lifeline service; (d) must obtain certification from each Public Safety Answering Point where Boomerang provides Lifeline service confirming that Boomerang complies with condition (a); (e) must require its customers to self-certify, at the time of service activation and annually thereafter, that they are the heads of the households and receive Lifeline-supported service only from Boomerang; and (f) must establish safeguards to prevent its customers from receiving multiple Boomerang Lifeline subsidies at the same address.

Although the FCC has granted blanket forbearance for federal support purposes to Lifeline-Only ETCs, Staff notes that the FCC's blanket forbearance only applies to federally-supported universal service and not state-supported universal service. Thus, carriers need to meet the "own facilities" requirement in order to be eligible for Kansas support.

Boomerang demonstrated in the 121 Docket that it met all of the FCC's Forbearance conditions. Staff is satisfied that Boomerang will comply with the forbearance requirements imposed by the FCC.

#### 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;

<sup>&</sup>lt;sup>12</sup> See Lifeline Reform Order, FCC 12-11 at ¶¶ 368-381.

(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.

All of the RLECs and Century Link are considered rural telephone companies for federal Lifeline support purposes, and AT&T Kansas is considered a non-rural telephone company for federal Lifeline support purposes. The study area is the service area currently designated for universal service support for areas served by rural telephone companies and the wire center is the service area currently designated by the Commission for universal service support for areas served by non-rural telephone companies.

Boomerang requests ETC designation for Federal low-income support purposes for the entire study areas served by Council Grove, Elkhart, Gorham, H&B, Mutual, and United.

On April 15, 2013, the FCC released an Order<sup>13</sup> granting forbearance from the requirements of Section 47 U.S.C. § 214(e)(5) of the Act and Section 54.207(b) of the Commission's rules that the service area of an ETC conform to the service area of any rural telephone company serving the same area. The Forbearance Order applies to any ETC that has been designated or any ETC seeking limited designation as an ETC to participate in the Lifeline program only and is limited to carrier's designation as a Lifeline-Only ETC.

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 Lifeline-only support. The Commission may <u>now</u> 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. Reference the enclosed Exhibit [A] for Boomerang's complete list of rural exchanges being requested in its Application to expand its designation as an ETC in the state of Kansas.

#### Advertising

Section 214(e)(1) of the Federal Act requires ETCs to advertise the availability of the supported services and the associated charges using media of general distribution. Boomerang states it will advertise the availability of the supported services and charges in media of general distribution as required in Section 214(e)(1) of the Act. Boomerang's Application states that the Company will announce and advertise telecommunications services as an ETC in its expanded service area and will publicize the availability of Lifeline services in a manner reasonably designed to reach those likely to qualify for those services. Moreover, Boomerang stated in its Application that the Company is aware that the Commission, in Docket No. 06-GIMT-446-GIT ¶12, requires all Competitive ETCs to include contact information for the Commission's Public Affairs

<sup>&</sup>lt;sup>13</sup> See FCC 13-44.

<sup>&</sup>lt;sup>14</sup> 47. U.S.C. § 214(e)(2); 47 C.F.R. § 54.201(c).

Consumer Protection in their advertisement so the customer knows where to turn with questions and complaints. 15

Staff is satisfied that Boomerang will meet the advertising requirement.

## **Public Interest**

The FCC, in its Virginia Cellular Orders, <sup>16</sup> made new findings regarding determination of the public interest. While the FCC's decision is not binding on this Commission, the Commission found in its ALLTEL and RCC Minnesota Orders <sup>17</sup> that examination of the additional factors enumerated in the FCC's Order is reasonable.

In its Application, Boomerang provided the following explanations of how it meets the guidelines that the FCC suggested for evaluation in the Virginia Cellular Order:

• Benefits of Increased Competitive Choice – The FCC has long acknowledged the benefits to consumers of being able to choose from a variety of telecommunications providers and the resulting variety of telecommunications services they provide. This is of particular interest in cases where wireless providers like Boomerang seek to provide service as an alternative to the ILEC. In the *Highland Cellular* case, the FCC recognized and affirmed that some households may not have access to the public switched network as provided by the ILEC. The availability of a wireless competitor benefits all consumers. The availability of a wireless competitor benefits all consumers. The availability of a wireless competitor benefits consumers who routinely drive long distances to attend work or school or to accomplish everyday tasks such as shopping or attending community and social events. The wireless service offered by Boomerang will provide these consumers with a convenient and affordable alternative to traditional telecommunications service that can be used while at home and away from home.

Added together, Boomerang expects these additional competitive advantages to create an atmosphere that will cause many qualified consumers, at their option, to select Boomerang's low-income wireless Lifeline service in lieu of the more traditional wireline or wireless services.

Designation of Boomerang as an ETC also creates competitive pressure for other wireline and wireless providers with the proposed expanded service area. In order to remain competitive in low-income markets, therefore, all carriers will have greater incentives to improve networks, increase service offerings and lower

<sup>&</sup>lt;sup>15</sup> See Application, ¶ 9 and Exhibit [B] under State Commission Contact information.

<sup>&</sup>lt;sup>16</sup> 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.

<sup>&</sup>lt;sup>17</sup> See Docket No. 04-ALKT-283-ETC, September 24, 2004, Order and Docket No. 04-RCCT-338-ETC, September 30, 2004, Order.

<sup>&</sup>lt;sup>18</sup> Federal-State Joint Bd. On Universal Serv., Highland Cellular, Inc. *Memorandum Opinion and Order*, 19 F.C.C.R. 6422 (2004).

prices. This results in improved consumer services and, consistent with federal law, benefits consumers by allowing Boomerang to offer the services designated for support at rates that are "just, reasonable, and affordable".

- Competitive ETC's Ability to Provide the Supported Services throughout the
  Designated Service Area within a Reasonable Time Frame Boomerang has
  provided CMRS service in the State of Kansas since 2013, and in numerous other
  states since 2010. In Kansas, Boomerang obtains service from the following
  underlying carriers: Sprint; AT&T; T-Mobile; and Verizon. Boomerang's
  arrangements with those providers enable it to offer services wherever any of
  those providers offer service in the State of Kansas.
- Impact of Multiple Designations on the Universal Service Fund The amount of support available to an eligible subscriber is exactly the same whether the support is given through a company such as Boomerang or the Incumbent LEC operating in the same service area. Boomerang will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETCs' Lifeline program. By implementing the safeguards set forth in the Lifeline and Link Up Reform Order, Boomerang will minimize the likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. In addition, designation of the Company as an ETC will not pose any adverse effect in the growth in the high cost portions of the USF, nor will it create or contribute to an erosion of high cost funding from any rural or non-rural telephone company.
- Unique Advantages and Disadvantages of the Competitor's Service Offering

   Boomerang will offer a unique, easy to use, competitive and highly affordable wireless telecommunications service, which it will make available to qualified consumers who either have no other service alternatives or who choose a wireless prepaid solution in lieu of more traditional services. Boomerang will provide universal service as an ETC in all of its expanded service area, will provide equal access to long distance carriers to the extent to which it is able to do so, and offers a local usage plan comparable to that offered by the ILEC in the expanded service area. Boomerang's Lifeline service is available with no credit check, deposit requirement, minimum service periods, or early termination fees.
- Commitments Made Regarding Quality of Telephone Service Provided By Competing Providers Under the FCC Rules, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards. Boomerang will satisfy all such standards. As part of its certification requirements for providing local exchange services, Boomerang must abide by the service quality and consumer protection rules. Boomerang in general commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. Boomerang is committed to providing and maintaining essential telecommunications services in times of emergency. In particular, Boomerang maintains a reasonable amount of back-up power to ensure

that functionality of its service without an external power source is able to route traffic around damaged facilities and is capable of managing traffic spikes resulting from emergency situations.

#### **Impact on Funds**

Furthermore, it is important to recognize the differences between low-income funding for the Lifeline program and high-cost funding. With Lifeline, ETCs only receive USF support for customers they obtain. If Boomerang acquires Lifeline customers currently served by other ETCs, Boomerang will gain the Lifeline support for those customers, but the ETCs losing the customers will lose the support. Boomerang will only increase the amount of USF Lifeline funding in situations where it obtains new Lifeline customers (i.e., customers not currently enrolled in other ETCs' Lifeline programs).

While it is impossible to predict the exact impact, Boomerang estimates an increase in its customers base in the state of Kansas by approximately 2,500 Lifeline subscribers as a result of the expansion. As a result, Boomerang would estimate a net impact of \$23,125 on the FUSF<sup>19</sup> and \$0 on the KUSF (since Boomerang does not participate in the KUSF). However, some of these customers may be current Lifeline subscribers with other carriers who switch service to Boomerang (resulting in no net effect on the federal USF). In any event, Boomerang states the effect will be negligible on a low income program which was estimated at \$2.4 billion in 2012.

The FCC has adopted stringent new requirements to reduce waste, fraud and abuse in the low-income program and set a target objective of saving \$200 million in 2012 through its reform efforts. These measures include the elimination of the Link Up program and other reforms to reduce the burden of the low-income program on the USF. As a result, future growth in the Lifeline program will be controlled to ensure proper stewardship of USF resources. In fact, the FCC recently issued a press release stating that its reform efforts have saved the USF \$15 million so far and are on track to save \$2 billion over the next three years.

## Ability to Remain Functional in an Emergency

The Commission determined in its October 2<sup>nd</sup> 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 remain functional without external power in emergency situations, is able to reroute traffic around damaged facilities, and can manage emergency traffic spikes.

In its Application, Boomerang indicates that as a reseller of other carriers' wireless services, Boomerang's service is of the same quality and reliability as its underlying vendors. Boomerang's underlying vendors have implemented state-of-the-art network

<sup>&</sup>lt;sup>19</sup> On June 13, 2016, Staff submitted RFI 3.1 to obtain Boomerang's specific impact to the federal USF from a Kansas perspective. In response to Staff's RFI 3.1, Boomerang's calculations anticipate USF impact of 2,500. Multiplying 2,500 by \$9.25 equates to \$23,125 impact on the FUSF.

reliability standards, and Boomerang and its customers benefit from their high standards.20

#### **RECOMMENDATION:**

Staff believes Boomerang has demonstrated that it is in the public interest to expand its designation as an ETC for Lifeline-Only support in the requested study areas and exchanges. Boomerang will be eligible to receive FUSF low-income support only, and Staff believes the addition of Boomerang's Lifeline service offerings will be a benefit to low-income Kansas consumers.

Staff also recommends approval of Boomerang's Application for the designation as a Lifeline-Only ETC in the entire study areas served by Council Grove, Elkhart, Gorham, H&B, Mutual, and United for the purpose of receiving low-income FUSF support for its wireless customers.

Lastly, Staff recommends approval of Boomerang's Application for the designation as a Lifeline-Only ETC for FUSF purposes in specific exchanges listed on Exhibit [A] served by Craw-Kan, Golden Belt, JBN, Pioneer, Rural, S&T, South Central, Sunflower, Totah, Tri-County, CenturyLink<sup>21</sup> and AT&T Kansas for the purpose of receiving Federal lowincome FUSF support for its wireless customers.

Application, Pg. 15.
 United Telephone of Kansas d/b/a CenturyLink and United Telephone Company of Eastern Kansas.

# Boomerang Wireless KS ExpandSvcArea, 16-BOWZ-437-ETC BmgResponse, Attach 2.1

			brightesponse, Attach 2.1		
		SHORT SWITCH	-	CATEGORY	
	<s< td=""><td>CNGVKSXA</td><td>COUNCIL GROVE TELEPHONE CO.</td><td>ILEC</td><td>COUNCILGRV</td></s<>	CNGVKSXA	COUNCIL GROVE TELEPHONE CO.	ILEC	COUNCILGRV
}	<s< td=""><td>BRTLKSXA</td><td>CRAW - KAN TELEPHONE COOPERATIVE, INC KANSAS</td><td>ILEC</td><td>BARTLETT</td></s<>	BRTLKSXA	CRAW - KAN TELEPHONE COOPERATIVE, INC KANSAS	ILEC	BARTLETT
ł	<s< td=""><td>EKHTKSXA</td><td>ELKHART TELEPHONE CO., INC.</td><td>ILEC</td><td>ELKHART</td></s<>	EKHTKSXA	ELKHART TELEPHONE CO., INC.	ILEC	ELKHART
	<s< td=""><td>ALBRKSXA</td><td>·</td><td>ILEC</td><td>ALBERT</td></s<>	ALBRKSXA	·	ILEC	ALBERT
	⟨S	BRDTKSXA	GOLDEN BELT TELEPHONE ASSOCIATION, INC.	ILEC	BURDETT
	⟨S	LEWSKSXA	·	ILEC	LEWIS
	<b>S</b>	GRHMKSXA	·	ILEC	GORHAM
	<b>K</b> S	GRHMKSXA	•	ILEC	LURAY
}	<s< td=""><td>GRHMKSXA</td><td>GORHAM TELEPHONE CO., INC.</td><td>ILEC</td><td>PARADISE</td></s<>	GRHMKSXA	GORHAM TELEPHONE CO., INC.	ILEC	PARADISE
1	<s< td=""><td>GRHMKSXA</td><td>GORHAM TELEPHONE CO., INC.</td><td>ILEC</td><td>WALDO</td></s<>	GRHMKSXA	GORHAM TELEPHONE CO., INC.	ILEC	WALDO
ł	<s< td=""><td>BSTNKSXA</td><td>H &amp; B COMMUNICATIONS, INC.</td><td>ILEC</td><td>BUSHTON</td></s<>	BSTNKSXA	H & B COMMUNICATIONS, INC.	ILEC	BUSHTON
	(S	DRNCKSXA	·	ILEC	DORRANCE
		HLYRKSXA	· · · · · · · · · · · · · · · · · · ·	ILEC	
					HOLYROOD
	(S	WTMRKSXA	•	ILEC	CORNING
		WTMRKSXA	•	ILEC	FAIRVIEW
	<s< td=""><td>WTMRKSXA</td><td>•</td><td>ILEC</td><td>GOFF</td></s<>	WTMRKSXA	•	ILEC	GOFF
}	<s< td=""><td>WTMRKSXA</td><td>J.B.N. TELEPHONE CO., INC.</td><td>ILEC</td><td>HAVENSVL</td></s<>	WTMRKSXA	J.B.N. TELEPHONE CO., INC.	ILEC	HAVENSVL
1	<s< td=""><td>WTMRKSXA</td><td>J.B.N. TELEPHONE CO., INC.</td><td>ILEC</td><td>NETAWAKA</td></s<>	WTMRKSXA	J.B.N. TELEPHONE CO., INC.	ILEC	NETAWAKA
		WTMRKSXA	J.B.N. TELEPHONE CO., INC.	ILEC	SOLDIER
		WTMRKSXA	• • • • • • • • • • • • • • • • • • • •	ILEC	WETMORE
	(S	LTRVKSXA		ILEC	LITTLE RIV
	KS	BGBWKSXA	· · · · · · · · · · · · · · · · · · ·	ILEC	BIG BOW
	<b>S</b>	CLDGKSXA	•	ILEC	COOLIDGE
	<b>S</b>	DRFDKSXA		ILEC	DEERFIELD
ł	(S	HGTNKSXA	PIONEER TELEPHONE ASSOCIATION, INC.	ILEC	HUGOTON
ŀ	<s< td=""><td>JHSNKSXA</td><td>PIONEER TELEPHONE ASSOCIATION, INC.</td><td>ILEC</td><td>JOHNSON</td></s<>	JHSNKSXA	PIONEER TELEPHONE ASSOCIATION, INC.	ILEC	JOHNSON
	<b>S</b>	KENDKSXA	PIONEER TELEPHONE ASSOCIATION, INC.	ILEC	KENDALL
	(S	LAKNKSXA	•	ILEC	LAKIN
		MANTKSXA	PIONEER TELEPHONE ASSOCIATION, INC.	ILEC	MANTER
		RCFDKSXA	•	ILEC	RICHFIELD
		ROLLKSXA	•	ILEC	ROLLA
	<s< td=""><td>RYUSKSXA</td><td>· · · · · · · · · · · · · · · · · · ·</td><td>ILEC</td><td>RYUS</td></s<>	RYUSKSXA	· · · · · · · · · · · · · · · · · · ·	ILEC	RYUS
ł	<s< td=""><td>STNTKSXA</td><td>PIONEER TELEPHONE ASSOCIATION, INC.</td><td>ILEC</td><td>SATANTA</td></s<>	STNTKSXA	PIONEER TELEPHONE ASSOCIATION, INC.	ILEC	SATANTA
ł	(S	SYRCKSXA	PIONEER TELEPHONE ASSOCIATION, INC.	ILEC	SYRACUSE
ŀ	(S	ULYSKSXA	PIONEER TELEPHONE ASSOCIATION, INC.	ILEC	ULYSSES
	(S	OLMTKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	OLMITZ
	(S	OSBRKSXA	· · · · · · · · · · · · · · · · · · ·	ILEC	OSBORNE
	(S		RURAL TELEPHONE SERVICE CO., INC.	ILEC	PALCO
			•		
		RSSLKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	BURR OAK
	(S	RSSLKSXA		ILEC	ESBON
		RSSLKSXA		ILEC	LEBANON
	(S	RSSLKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	REPUBLIC
1	<b>S</b>	RSSLKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	WEBBER
ŀ	<b>S</b>	RSSLKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	DOWNS
ł	(S	RSSLKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	OSBORNE
	(S	RSSLKSXA		ILEC	RUSSELL
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	ATHOL
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.		
				ILEC	KENSINGTON
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	NATOMA
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	AGRA
ŀ	<b>S</b>	VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	ALTON
ŀ	<b>S</b>	VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	HILL CITY
ł	(S	VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	COLLYER
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	WAKEENEY
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	DAMAR
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	
					EDMOND
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	LENORA
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	LOGAN
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	LONGISLAND
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	MORLAND
ł	(S	VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	PALCO
		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	VICTORIA
	10				
ŀ		VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	PRAIRIF VW
	<b>S</b>	VCTAKSXA VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC ILEC	PRAIRIE VW WOODSTON
ł	KS KS	VCTAKSXA VCTAKSXA VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC. RURAL TELEPHONE SERVICE CO., INC. RURAL TELEPHONE SERVICE CO., INC.	ILEC ILEC ILEC	PRAIRIE VW WOODSTON GOVE

# Boomerang Wireless KS ExpandSvcArea, 16-BOWZ-437-ETC BmgResponse, Attach 2.1

		brightesponse, Attach 2.1		
STATE	SHORT SWITCH	OCN_NAME	CATEGORY	RC ABBRE
KS	VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	QUINTER
KS	VCTAKSXA	RURAL TELEPHONE SERVICE CO., INC.	ILEC	REXFORD
	BRWSKSXA	S & T TELEPHONE COOPERATIVE ASSOCIATION	ILEC	
KS				BREWSTER
KS	BRWSKSXA	S & T TELEPHONE COOPERATIVE ASSOCIATION	ILEC	GRINNELL
KS	BRWSKSXA	S & T TELEPHONE COOPERATIVE ASSOCIATION	ILEC	KANORADO
KS	BRWSKSXA	S & T TELEPHONE COOPERATIVE ASSOCIATION	ILEC	LEVANT
KS	BRWSKSXA	S & T TELEPHONE COOPERATIVE ASSOCIATION	ILEC	MENLO
KS	DGTNKSXA	S & T TELEPHONE COOPERATIVE ASSOCIATION	ILEC	HEALY
KS	SHRNKSXA	SOUTH CENTRAL TELEPHONE ASSOCIATION, INC.	ILEC	IUKA
KS	SHRNKSXA	SOUTH CENTRAL TELEPHONE ASSOCIATION, INC.	ILEC	HAZELTON
		·		
KS	SHRNKSXA	SOUTH CENTRAL TELEPHONE ASSOCIATION, INC.	ILEC	KIOWA
KS	SHRNKSXA	SOUTH CENTRAL TELEPHONE ASSOCIATION, INC.	ILEC	LAKE CITY
KS	SHRNKSXA	SOUTH CENTRAL TELEPHONE ASSOCIATION, INC.	ILEC	SHARON
KS	SHRNKSXA	SOUTH CENTRAL TELEPHONE ASSOCIATION, INC.	ILEC	SUN CITY
KS	JTMRKSXA	SUNFLOWER TELEPHONE CO., INC.	ILEC	JETMORE
KS	LEOTKSXA	SUNFLOWER TELEPHONE CO., INC.	ILEC	LEOTI
		•		
KS	SHSPKSXA	SUNFLOWER TELEPHONE CO., INC.	ILEC	SHARON SPG
KS	SHSPKSXA	SUNFLOWER TELEPHONE CO., INC.	ILEC	WALLACE
KS	SHSPKSXA	SUNFLOWER TELEPHONE CO., INC.	ILEC	WESKAN
KS	TRBNKSXA	SUNFLOWER TELEPHONE CO., INC.	ILEC	TRIBUNE
KS	EKCYKSXA	TOTAH COMMUNICATIONS, INC.	ILEC	ELK CITY
KS	HAVNKSXA	TOTAH COMMUNICATIONS, INC.	ILEC	HAVANA
KS	HWNSKSXA	TOTAH COMMUNICATIONS, INC.	ILEC	HEWINS
KS	LBRTKSXA	TOTAH COMMUNICATIONS, INC.	ILEC	LIBERTY
KS	DNLPKSXA	TRI - COUNTY TELEPHONE ASSOCIATION, INC.	ILEC	DUNLAP
KS	LNVLKSXA	TRI - COUNTY TELEPHONE ASSOCIATION, INC.	ILEC	LINCOLNVL
KS	BURLKSXA	UNITED TEL CO. OF KANSAS DBA CENTURYLINK	ILEC	BURLINGTON
KS	FRDNKSXA	UNITED TEL CO. OF KANSAS DBA CENTURYLINK	ILEC	FREDONIA
KS	GRNTKSXA	UNITED TEL CO. OF KANSAS DBA CENTURYLINK	ILEC	GARNETT
KS	HGLDKSXA	UNITED TEL CO. OF KANSAS DBA CENTURYLINK	ILEC	HIGHLAND
KS	HLBOKSXA	UNITED TEL CO. OF KANSAS DBA CENTURYLINK	ILEC	HILLSBORO
KS	WPHLKSXA	UNITED TEL CO. OF KANSAS DBA CENTURYLINK	ILEC	WESTPHALIA
KS	ABVLKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	ABBYVLPLVN
KS	ALDNKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		ALDEN
KS	ALNAKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		ALTOONA
KS	BLPRKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		
				BELPRE
KS	BNDCKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		BENEDICT
KS	CLFLKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	CLAFLIN
KS	CYVLKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	COYVILLE
KS	DRHMKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	DURHAM
KS	FLRVKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	FALL RIVER
KS	GRDLKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		GRIDLEY
KS	GRELKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		GREELEY
KS	HDSNKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		HUDSON
KS	HSTNKSXB	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		HOISINGTON
KS	LERYKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	LEROY
KS	LFNTKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	LAFONTAINE
KS	LHGHKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	LEHIGH
KS	MCVLKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		MACKSVILLE
KS	PRKRKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		
				PARKER
KS	PRRGKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		PARTRIDGE
KS	QNCYKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		QUINCY
KS	STJHKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	ST JOHN
KS	SYLVKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK	ILEC	SYLVIA
KS	TOROKSXA	UNITED TEL OF EASTERN KANSAS DBA CENTURYLINK		TORONTO
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	ASHLAND
		•		
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	CIMARRON
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	ENSIGN
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	COPELAND
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	ENGLEWOOD
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	FORD
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	HANSTON
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	INGALLS
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	MONTEZUMA
KS	DDCYKSAT	UNITED TELEPHONE ASSOCIATION, INC.	ILEC	SPEARVILLE

# EXHIBIT A

# Boomerang Wireless KS ExpandSvcArea, 16-BOWZ-437-ETC BmgResponse, Attach 2.1

STAT	E SHORT SWITE	CHOCN_NAME	CATEGOR	Y RC ABBRE
KS	ATTCKSAA	SOUTHWESTERN BELL	RBOC	ATTICA
KS	CANYKS05	SOUTHWESTERN BELL	RBOC	CANEY
KS	CDVAKSPL	SOUTHWESTERN BELL	RBOC	CEDAR VALE
KS	CLBYKS05	SOUTHWESTERN BELL	RBOC	COLBY
KS	DDCYKS01	SOUTHWESTERN BELL	RBOC	DODGE CITY
KS	HAYSKS11	SOUTHWESTERN BELL	RBOC	HAYS
KS	HMTNKS01	SOUTHWESTERN BELL	RBOC	HAMILTON
KS	MDLDKS01	SOUTHWESTERN BELL	RBOC	MEDICNLODG
KS	SEDNKSCH	SOUTHWESTERN BELL	RBOC	SEDAN
KS	STJSMODN	SOUTHWESTERN BELL	RBOC	ELWOOD

# Boomerang's Prepaid Wireless Lifeline Plans

Boomerang states that its Lifeline Service Plan will be provided with the following optional plans, built on a base plan, with four options for acquiring a device.

# **EXISTING LIFELINE PLANS**

## Base Plan:

- 250 free minutes and 10 MB of data per month
- Offers 250 minute (1 minute equals 1 unit and 1 text equals 1 unit) for voice and text
- Lifeline free minutes are automatically posted each month on the Lifeline customer's service.
- No rollover of minutes

# Lifeline Upgrade Data Plan:

- Includes 250 units per month
- No rollover
- 1 minute equals 1 unit and 1 text equals 1 unit
- 250 MB of data per month

# [Plans differ depending on device]

- 1. Customer uses own device
  - Pays \$5 line fee for 90 days of service
- 2. Customer purchases entry-level smart phone from Boomerang
  - Can pay \$25 for the phone
  - \$5 fee will be waived for the first 90 days
  - After the first 90 days the \$5 fee for 90 days applies [1]
- 3. Customers purchases an iPhone 4 or equivalent
  - Pays \$50 for the phone
  - \$5 fee will be waived for the first 90 days
  - After the first 90 days the \$5 for 90 days applies [1]

[1] If a customer decides not to renew on the 90-day plan for \$5, the plan will convert to the 250 Free Minute plan.

# Boomerang's Prepaid Wireless Lifeline Plans

# TRIBAL LIFELINE PLANS

# Tribal Base Plan<sup>1</sup>:

- 1,100 units per month
- No rollover
- 1 minute equals 1 unit and 1 text equals 1 unit for voice and text
- 100 MB of data per month
- Lifeline free minutes are automatically posted each month on the Lifeline customer's service
- Available only to eligible applicants residing on Tribal lands

# Tribal Lifeline Upgrade Data Plan:

- 1,100 units per month
- No rollover
- 1 minute equals 1 unit and 1 text equals 1 unit for voice and text
- 500 MB of data

# [Plans differ depending on device]

- 1. Customer receives entry-level smart phone from Boomerang
  - Pays \$5 for 90 days of service
- 2. Customers purchases an iPhone 4 or equivalent
  - Pays one-time
  - \$25 for the phone
  - \$5 fee will be waived for the first 90 days
  - After the first 90 days the \$5 for 90 days applies [1]

[1] If a customer decides not to renew the paid plan, costumer will be converted to a Tribal 1,100 Free Minute plan

<sup>&</sup>lt;sup>1</sup> This is an increase of Boomerang's present unit and data allocation of 1,000 units and 10 MB respectively. In addition to new subscribers, all existing Tribal plan subscribers in Kansas will automatically receive the increase when it goes into effect.

# Boomerang Wireless' Prepaid Wireless Lifeline Plans

This table can be found in the Company's Compliance Plan with the FCC approved on July 26, 2012.

Additional airtime can be purchased in the various denominations listed in the table below. Airtime replenishment cards will be made available at numerous retail outlets such as CVS, Dollar General, Walgreens, Seven-Eleven, Fred's, Rite Aid, as well as from Boomerang's website.

Denomination	\$5	\$10	\$10	\$15	\$15	\$30	\$30	\$50	\$7	\$20	\$30
Days of Use	10	3	7	7	10	14	30	30	10	30	30
Minutes									100	500	1,000
Peak Minutes		Unlmtd	30	Unlmtd	60	Unlmtd	140	Unlmtd			
N/W Mintues		Unlmtd	Unlmtd	Unlmtd	Unlmtd	Unlmtd	Unlmtd	Unlmtd			
Texts		Unlmtd	.10/txt	Unlmtd	.10/txt	Unlmtd	.10/txt	Unlmtd	200	1,000	1,200
Units Imin+Text	50										

## **CERTIFICATE OF SERVICE**

#### 16-BOWZ-437-ETC

I, the undersigned, certify that the tr	ue copy of the attached Ord	der has been served to the following parties by means o	f
first class mail/hand delivered on	SEP 2 7 2016		

H. PHILIP ELWOOD GOODELL STRATTON EDMONDS & PALMER 515 S KANSAS AVE TOPEKA, KS 66603-3999 Fax: 785-233-8870 pelwood@gseplaw.com

KIMBERLY LEHRMAN, PRESIDENT BOOMERANG WIRELESS, LLC 955 KACENA RD STE A HIAWATHA, IA 52233 Fax: 319-294-6081 klehrman@readywireless.com

RICHARD RAIMOND GOODELL STRATTON EDMONDS & PALMER 515 S KANSAS AVE TOPEKA, KS 66603-3999 Fax: 785-233-8870 rraimond@gseplaw.com J. ANDREW GIPSON, ATTORNEY JONES WALKER LLP 190 E CAPITOL STREET, STE. 800 PO BOX 427 JACKSON, MS 39205-0427 Fax: 601-949-4804 agipson@joneswalker.com

OTTO NEWTON, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD ROAD TOPEKA, KS 66604 Fax: 785-271-3167 o.newton@kcc.ks.gov \*\*\*Hand Delivered\*\*\*

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JONES WALKER LLP
190 E CAPITOL STREET, STE. 800
PO BOX 427
JACKSON, MS 39205-0427
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ssmith@joneswalker.com

/S/ DeeAnn Shupe	 
DeeAnn Shupe	

Order Mailed Data SEP 28 2016