

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: June 6, 2024

TO: Office of Commission Clerk (Teitzman)

FROM: Office of Industry Development and Market Analysis (Deas, Day, Fogleman, Mallow)^{CH}
Office of the General Counsel (Imig, Farooqi)^{AET}

RE: Docket No. 20240062-TP – Petition for designation as eligible telecommunications carrier in the State of Florida, by TruConnect Communications, Inc.

AGENDA: 06/18/24 – Regular Agenda – Interested Persons May Participate
Proposed Agency Action 6/6/24

COMMISSIONERS ASSIGNED: *All Commissioners*
Clark

PREHEARING OFFICER: ~~Unassigned~~

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On April 16, 2024, TruConnect Communications, Inc. (TruConnect or Company) filed a petition with the Florida Public Service Commission (FPSC or Commission) seeking designation as an eligible telecommunications carrier (ETC) in the State of Florida. TruConnect's request for ETC designation is specifically for the sole purpose of providing Lifeline services to qualifying consumers throughout Florida. TruConnect is a provider of commercial mobile radio service (CMRS) and offers prepaid wireless telecommunications services to consumers as a reseller. Specifically, TruConnect uses the network infrastructure and wireless transmission facilities of T-Mobile USA, Inc. (T-Mobile) and Verizon Wireless (Verizon) to operate as a Mobile Virtual Network Operator. TruConnect is currently designated as an ETC providing Lifeline service in 11 other states.

As a CMRS provider, TruConnect is regulated as a common carrier pursuant to 47 U.S.C. § 153(11).¹ TruConnect is a Delaware corporation authorized to do business as a foreign corporation in the state of Florida. Formerly known as Telscape Communications, Inc., TruConnect is a subsidiary of TSC Acquisition Corporation.

TruConnect asserts it meets all applicable federal requirements for designation as a Lifeline only ETC in Florida pursuant to 47 U.S.C. § 214(e) and 47 C.F.R. § 54.201. TruConnect acknowledges and asserts that, if approved it will comply with Sections 364.10 and 364.105, Florida Statutes (F.S.), and Rule 25-4.0665 Florida Administrative Code (F.A.C.), which govern Lifeline service and provide for transitional discount for customers who no longer qualify for Lifeline. In addition to the federal rules and statutes discussed above, the Commission has jurisdiction in this matter pursuant to Section 364.10, F.S.

Section 214(e)(2) of the Telecommunications Act of 1996 (the Act) provides state public utility commissions with “primary responsibility” for the designation of ETCs. The Commission initially exercised this authority to designate both wireline and wireless carriers as ETCs. In 2011, the Florida Legislature removed the FPSC authority to designate wireless ETC providers.² However, the Florida Legislature amended Section 364.10, F.S., in 2024 to specifically grant the Commission jurisdiction to address wireless ETC petitions for Lifeline purposes only.³

¹ 47 U.S.C. § 153(11) (defining a common carrier as “any person engaged as a common carrier for hire, in interstate or foreign communications by wire or radio”); 47 U.S.C. §332(c)(1)(A) (treating commercial mobile service providers as common carriers).

² House Bill 1231 (2011), effective July 1, 2011.

³ Senate Bill 478 (2024), effective April 15, 2024.

Discussion of Issues

Issue 1: Should TruConnect be granted an ETC designation to provide Lifeline service throughout the state of Florida?

Recommendation: Yes. TruConnect should be granted an ETC designation to provide Lifeline service throughout the State of Florida. Staff also recommends that if there is a future change of Company ownership, the new owners should be required to file a petition with the Commission to demonstrate that it is in the public interest to maintain the Company's ETC designation. (Deas, Mallow, Day, Fogleman)

Staff Analysis: ETC designation is necessary for telecommunications companies to participate in the federal lifeline program.⁴ Section 364.10, F.S. allows the Commission to approve wireless Lifeline ETC petitions for requesting carriers. Specifically, paragraphs 364.10(1)(a) and (3)(a) F.S., provide the Commission with the authority to designate a CMRS provider as an ETC for the limited purpose of providing Lifeline service.

Federal rules outline the requirements for ETC designation.⁵ To obtain ETC designation to provide Lifeline services, federal rules require that carriers:

- 1) Be a common carrier;
- 2) Offer the services that are supported by the federal universal support mechanisms either using its own facilities or a combination of its own facilities and resale of another carrier's services;
- 3) Advertise the availability of its Lifeline service through a media of general distribution;
- 4) Provide voice grade access to the public switch network or its functional equivalent;
- 5) Offer minutes of use for local service at no additional charge to end users;
- 6) Provide access to the emergency services available by local government or other public safety organizations;
- 7) Provide Broadband Internet Access Service;⁶

⁴ 47 C.F.R. § 254(e)

⁵ 47 U.S.C. § 214(e)(1), 47 C.F.R. § 54.101, 47 C.F.R. § 54.201, and 47 C.F.R. § 54.401; While Section 47 C.F.R. § 54.101(a) also includes requirements addressing toll limitation services to qualifying low-income consumers, the FCC in its 2012 Lifeline and Link Up Reform Order (FCC 12-11) stated that: "ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls."

⁶ Broadband Internet Access Service (BIAS) is defined as a mass-market retail service that provides the capability to transmit and receive data, but excluding dial-up service.

- 8) Demonstrate financial and technical capability to provide Lifeline service; and
- 9) Not charge Lifeline customers a monthly number-portability charge.

In addition, Florida law requires the following for ETC designation:

- 1) Offer discounted transitional basic telecommunications service.⁷
- 2) Participate in the Lifeline Promotion Process.⁸

Forbearance of Facilities Requirements

TruConnect plans to offer all of the supported services enumerated under Section 254(c) of the Act through its wireless resale agreements with T-Mobile and Verizon. Therefore, it sought forbearance of the facilities requirement from the FCC. On December 26, 2012, the FCC approved TruConnect's compliance plan which is a condition for obtaining forbearance from the facilities requirement for the provision of Lifeline service. As part of its compliance plan TruConnect committed to do the following:⁹

- 1) Provide the supported services throughout the carriers' designated areas;
- 2) Remain functional in emergency situations;
- 3) Comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service;
- 4) Demonstrate that it is financially and technically capable of providing the Lifeline service in compliance with federal rules; and
- 5) Describe the terms and conditions of the broadband Internet access service plans offered to Lifeline subscribers.

Because TruConnect will offer the supported services and is compliant with the FCC requirements pursuant to 47 U.S.C. 214(e) and 47 C.F.R. 54.201, as well as the Florida specific requirements, TruConnect is eligible for designation as a Lifeline only ETC in Florida.

Financial, Managerial, and Technical Capabilities

As noted in its petition, TruConnect has offered service since 1996 and has not filed for any form of bankruptcy relief. The Company has operated as an ETC in 11 states and has not been subject to any ETC revocation proceedings. The Company has over 25 years of technical and managerial

⁷Section 364.105, F.S. states that each ETC shall offer a residential basic local telecommunications service at 70 percent of the residential local telecommunications service rate for any Lifeline subscriber who no longer qualifies for Lifeline for a period of 1 year after the date the subscriber ceases to qualify for Lifeline.

⁸Rule 25-4.0665(3), F.A.C. The Lifeline Promotion Process is an electronic system developed in collaboration with the Florida Department of Children and Families, ETCs and the FPSC. This system helps assist ETCs and the FPSC in providing information on how to apply for Lifeline assistance to eligible customers.

⁹ 47 C.F.R. § 54.202(a)

experience, and it does not rely exclusively on Lifeline reimbursements for its operating revenues. As TruConnect will be providing resold wireless service, it will also rely upon the managerial and technical expertise of its underlying carriers.

Public Interest

State commissions are required to find that ETC designation is in the public interest.¹⁰ TruConnect asserts granting its ETC designation will bring Lifeline eligible consumers more choice in providers without creating an additional burden on the federal high-cost programs. In Florida, consumers are currently limited to three wireless Lifeline providers. These three companies represent 98 percent of the Lifeline market in Florida.¹¹ However, the FPSC's estimated Lifeline participation rate for the last two years has hovered around 18 percent.¹² The increase in carriers servicing this market may increase participation through additional marketing and would serve the public interest.

Conclusion

Staff has reviewed TruConnect's petition for ETC designation in Florida. TruConnect meets the requirements for designation as an ETC. Additionally, the Company has demonstrated sufficient financial, managerial, and technical capabilities. Therefore, staff recommends TruConnect should be granted an ETC designation in the service areas identified in Attachment A of this recommendation. Staff further recommends that if there is a future change of Company ownership, the new owners should be required to file a petition with the Commission to demonstrate that it is in the public interest to maintain the Company's ETC designation.

¹⁰ 47 U.S.C. 214(e)(2)

¹¹ 2023 Florida Lifeline Assistance Report, December 2023, Appendix C, p 24.

¹² Ibid, p 13.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the Proposed Agency Action Order, this docket should be closed upon the issuance of a consummating order. (Imig)

Staff Analysis: At the conclusion of the protest period, if no protest is filed, this docket should be closed upon the issuance of a consummating order.

TRUCONNECT COMMUNICATIONS, INC.
FLORIDA
SERVICE AREA ZIP CODES

32003	32083	32142	32212	32302	32355	32445	32539
32004	32084	32143	32214	32303	32356	32446	32540
32006	32085	32145	32215	32304	32357	32447	32541
32007	32086	32147	32216	32305	32358	32448	32542
32008	32087	32148	32217	32306	32359	32449	32544
32009	32091	32149	32218	32307	32360	32452	32547
32011	32092	32157	32219	32308	32361	32454	32548
32013	32094	32158	32220	32309	32362	32455	32549
32024	32095	32159	32221	32310	32395	32456	32550
32025	32096	32160	32222	32311	32399	32457	32559
32026	32097	32162	32223	32312	32401	32459	32560
32030	32099	32163	32224	32313	32402	32460	32561
32033	32102	32164	32225	32314	32403	32461	32562
32034	32105	32168	32226	32315	32404	32462	32563
32035	32110	32169	32227	32316	32405	32463	32564
32038	32111	32170	32228	32317	32406	32464	32565
32040	32112	32173	32229	32318	32407	32465	32566
32041	32113	32174	32230	32320	32408	32466	32567
32042	32114	32175	32231	32321	32409	32501	32568
32043	32115	32176	32232	32322	32410	32502	32569
32044	32116	32177	32233	32323	32411	32503	32570
32046	32117	32178	32234	32324	32412	32504	32571
32050	32118	32179	32235	32326	32413	32505	32572
32052	32119	32180	32236	32327	32417	32506	32577
32053	32120	32181	32237	32328	32420	32507	32578
32054	32121	32182	32238	32329	32421	32508	32579
32055	32122	32183	32239	32330	32422	32509	32580
32056	32123	32185	32240	32331	32423	32511	32583
32058	32124	32187	32241	32332	32424	32512	32588
32059	32125	32189	32244	32333	32425	32513	32590
32060	32126	32190	32245	32334	32426	32514	32591
32061	32127	32192	32246	32335	32427	32516	32592
32062	32128	32193	32247	32336	32428	32520	32601
32063	32129	32195	32250	32337	32430	32521	32602
32064	32130	32198	32254	32340	32431	32522	32603
32065	32131	32201	32255	32341	32432	32523	32604
32066	32132	32202	32256	32343	32433	32524	32605
32067	32133	32203	32257	32344	32434	32526	32606
32068	32134	32204	32258	32345	32435	32530	32607
32071	32135	32205	32259	32346	32437	32531	32608
32072	32136	32206	32260	32347	32438	32533	32609
32073	32137	32207	32266	32348	32439	32534	32610
32079	32138	32208	32267	32350	32440	32535	32611
32080	32139	32209	32277	32351	32442	32536	32612
32081	32140	32210	32290	32352	32443	32537	32613
32082	32141	32211	32301	32353	32444	32538	32614

TRUCONNECT COMMUNICATIONS, INC.
FLORIDA
SERVICE AREA ZIP CODES

32615	32706	32768	32824	32906	32971	33055	33129
32616	32707	32771	32825	32907	32976	33056	33130
32617	32708	32772	32826	32908	32978	33060	33131
32618	32709	32773	32827	32909	33001	33061	33132
32619	32710	32774	32828	32910	33002	33062	33133
32621	32712	32775	32829	32911	33004	33063	33134
32622	32713	32776	32830	32912	33008	33064	33135
32625	32714	32777	32831	32919	33009	33065	33136
32626	32715	32778	32832	32920	33010	33066	33137
32627	32716	32779	32833	32922	33011	33067	33138
32628	32718	32780	32834	32923	33012	33068	33139
32631	32719	32781	32835	32924	33013	33069	33140
32633	32720	32782	32836	32925	33014	33070	33141
32634	32721	32783	32837	32926	33015	33071	33142
32635	32722	32784	32839	32927	33016	33072	33143
32639	32723	32789	32853	32931	33017	33073	33144
32640	32724	32790	32854	32932	33018	33074	33145
32641	32725	32791	32855	32934	33019	33075	33146
32643	32726	32792	32856	32935	33020	33076	33147
32644	32727	32793	32857	32936	33021	33077	33148
32648	32728	32794	32858	32937	33022	33081	33149
32653	32730	32795	32859	32940	33023	33082	33150
32654	32732	32796	32860	32941	33024	33083	33151
32655	32733	32798	32861	32948	33025	33084	33152
32656	32735	32799	32862	32949	33026	33090	33153
32658	32736	32801	32867	32950	33027	33092	33154
32662	32738	32802	32868	32951	33028	33093	33155
32663	32739	32803	32869	32952	33029	33097	33156
32664	32744	32804	32872	32953	33030	33101	33157
32666	32745	32805	32877	32954	33031	33102	33158
32667	32746	32806	32878	32955	33032	33106	33159
32668	32747	32807	32885	32956	33033	33107	33160
32669	32750	32808	32886	32957	33034	33109	33161
32680	32751	32809	32887	32958	33035	33110	33162
32681	32752	32810	32890	32959	33036	33111	33163
32683	32753	32811	32891	32960	33037	33112	33164
32686	32754	32812	32893	32961	33039	33114	33165
32692	32756	32814	32896	32962	33040	33116	33166
32693	32757	32815	32897	32963	33041	33119	33167
32694	32759	32816	32898	32964	33042	33121	33168
32696	32762	32817	32899	32965	33043	33122	33169
32697	32763	32818	32901	32966	33045	33124	33170
32701	32764	32819	32902	32967	33050	33125	33172
32702	32765	32820	32903	32968	33051	33126	33173
32703	32766	32821	32904	32969	33052	33127	33174
32704	32767	32822	32905	32970	33054	33128	33175

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SERVICE AREA ZIP CODES

33176	33301	33388	33446	33514	33592	33661	33740
33177	33302	33394	33447	33521	33593	33662	33741
33178	33303	33401	33448	33523	33594	33663	33742
33179	33304	33402	33449	33524	33595	33664	33743
33180	33305	33403	33454	33525	33596	33672	33744
33181	33306	33404	33455	33526	33597	33673	33747
33182	33307	33405	33458	33527	33598	33674	33755
33183	33308	33406	33459	33530	33601	33675	33756
33184	33309	33407	33460	33534	33602	33677	33757
33185	33310	33408	33461	33537	33603	33679	33758
33186	33311	33409	33462	33538	33604	33680	33759
33187	33312	33410	33463	33539	33605	33681	33760
33188	33313	33411	33464	33540	33606	33682	33761
33189	33314	33412	33465	33541	33607	33684	33762
33190	33315	33413	33466	33542	33608	33685	33763
33191	33316	33414	33467	33543	33609	33686	33764
33192	33317	33415	33468	33544	33610	33687	33765
33193	33318	33416	33469	33545	33611	33688	33766
33194	33319	33417	33470	33547	33612	33689	33767
33195	33320	33418	33471	33548	33613	33690	33769
33196	33321	33419	33472	33549	33614	33694	33770
33197	33322	33420	33473	33550	33615	33701	33771
33198	33323	33421	33474	33556	33616	33702	33772
33199	33324	33422	33475	33558	33617	33703	33773
33206	33325	33424	33476	33559	33618	33704	33774
33222	33326	33425	33477	33563	33619	33705	33775
33231	33327	33426	33478	33564	33620	33706	33776
33233	33328	33427	33480	33565	33621	33707	33777
33234	33329	33428	33481	33566	33622	33708	33778
33238	33330	33429	33482	33567	33623	33709	33779
33239	33331	33430	33483	33568	33624	33710	33780
33242	33332	33431	33484	33569	33625	33711	33781
33243	33334	33432	33486	33570	33626	33712	33782
33245	33335	33433	33487	33571	33629	33713	33784
33247	33336	33434	33488	33572	33630	33714	33785
33255	33337	33435	33493	33573	33631	33715	33786
33256	33338	33436	33496	33574	33633	33716	33801
33257	33339	33437	33497	33575	33634	33729	33802
33261	33340	33438	33498	33576	33635	33730	33803
33265	33345	33439	33499	33578	33637	33731	33804
33266	33346	33440	33503	33579	33646	33732	33805
33269	33348	33441	33508	33583	33647	33733	33806
33280	33349	33442	33509	33584	33650	33734	33807
33283	33351	33443	33510	33585	33651	33736	33809
33296	33355	33444	33511	33586	33655	33737	33810
33299	33359	33445	33513	33587	33660	33738	33811

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SERVICE AREA ZIP CODES

33812	33876	33944	34024	34098	34218	34287	34482
33813	33877	33945	34025	34099	34219	34288	34483
33815	33880	33946	34030	34101	34220	34289	34484
33820	33881	33947	34031	34102	34221	34290	34487
33823	33882	33948	34032	34103	34222	34291	34488
33825	33883	33949	34033	34104	34223	34292	34489
33826	33884	33950	34034	34105	34224	34293	34491
33827	33885	33951	34035	34106	34228	34295	34492
33830	33888	33952	34036	34107	34229	34420	34498
33831	33890	33953	34037	34108	34230	34421	34601
33834	33896	33954	34038	34109	34231	34423	34602
33835	33897	33955	34039	34110	34232	34428	34603
33836	33898	33956	34041	34112	34233	34429	34604
33837	33900	33957	34042	34113	34234	34430	34605
33838	33901	33960	34044	34114	34235	34431	34606
33839	33902	33965	34050	34116	34236	34432	34607
33840	33903	33966	34051	34117	34237	34433	34608
33841	33904	33967	34052	34119	34238	34434	34609
33843	33905	33970	34053	34120	34239	34436	34610
33844	33906	33971	34054	34133	34240	34441	34611
33845	33907	33972	34055	34134	34241	34442	34613
33846	33908	33973	34058	34135	34242	34445	34614
33847	33909	33974	34060	34136	34243	34446	34636
33848	33910	33975	34066	34137	34249	34447	34637
33849	33911	33976	34067	34139	34250	34448	34638
33850	33912	33980	34068	34140	34251	34449	34639
33851	33913	33981	34069	34141	34260	34450	34652
33852	33914	33982	34076	34142	34264	34451	34653
33853	33915	33983	34078	34143	34265	34452	34654
33854	33916	33990	34080	34145	34266	34453	34655
33855	33917	33991	34081	34146	34267	34460	34656
33856	33918	33993	34082	34201	34268	34461	34660
33857	33919	33994	34083	34202	34269	34464	34661
33858	33920	34001	34084	34203	34270	34465	34667
33859	33921	34002	34085	34204	34272	34470	34668
33860	33922	34004	34086	34205	34274	34471	34669
33862	33924	34006	34087	34206	34275	34472	34673
33863	33927	34007	34088	34207	34276	34473	34674
33865	33928	34008	34089	34208	34277	34474	34677
33867	33929	34009	34090	34209	34278	34475	34679
33868	33930	34010	34091	34210	34280	34476	34680
33870	33931	34011	34092	34211	34281	34477	34681
33871	33932	34020	34093	34212	34282	34478	34682
33872	33935	34021	34094	34215	34284	34479	34683
33873	33936	34022	34095	34216	34285	34480	34684
33875	33938	34023	34096	34217	34286	34481	34685

TRUCONNECT COMMUNICATIONS, INC.
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SERVICE AREA ZIP CODES

34688	34786
34689	34787
34690	34788
34691	34789
34692	34797
34695	34945
34697	34946
34698	34947
34705	34948
34711	34949
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34753	34990
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34756	34992
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