

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for designation as an eligible telecommunications carrier in the State of Florida, by FLORIDA TERRACOM INC. d/b/a MAXSIP TEL.

DOCKET NO. 20240063-TP
ORDER NO. PSC-2024-0203-PAA-TP
ISSUED: June 20, 2024

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman
ART GRAHAM
GARY F. CLARK
ANDREW GILES FAY
GABRIELLA PASSIDOMO

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission (Commission) that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

FLORIDA TERRACOM INC. d/b/a MAXSIP TEL (TERRACOM or Company) filed a petition seeking designation as an eligible telecommunications carrier (ETC) for the sole purpose of providing Lifeline service to qualifying consumers throughout Florida. TERRACOM is a provider of commercial mobile radio service (CMRS) and offers prepaid wireless telecommunications services to consumers as a reseller. Specifically, TERRACOM uses the network infrastructure and wireless transmission facilities of T-Mobile USA, Inc. (T-Mobile) and AT&T Mobility (AT&T) to operate as a Mobile Virtual Network Operator. TERRACOM is currently designated as an ETC providing Lifeline service in 37 other states.

As a CMRS provider, TERRACOM is regulated as a common carrier pursuant to 47 U.S.C. § 153(11).¹ TERRACOM is an Oklahoma corporation which is owned 51 percent by Global Reconnect, LLC, a Delaware limited liability company; and 49 percent by MAXSIP TEL

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”); *see also* 47 U.S.C. § 332(c)(1)(A) (treating commercial mobile service providers as common carriers).

LLC, a New York limited liability company. Pursuant to the terms of an outstanding stock purchase agreement, MAXSIP will purchase 100 percent of the common stock of TERRACOM upon required regulatory approvals.

TERRACOM asserts that 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. TERRACOM 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, F.A.C., which govern Lifeline service and provide for a transitional discount for customers who no longer qualify for Lifeline. In addition to the federal statutes and rules already referenced, we have jurisdiction over 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. This Commission initially exercised this authority to designate both wireline and wireless carriers as ETCs. In 2011, the Florida Legislature removed our authority to designate wireless ETC providers.² However, the Florida Legislature amended Section 364.10, F.S., in 2024 to specifically grant this Commission jurisdiction to address wireless ETC petitions for Lifeline purposes only.³

Decision

I. Requirements for ETC Designation

This Order addresses whether TERRACOM qualifies for ETC designation to provide Lifeline service throughout the State of Florida. ETC designation is necessary for telecommunications companies to participate in the federal Lifeline program.⁴ Section 364.10, F.S., allows this Commission to approve wireless Lifeline ETC petitions for requesting carriers. Specifically, Subsections 364.10(1)(a) and (3)(a), F.S., provide us 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;

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

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

⁴ 47 C.F.R. § 54.201(a).

⁵ 47 U.S.C. § 214(e)(1); 47 C.F.R. §§ 54.101, 54.201, 54.401. While 47 C.F.R. § 54.101(a) also includes requirements addressing toll limitation services to qualifying low-income consumers, the Federal Communications Commission 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."

- 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
- 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 ETCs to:

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

II. Forbearance of Facilities Requirement

TERRACOM 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 AT&T. Therefore, it sought forbearance of the facilities requirement from the Federal Communications Commission (FCC). On December 26, 2012, the FCC approved TERRACOM's compliance plan as a condition of obtaining forbearance from the facilities requirement for the provision of Lifeline service. As part of its compliance plan TARRACOM committed to do the following:

- 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.⁹

Because TERRACOM 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

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.

⁷ Section 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.

⁸ Rule 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 this Commission. This system helps assist ETCs and this Commission in providing information on how to apply for Lifeline assistance to eligible customers.

⁹ 47 C.F.R. § 54.202(a).

Florida specific requirements, TERRACOM is eligible for designation as a Lifeline only ETC in Florida.

III. Financial, Managerial, and Technical Capabilities

As noted in its petition, TERRACOM has offered service since 2004 and has not filed for any form of bankruptcy relief. The Company has operated as an ETC in 37 states and has not been subject to any ETC revocation proceedings. The Company has over 20 years of technical and managerial experience, and it does not rely exclusively on Lifeline reimbursements for its operating revenues. As TERRACOM will be providing resold wireless service, it will also rely upon the managerial and technical expertise of its underlying carriers. TERRACOM resolved all FCC enforcement proceedings in 2015.¹⁰ Thus we find that TERRACOM has the financial, managerial, and technical capabilities to provide Lifeline service.

IV. Public Interest

State commissions are also required to find that ETC designation is in the public interest.¹¹ TERRACOM 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.¹² However, this Commission estimates that the Lifeline participation rate for the last two years has hovered around 18 percent.¹³ The increase in carriers servicing this market may increase participation through additional marketing and would serve the public interest.

V. Conclusion

TERRACOM meets all the requirements for designation as an ETC. The Company has demonstrated sufficient financial, managerial, and technical capabilities. We also find that granting this ETC designation is in the public interest. Therefore this Commission will grant TERRACOM an ETC designation throughout the State of Florida as identified in Attachment A of this Order.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that FLORIDA TERRACOM INC. d/b/a MAXSIP TEL's Petition for Designation as an Eligible Telecommunications Carrier throughout the State of Florida is GRANTED. It is further

¹⁰ FCC, Order, DA 15-776, Released July 9, 2015.

¹¹ 47 U.S.C. § 214(e)(2).

¹² 2023 Florida Lifeline Assistance Report, December 2023, Appendix C, p 24.

¹³ *Id.* at 13.

ORDERED that FLORIDA TERRACOM INC. d/b/a MAXSIP TEL is designated an eligible telecommunications carrier for the sole purpose of providing Lifeline service to qualifying consumers in the State of Florida. It is further

ORDERED that if there is a future change in FLORIDA TERRACOM INC. d/b/a MAXSIP TEL's ownership, the new owners shall file a petition with the Commission to demonstrate that it is in the public interest to maintain the ETC designation. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, F.A.C., is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 20th day of June, 2024.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

CMM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

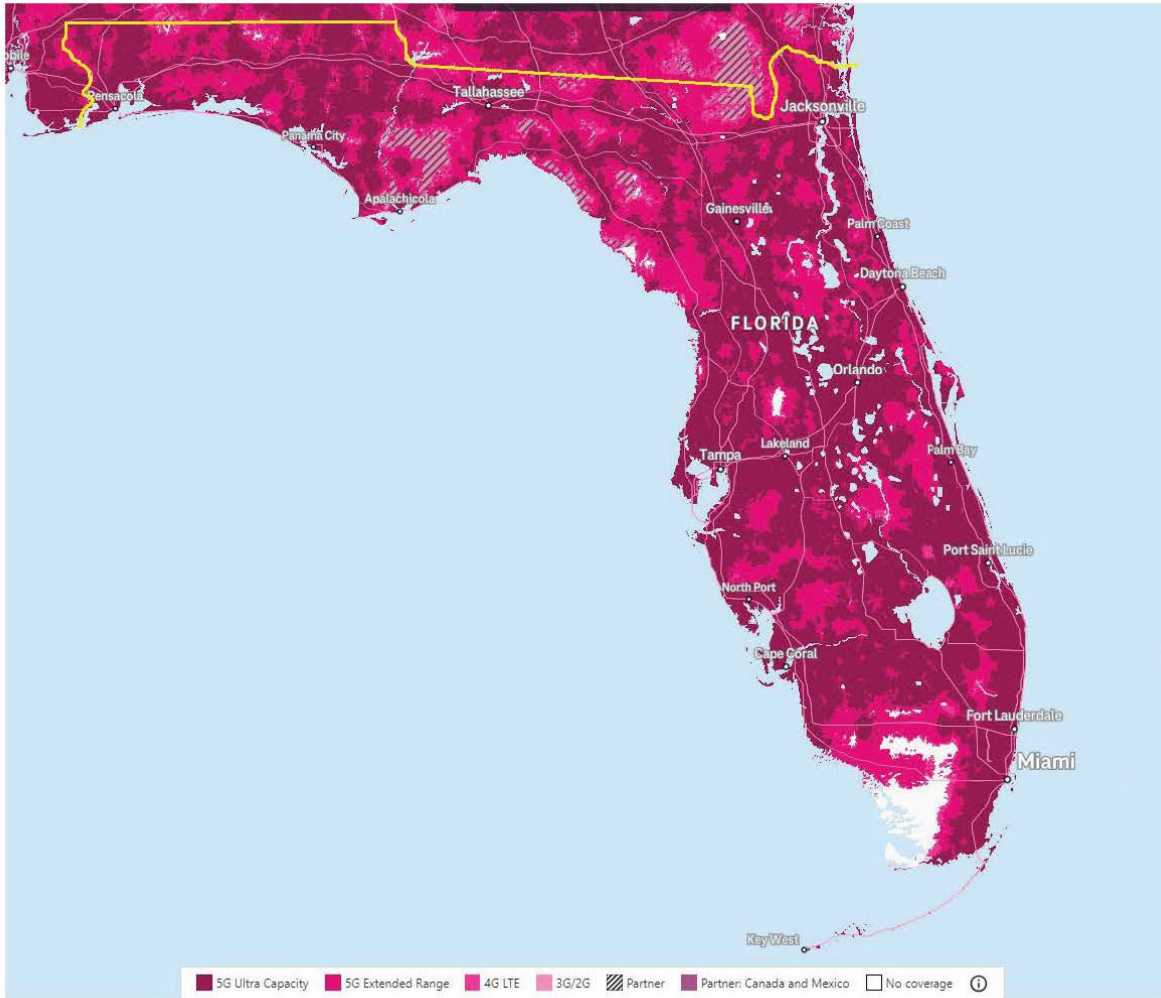
Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 11, 2024.

In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

T-Mobile Coverage



AT&T Coverage

