

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF  
COLORADO**

DOCKET NO. 11A-657T

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IN THE MATTER OF THE APPLICATION OF VIRGIN MOBILE USA, L.P. FOR LIMITED  
DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE  
OF COLORADO

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**STIPULATION AND SETTLEMENT AGREEMENT**

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Virgin Mobile USA, L.P. ("Virgin Mobile"), Trial Staff of the Public Utilities Commission of the State of Colorado ("Staff"), the Adams County E-911 Emergency Telephone Service Authority, the Arapahoe County E-911 Emergency Communications Service Authority and the Jefferson County E-911 Emergency Communications Service Authority (collectively, the "Authorities") and the Office of Consumer Counsel ("OCC") (collectively the "Stipulating Parties" or the "Parties"), through their undersigned counsel, enter into this Stipulation and Settlement Agreement ("Stipulation") regarding the Application filed by Virgin Mobile in the instant docket. The Parties submit this Stipulation for approval by the Colorado Public Utilities Commission (the "Commission" or the "PUC") pursuant to the Commission's Rules of Practice and Procedure, 4 CCR 723-1-1407 and 1408.

**PRELIMINARY STATEMENT**

1. On May 8, 1997, the Federal Communications Commission ("FCC") issued its Universal Service Report and Order, 12 FCC Rcd 8776 (1997) ("Universal Service Order") implementing the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the "Federal Act"). The FCC provided further guidance on Eligible Telecommunications

Carrier (“ETC”) designation in its ETC Report and Order issued March 17, 2005, Federal-State Joint Board on Universal Service, Report and Order, 20 FCC Rcd 6371, 6384 (2005).

2. The Universal Service Order provides that where states certify ETCs, such as is the case in Colorado, only ETCs designated by a state public utilities commission (“State Commission”) shall receive federal universal service support. Under 47 U.S.C. § 214(e), a State Commission shall, upon its own motion or upon request, designate a common carrier that meets the requirements set forth by the FCC as an ETC for a service area designated by the State Commission. The FCC defines a service area as a geographic area established by a State Commission for the purpose of determining universal service obligations and support mechanisms.

3. To be designated as a federal ETC under the Federal Act, a carrier must: (1) be a common carrier; (2) demonstrate an intent and ability to provision the supported services set forth in 47 C.F.R. § 54.101(a) throughout its designated service areas; and (3) demonstrate an intent and ability to advertise its universal service offerings and the charges therefore, using media of general distribution. 47 U.S.C. § 214(e); Universal Service Order, 12 FCC Rcd at 8791.

4. The FCC's supported services set forth in 47 C.F.R. § 54.101(a) revised December 23, 2011 are:

- a. voice grade access to the public switched telephone network or its functional equivalent;
- b. minutes of use for local service without additional charge to the end user;
- c. access to emergency services;
- d. toll limitation for qualifying low-income consumers.

5. In areas served by a rural telephone company, 47 U.S.C. § 214(e)(2) further requires the State Commission to determine that the designation of an additional ETC is in the public interest.

6. The Commission has adopted its own rules for implementing 47 U.S.C. Section 214(e)(1)-(2) of the Federal Act which appear at 4 CCR 723-2-2180 through 2191, which rules are consistent with Section 214(e) and the FCC's Rules.

7. On August 8, 2011, Virgin Mobile filed an Application seeking designation as an ETC for the limited purpose of receiving universal service support for low-income customers in Colorado, Docket Number 11A-657T. Virgin Mobile sought ETC designation for the limited purpose of offering Lifeline service in its entire service area in Colorado encompassing all areas directly served by the underlying Sprint Nextel ("Sprint") CDMA network as shown on the map, Attachment 1, to the Settlement. A list of ILEC exchanges is shown on Attachment 2 to the Settlement. These exchanges include both non-rural and rural exchanges of multiple ILECs in Colorado. A list of rural service areas contingent on FCC forbearance is shown on Attachment 3 to the Settlement.

8. Virgin Mobile has its Terms of Service applicable to eligible Assurance Wireless customers posted on its web site ([www.assurancewireless.com](http://www.assurancewireless.com)). The Parties recognize that these Terms of Service contain material concerning Assurance Wireless' voice products which are services supported by the Federal Lifeline Program and other elective services, such as messaging, data and content services, which are not supported services. The Parties acknowledge the State Commission's authority over Lifeline voice services.

These intersecting exchanges include both urban and rural exchanges of multiple ILECs in the Colorado.

9. The Federal Communications Commission recently indicated in an Order dated September 16, 2011 where it granted forbearance to Cricket and NTCH from application of Section 214(e)(5) of the Communications Act of 1934, as amended, and Section 54.207(b) of the Rules of the Federal Communications Commission dealing with the requirement that Lifeline-only ETCs must obtain redefinition of the study area of RLECs where the ETC is seeking to serve a partial study area, that these provisions apply unless forbearance is granted.

10. Concurrent with the Application, Virgin Mobile filed a waiver of 4 CCR 723-2-2187(d)(III) which requires an applicant for ETC designation to provide the following:

(III) A description of the service area for which the applicant seeks designation as an ETC. The application shall include either a description of such service area by metes and bounds or the underlying carrier's exchange map displaying the applicant's service area.

11. Concurrent with this Application, Virgin Mobile filed a waiver of 4 CCR 723-2-2187(d)(VII) which requires an applicant for ETC designation to provide the following:

\* \* \* To meet the requirements of 47 U.S.C. § 214(e)(1)(B), the Commission establishes as guidelines that an ETC shall advertise in media of general distribution and shall place customer guide pages in the "White Pages" directory within the ETC's service area. Such customer guide pages shall indicate that the ETC offers the supported services identified by federal law within its ETC service area to all who request such service within that area.

12. Concurrent with this Application, Virgin Mobile filed a waiver of 4 CCR 723-2-2187(f)(II)(H) and (I) which requires an annual report of construction plans and expenditures.

13. Virgin Mobile, Staff, the Authorities, and the OCC engaged in settlement discussions regarding issues raised by Virgin Mobile' Application.

14. Virgin Mobile, Staff, the Authorities, and the OCC have now reached agreement on the issues raised in this docket, as is set forth herein. This Stipulation and Settlement

Agreement is entered into for the purpose of avoiding the costs and risks of litigation. The Parties agree this Stipulation should have no legal effect outside of the instant docket.

### **AGREEMENT**

WHEREFORE, based on their review of all testimony and exhibits submitted and upon their settlement discussions, the Parties hereby stipulate and agree as follows:

**Variance of Commission Rules 723-2-2187(d)(III) revised December 30, 2011, 723-2-2187(d)(VII) revised December 30, 2011, 723-2-2187(f)(II)(H), 723-2-2187(f)(II)(L), and 723-2-2187 (d)(XIII) revised December 30, 2011**

1. Virgin Mobile seeks variance of rule 2187(d) (III) that requires an ETC to describe the service area in which the Applicant seeks designation as an ETC by metes and bounds.
2. Virgin Mobile is a beneficial user of the Sprint CDMA network owned by Virgin Mobile's parent company, Sprint Nextel Corporation.
3. Much of Sprint's Colorado CDMA network is located along the I-25, I-70 and I-76 highways in Colorado.
4. As such, Sprint's physical network does not precisely correlate within metes and bounds. Virgin Mobile has provided a map showing Colorado ILEC exchanges and intersecting Sprint's network CDMA coverage area.
5. Virgin Mobile seeks variance of rule 2187(d)(VII) which requires advertising of the availability of Lifeline service in the "White Pages" directory within Virgin Mobile's service area.

6. Virgin Mobile, as a wireless carrier, does not publish a White Pages directory and wireless numbers are generally not published in any directory pursuant to industry practice.

7. Virgin Mobile promotes its Lifeline service offering throughout its service area through television and direct mail campaigns aimed at effectively notifying customers of the availability of Virgin Mobile Lifeline service.

8. Virgin Mobile seeks ETC designation for the limited purpose of providing universal service low-income Lifeline service in Colorado. Virgin Mobile will provide Lifeline service under the trade name "Assurance Wireless brought to you by Virgin Mobile". Virgin Mobile is not seeking Federal universal service high-cost support nor Colorado high cost support in its service area.

9. Because Virgin Mobile does not seek high cost USF support for the construction of its network, Virgin Mobile has requested a variance in rules 2187 (D)(XIII) and 2187 (f)(II)(H) and (L) which would otherwise require the submission of a detailed exhibit showing network expansion plans paid for by high cost funds and expenses in areas where Virgin Mobile has been designated an ETC.

10. Virgin Mobile's Lifeline program furthers the statutory goal that basic service be available and affordable to all citizens of the state of Colorado.

11. Virgin Mobile's Lifeline product offering provides an additional choice of another provider offering service for low-income consumers represents a significant benefit for those consumers and is in the public interest.

12. The Parties stipulate and agree that Virgin Mobile has shown good cause, that its Assurance Wireless Lifeline offering as described in Attachment 5 meets all applicable state and federal requirements, and its ETC designation for Colorado low-income universal service



purposes will serve the public interest, convenience and necessity, that it does not receive high cost USF support in Colorado, that it does not publish a White Pages directory, that its television and direct mail campaign adequately informs potential customers of the availability of Virgin Mobile Lifeline service throughout its proposed ETC service area, and recommend that the Commission grant Virgin Mobile's request for waiver from 4 CCR 723-2-2187(d)(III) revised December 30, 2011, 723-2-2187(d)(VII), revised December 30, 2011, 723-2-2187(d)(XIII) revised December 30, 2011, and 723-2-2187 (f)(II)(H) and (L).

### **Federal ETC Designation For the Limited Purpose of Offering Lifeline**

1. Virgin Mobile is a commercial mobile radio service ("CMRS") provider, and a common carrier as defined by 47 U.S.C. § 153(10) and 47 C.F.R. § 20.9(a)(7).

2. Virgin Mobile provides each of the supported services set forth in 47 C.F.R. § 54.101(a), and it currently offers all of these services throughout its service area in Colorado and has shown an intent and ability to offer those services once designated an ETC throughout the areas set forth on Attachment 2 of the Settlement and contingent in areas set forth on Attachment 3 if the FCC grants Virgin Mobile's Forbearance application.

3. Virgin Mobile, under the trade name Assurance Wireless brought to you by Virgin Mobile, will make available Lifeline service to qualifying low-income consumers. Virgin Mobile will not offer Link-Up to qualifying low-income consumers.

4. Virgin Mobile shall initially provide three different Lifeline plans to eligible Lifeline customers:

- 250 Free minutes of use and a free handset to each qualifying customer, or
- For \$5.00 per month, an additional block of 250 minutes, bringing the total minutes for a customer to 500, or

- For \$20.00 per month, an additional block of 750 minutes, bringing the total minutes for a customer to 1,000 plus 1,000 messages, and
- Overage minutes or messages for \$.10 each

5. For purposes of Tier III support, the parties acknowledge that the current retail value of 250 prepaid wireless minutes is \$16.50 per month in Colorado. Virgin Mobile agrees that it will seek Tier 1, Tier 2, and Tier 3 support consistent with 47 C.F.R. § 54.403(a)(1-2) in reimbursement from the Universal Service Administrative Company (“USAC”).

6. Virgin Mobile agrees to work with the Colorado Department of Human Services regarding certification and verification of the eligibility of Lifeline customers. It is understood that Virgin Mobile, as a prepaid provider, will not be required to obtain or retain social security numbers of customers.

7. Virgin Mobile’s Lifeline plans are not offered on a distance sensitive basis. As such, toll limitation is not a concern because of the prepaid nature of these Lifeline plans. Prepaid offerings, by their very construct, act as a toll limitation mechanism.

8. The Parties stipulate and agree that with the incorporation of the agreed upon terms and conditions in Attachment 4, designating Virgin Mobile as an ETC in the study areas and wire centers set forth in Attachments 2, serves the public interest, convenience and necessity, as required by 47 U.S.C. § 214(e)(2) and §§ 40-15-101, 40-15-501, and 40-15-502, C.R.S. The Parties further stipulate and agree that the areas shown in Attachment 3 are approved on a contingent basis, contingent on Virgin Mobile receiving Forbearance from application of Section 214(e)(5) of the Communications Act of 1934, as amended, and Section 54.207(b) of the Rules of the Federal Communications Commission. Virgin Mobile shall not offer Lifeline Service in areas shown in Attachment 3 until such Forbearance has been granted by the Federal Communications Commission. However, if Virgin Mobile petitions to be an ETC to receive



high-cost support in part of a service area served by a rural telephone company, redefinition would be required by the Federal Act.

9. Without waiving any of its positions stated in this proceeding, Virgin Mobile has entered into this Stipulation with Staff, the Authorities, and the OCC to settle this matter. Thus, the Parties stipulate and agree that Virgin Mobile shall provide its ETC Lifeline universal service offerings in Colorado pursuant to this Stipulation (including attachments 2 through 5). The Parties agree that Virgin Mobile's provision of its universal service offering as an ETC shall be governed by the following requirements:

- A. Upon appropriate pleading, or upon its own motion, the Commission may investigate any change to Virgin Mobile's Lifeline Basic Universal Service Description, Terms and Conditions and Operating Procedures, and Virgin Mobile agrees to respond to requests for information from the Commission Staff. After notice to Virgin Mobile and a subsequent investigation, the Commission may find that a change is not consistent with Virgin Mobile's ETC status or results in a universal service Lifeline offering that is not eligible for universal service Lifeline funding. Virgin Mobile shall thereafter make such changes as are necessary to bring its Lifeline offering into compliance with such requirements. The Parties agree that the Commission has authority to enforce compliance with this Stipulation and pursuant to 4 CCR 723-2-2187 and, consistent with this Paragraph, may exercise its audit powers derived from Section 40-15-107, C.R.S., with respect to the basic universal service Lifeline offerings or the Company's ETC status.
- B. The Parties acknowledge that because Virgin Mobile is already providing wireless service throughout its service area and does not seek to expand that area in this ETC petition, that no notice to Public Safety Answering Points (PSAPs) is required.
- C. The Parties agree that Virgin Mobile shall remit and pay the prepaid wireless E911 charge of one and four-tenths percent, as specified in C.R.S § 29-11-102.5, of \$0.23 on its 250 free prepaid minutes provided to eligible Lifeline customers based on a value of \$16.50 per month in Colorado. In the event C.R.S § 29-11-102.5 is amended to change the E911 charge, Virgin Mobile shall pay the E911 charge at the amended rate and in the same manner as its wireless Lifeline competitors.
- D. The Parties agree that Virgin Mobile shall remit and pay the Colorado high cost charge, at the rate then in effect, on all intrastate retail voice

minute revenues from voice minutes above the 250 free voice minutes. Virgin Mobile will also pay the prepaid wireless E911 charge on all voice minutes sold above the 250 minutes. For prepaid minutes bundled with text messages or other services sold directly through Virgin Mobile, Virgin Mobile will pay the prepaid wireless E911 charge on the full amount of the retail transaction. In the event that Virgin Mobile develops a system to separate out the voice minute charges from non-voice charges at the point of sale, Virgin Mobile shall notify the PUC at least 30 days in advance of its intent to pay the prepaid wireless E911 charge only on voice minutes when bundled with text messages or other services. The 911 Authorities reserve the right to file a complaint with the State Commission contesting Virgin Mobile's intent not to pay the E-911 charge on bundled services.

- E. The Parties agree that Virgin Mobile provides all its customers with the ability to make and receive interexchange or toll calls through interconnection arrangements made by Virgin Mobile or one of its affiliates. The Parties note that the FCC may require one-plus equal access dialing in the event that no other eligible telecommunications carrier is providing equal access within the service area. Provision of one-plus equal access would require Virgin Mobile to make significant hardware and software changes and arrange for different trunking arrangements than it currently has available. The Parties agree that deferring to the FCC on any equal access dialing requirements is reasonable given the inability of Virgin Mobile to provide such dialing at this time. The Parties agree that this approach should be held to satisfy 47 C.F.R. § 54.202(a)(5).
  
- F. Virgin Mobile commits to provide service throughout its proposed designated service area as listed in Attachments 2 and 3 of this Settlement to all customers making a reasonable request for service. Virgin Mobile certifies that it will provide service on a timely basis and that it will follow the FCC's six-step process as defined in 47 C.F.R. § 54.202(a)(1)(i).
  
- G. Before offering Lifeline service Virgin Mobile will place on its web site ([www.assurancewireless.com](http://www.assurancewireless.com)) for the state of Colorado, the Commission's contact information as listed in Attachment 4, Section D.4, to the Settlement for any unresolved customer questions or complaints.

**I. GENERAL PROVISIONS**

10. Without waiving any of its positions stated in this case, Virgin Mobile desires to end further uncertainty in this Docket by entering this Stipulation. Accordingly, the Parties hereby agree to be bound to the terms of this Stipulation. The Parties recognize and acknowledge that should the Commission or the FCC determine a change in the particular regulatory treatment applicable to wireless ETC designees, in further rulemaking or otherwise, any such lawful and applicable determinations would apply to Virgin Mobile.

11. This Stipulation is a settlement of disputed and compromised claims and accordingly, this Stipulation is made for settlement purposes only. No Party concedes the validity or correctness of any regulatory principle or methodology directly or indirectly incorporated in this Stipulation.

12. All witnesses of the Parties will support all aspects of the Stipulation and Settlement Agreement embodied in this document in any hearing conducted to determine whether the Commission should approve this Stipulation. Each Party also agrees that, except as expressly provided in this Stipulation, it will take no action in any administrative or judicial proceeding, which would have the effect, directly or indirectly, of contravening the provisions of this Stipulation. Without prejudice to the foregoing, the Parties expressly reserve the right to advocate positions different from those stated in this Agreement in any proceeding other than one necessary to obtain approval of, or enforce this Stipulation or a Commission order approving this Stipulation. Nothing in this Stipulation shall constitute a waiver by any Party with respect to any matter not specifically addressed in this Stipulation.

13. This Stipulation shall not become effective until the Commission issues a final order approving the Stipulation, which order does not contain any modification of the terms and

conditions of this Stipulation that is unacceptable to any of the Parties to the Stipulation. In the event the Commission modifies this Stipulation in a manner unacceptable to any Party hereto, that Party may withdraw from the Stipulation and shall so notify the Commission and the other Parties to the Stipulation in writing within ten (10) days of the date of the Commission order. In the event a Party exercises its right to withdraw from the Stipulation, this Stipulation shall be null and void and of no effect in this or any other proceedings.

14. In the event this Agreement becomes null and void or in the event the Commission does not approve this Stipulation, this Stipulation, as well as the negotiation undertaken in conjunction with the Stipulation, shall not be admissible into evidence in these or any other proceedings.

15. The Parties state that they have reached this Stipulation by means of a negotiated process that is in the public interest, and that the results reflected in this Stipulation are just, reasonable and in the public interest. Approval by the Commission of this Stipulation shall constitute a determination that the Stipulation represents a just, equitable, and reasonable resolution of all issues, which were or could have been contested by the Parties with respect to the Virgin Mobile Application.

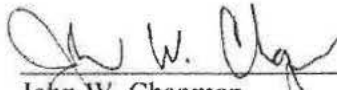
16. This Stipulation is an integrated agreement that may not be altered by the unilateral determination of any Party.

17. This Stipulation may be executed in separate counterparts, including facsimile. The counterparts taken together shall constitute the Stipulation and Settlement Agreement. The Parties represent that the signatories, except Counsel for Staff of the Commission, to the Stipulation have full authority to bind their respective parties to the terms of the Stipulation.

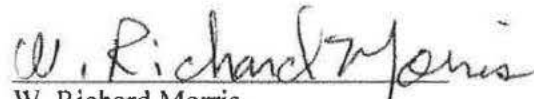
WHEREFORE, the Parties respectfully submit this Stipulation and Settlement Agreement for approval by the Commission and request that the Commission grant such approval.

Dated this 6th day of January, 2012.

**VIRGIN MOBILE USA, L.P.**

  
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Dated this 6th day of January, 2012.

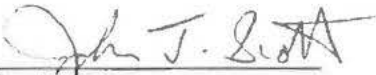
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WHEREFORE, the Parties respectfully submit this Stipulation and Settlement Agreement for approval by the Commission and request that the Commission grant such approval.

Dated this 6th day of January, 2012.

**VIRGIN MOBILE USA, L.P.**

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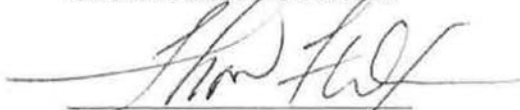
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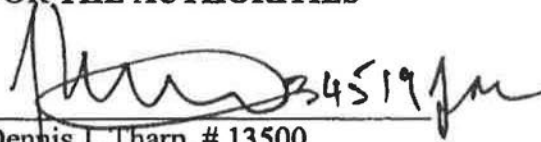
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**FOR THE AUTHORITIES**

A handwritten signature in black ink, appearing to read "Dennis J. Tharp", written over a horizontal line.

Dennis J. Tharp, # 13500

Attorney for Authorities

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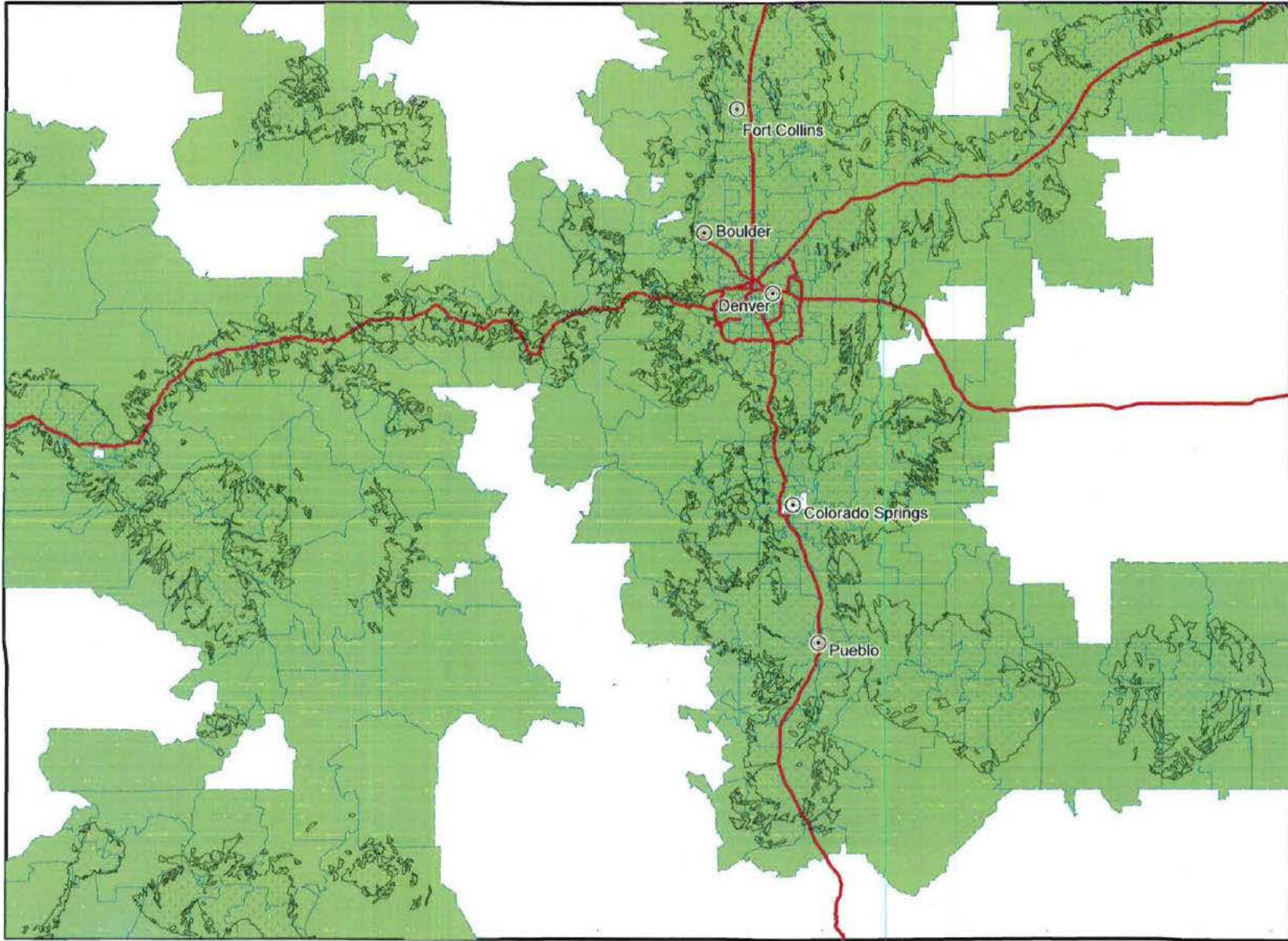
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## **LIST OF ATTACHMENTS**

- Attachment 1: Virgin Mobile CDMA Colorado service area overlaid on ILEC exchange areas
- Attachment 2: List of non-rural and rural ILEC exchanges with Virgin Mobile Colorado service areas
- Attachment 3: List of Rural Service Areas Contingent on FCC Forbearance
- Attachment 4: Operating Procedures
- Attachment 5: Virgin Mobile Initial Lifeline Offerings

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**Legend**

-  Sprint -98dB Coverage Area
-  Interstates
-  Intersecting Zip Code Boundaries



Virgin Mobile USA, L.P. ETC Designation - Lifeline Only Service Area			
	CIII	Central Office Name	Underlying Provider
1	AGATCOXC	Agate	Agate Mutual Telephone
2	SIMLCOXC	Simla	Big SandyTelecommunications, Inc.
3	AKRONCOXC	Akron	CenturyTel of Eagle
4	CHRWCOXC	Cheraw	CenturyTel of Eagle
5	COBNCOXC	Collbran	CenturyTel of Eagle
6	CREDCOXC	Creede	CenturyTel of Eagle
7	FWLRCOXC	Fowler	CenturyTel of Eagle
8	HLLYCOXC	Holly	CenturyTel of Eagle
9	IGNCCOXC	Ignacio	CenturyTel of Eagle
10	LAMRCOXC	Lamar (Zone 1)	CenturyTel of Eagle
11	LAVTCOXC	Leveta	CenturyTel of Eagle
12	LJNTCOMA	Lajunta (Zone 1)	CenturyTel of Eagle
13	LKCYCOXC	Lake City	CenturyTel of Eagle
14	LKGRCOXC	Lake George	CenturyTel of Eagle
15	MESACOXC	Mesa	CenturyTel of Eagle
16	MNZNCOXC	Manzanola	CenturyTel of Eagle
17	ORWYCOXC	Ordway	CenturyTel of Eagle
18	PCFRCOXC	Rocky Ford (Zone 1)	CenturyTel of Eagle
19	SGCHCOXC	Saquache	CenturyTel of Eagle
20	WILYCOXC	Wiley	CenturyTel of Eagle
21	DNSRCOXC	Dinosaur	CenturyTel of Eagle
22	CDRDCO	Cedaredge	Delta County Telecommunications Inc.
23	CRFRCO	Crawford	Delta County Telecommunications Inc.
24	ECKRCO	Eckert	Delta County Telecommunications Inc.
25	HTCHCO	Hotchkiss	Delta County Telecommunications Inc.
26	PAONCO	Paonia	Delta County Telecommunications Inc.
27	SMRTCO	Somersset	Delta County Telecommunications Inc.
28	ELPSCOXCDSD0	El Paso	El Paso County Telephone
29	RUSHCOXCRS1	Rush	El Paso County Telephone
30	CROKCOXC	Crook	Haxtun Telephone Company
31	FLNGCOXC	Fleming	Haxtun Telephone Company
32	HAXTCOXC	Haxtun	Haxtun Telephone Company
33	NUNNCOXCDS0	Nunn	Nunn Telephone Company
34	PETZCOXC	Peetz	Peetz Co-Op Telephone Company
35	BELHCOXC	Beulah	Pine Drive Telephone Company
36	AFACCOMA	AIR FORCE ACADEMY	Qwest Corporation
37	ARVDCOMA	ARVADA	Qwest Corporation
38	AULTCOMA	AULT	Qwest Corporation
39	AURRCOMA	AURORA	Qwest Corporation
40	AURRCOMB	MONAGHAN	Qwest Corporation
41	AVDLCOMA	AVONDALE	Qwest Corporation
42	AVONCOMA	AVON	Qwest Corporation
43	BALYCOMA	BAILEY	Qwest Corporation
44	BITNCOMA	BRIGHTON	Qwest Corporation
45	BLDRCOGB	GUNBARREL	Qwest Corporation
46	BLDRCOMA	BOULDER	Qwest Corporation



Virgin Mobile USA, L.P. ETC Designation - Lifeline Only Service Area			
	Cili	Central Office Name	Underlying Provider
47	BLFSCOMA	BLACK FOREST	Qwest Corporation
48	BRFDCOMA	BROOMFIELD	Qwest Corporation
49	BRRGCOMA	BRECKENRIDGE	Qwest Corporation
50	BRSHCOMA	BRUSH	Qwest Corporation
51	BRTHCOMA	BERTHOUD	Qwest Corporation
52	CACYCOMA	CANON CITY	Qwest Corporation
53	CCCNCOMA	COAL CREEK CANYON	Qwest Corporation
54	CFTNCONM	CLIFTON	Qwest Corporation
55	CLHNCOMA	CALHAN	Qwest Corporation
56	CLSPCO32	GATEHOUSE	Qwest Corporation
57	CLSPCOEA	COLO SPRINGS EAST	Qwest Corporation
58	CLSPCOMA	COLO SPRINGS MAIN	Qwest Corporation
59	CLSPCOPV	PIKEVIEW	Qwest Corporation
60	CLSPCOSM	STRATMOOR	Qwest Corporation
61	CNCYCOMA	CENTRAL CITY	Qwest Corporation
62	CPMTCOMA	COPPER MOUNTAIN	Qwest Corporation
63	CRAGCOMA	CRAIG	Qwest Corporation
64	CRBTCOMA	CRESTED BUTTE	Qwest Corporation
65	CRDLCOMA	CARBONDALE	Qwest Corporation
66	CRTZCOMA	CORTEZ	Qwest Corporation
67	CSRKCONM	CASTLE ROCK	Qwest Corporation
68	DELTCOMA	DELTA	Qwest Corporation
69	DLLNCOMA	DILLON	Qwest Corporation
70	DNVRCOCH	CAPITOL HILL	Qwest Corporation
71	DNVRCOCL	COLUMBINE	Qwest Corporation
72	DNVRCOCP	CURTIS PARK	Qwest Corporation
73	DNVRCOCW	COTTONWOOD	Qwest Corporation
74	DNVRCODC	DRY CREEK	Qwest Corporation
75	DNVRCOEA	DENVER EAST	Qwest Corporation
76	DNVRCOMA	DENVER MAIN	Qwest Corporation
77	DNVRCOMB	MONTEBELLO	Qwest Corporation
78	DNVRCONE	DENVER NORTHEAST	Qwest Corporation
79	DNVRCONO	DENVER NORTH	Qwest Corporation
80	DNVRCOSE	DENVER SOUTHEAST	Qwest Corporation
81	DNVRCOSH	SMOKY HILL	Qwest Corporation
82	DNVRCOSL	SULLIVAN	Qwest Corporation
83	DNVRCOSO	DENVER SOUTH	Qwest Corporation
84	DNVRCOSW	DENVER SOUTHWEST	Qwest Corporation
85	DNVRCOWS	DENVER WEST	Qwest Corporation
86	DURNCOMA	DURANGO	Qwest Corporation
87	EATNCOMA	EATON	Qwest Corporation
88	ELBRCOMA	ELBERT	Qwest Corporation
89	ELZBCO01	ELIZABETH	Qwest Corporation
90	ENWDCOMA	ENGLEWOOD	Qwest Corporation
91	ERIECOMA	ERIE	Qwest Corporation
92	EVRGCOMA	EVERGREEN	Qwest Corporation

Virgin Mobile USA, L.P. ETC Designation - Lifeline Only Service Area			
	Clii	Central Office Name	Underlying Provider
	93 FLRNCOMA	FLORENCE	Qwest Corporation
	94 FONTCOMA	FOUNTAIN	Qwest Corporation
	95 FRDRCOMA	FREDERICK	Qwest Corporation
	96 FRPLCOMA	FAIRPLAY	Qwest Corporation
	97 FRSCCOMA	FRISCO	Qwest Corporation
	98 FRSRCOMA	FRASER	Qwest Corporation
	99 FRUTCOMA	FRUITA	Qwest Corporation
	100 FTCLCOHM	HARMONY	Qwest Corporation
	101 FTCLCOMA	FT COLLINS	Qwest Corporation
	102 FTLPCOMA	FT LUPTON	Qwest Corporation
	103 FTMRCOMA	FT MORGAN	Qwest Corporation
	104 GDJTCOMA	GRAND JUNCTION	Qwest Corporation
	105 GLCRCOMA	GILCREST	Qwest Corporation
	106 GLDNCOMA	GOLDEN	Qwest Corporation
	107 GLSPCOMA	GLENWOOD SPRINGS	Qwest Corporation
	108 GMFLCOMA	GREEN MOUNTAIN FALLS	Qwest Corporation
	109 GRELCOMA	GREELEY	Qwest Corporation
	110 GRNBCOMA	GRANBY	Qwest Corporation
	111 GRTWCOMA	GEORGETOWN	Qwest Corporation
	112 HDSNCOMA	HUDSON	Qwest Corporation
	113 HLRSCOMA	HILLROSE	Qwest Corporation

Virgin Mobile USA, L.P. ETC Designation - Lifeline Only				
Rural Service Areas Contingent on FCC Forbearance				
	Cili	Central Office Name	County	Underlying Provider
1	BYRSCOXCDSD0	Byers	Arapahoe & Adams	Bijou Telephone Cooperative Association
2	NUCLCOXC	Gateway	Mesa	Nucla-Naturita Telephone Company
3	BELHCOXC	Colorado City	Pueblo	Rye Telephone Company
4	CLCYCOXC	Rye	Pueblo/Huerfano	Rye Telephone Company
5	ALSNCOXC	Allison	LaPlata/Archuleta	CenturyTel of Colorado
6	MARUCOXC	Marvel	LaPlata/Montezuma	CenturyTel of Colorado
7	PGSPCOXC	Pagosa Springs	Archuleta	CenturyTel of Colorado
8	PGSPCOXW	Pagosa West	Archuleta	CenturyTel of Colorado



## **Operating Procedures Applicable to Lifeline BUS Offering Virgin Mobile USA, L.P.**

**A. ACCESS TO RECORDS.**

All records required by these procedures pertaining to Virgin Mobile' Lifeline Basic Universal Service (LBUS) offering shall be made available to the Commission or its authorized representatives at any time upon request.

**B. RETENTION OF RECORDS.**

Unless otherwise authorized by the Commission, all records required by these procedures pertaining to Virgin Mobile' LBUS offering shall be preserved for the period of time specified by Rule 4 CCR 723-2-2005 of the Rules Regulating Telecommunications Providers, Services, and Products, but in no event less than a minimum of 24 months after the date of entry of the record or for any longer period of time specified by FCC rule or order or Commission rule, whichever is longer .

**C. SERVICE AREA MAPS.**

Attachment 1 depicts a coverage area map of the underlying wholesale carrier's network, i.e. Sprint Nextel. The coverage area map only depicts where the underlying carrier's network has coverage and some areas may not be inclusive of where Virgin Mobile is designated ETC status.

**D. RECORDS OF COMPLAINTS**

1. Virgin Mobile shall maintain an accurate record of all oral and written complaints made by its customers regarding its service, or rates and charges. This record shall include the name and address of the customer or complainant, the time, date and nature of the complaint, the action taken to clear trouble, and the date and time of trouble clearance.
2. The record of complaints shall be categorized to indicate to Virgin Mobile and to the Commission whether any particular customer encounters the same difficulties frequently, in terms of complaints per month, including customer trouble reports, whether a large number or percentage of all complaints from different customers arise from the same irregularity in service, with 5 percent or more of all complaints over a three month period being considered significant, or whether some phase of the construction, equipment, maintenance or operation are causing the complaints.
3. With the exception of billing disputes, any claim against Virgin Mobile shall be deemed waived unless presented to Virgin Mobile within thirty (30) days after the date of the occurrence that gave rise to the claim.
4. For any unresolved complaints or customer questions, Virgin Mobile shall direct its personnel engaged in initial contact with an applicant or Customer in which dissatisfaction with the decision or explanation by the personnel is expressed, to inform the Customer of the right to have the problem considered and acted upon

by another consumer representative or supervisory personnel of Virgin Mobile. If the applicant or Customer continues to express dissatisfaction after the supervisory personnel have addressed the problem, Virgin mobile shall further direct the supervisory personnel to provide the complainant that they may contact the External Affairs Section of the Commission at Colorado Public Utilities Commission, Consumer Affairs, 1560 Broadway, Suite 250, Denver Colorado 80202, Phone 303-894-2070 or 800-456-0858, fax number 303-894-2532 or by e-mail to [PUCconsumer.complaints@dora.state.co.us](mailto:PUCconsumer.complaints@dora.state.co.us) for further review of an unresolved problem.

**E. DESIGNATED SERVICE AREA.**

Virgin Mobile shall file an application with the Commission for expansion of its ETC designation service area if it increases its footprint to align with its underlying carrier (Sprint) as it expands its footprint. Virgin Mobile shall not serve eligible Lifeline customers in the portions of those wire centers beyond those listed in Attachment 2 herein. Virgin Mobile shall not serve eligible Lifeline customers in exchanges set forth on Attachment 3 until the FCC grants its Forbearance application.

**F. HELD SERVICE APPLICATIONS**

1. During periods of time when Virgin Mobile may not be able to supply service to customers in Virgin Mobile's service areas within the time frames established in these procedures, Virgin Mobile shall keep a record for each service area showing the name and address of each applicant for service, the date of application, the class type and grade of service applied for, (e.g., first line or additional line), together with the reason for the delay in providing the service to the applicant, and the expected date of service.
2. When the number of held service orders exceeds 50 orders in a service area providing service to 2,000 or more customers, or 20 held service orders in a service area serving fewer than 2,000 customers, Virgin Mobile shall maintain a summary of applications for each affected service area showing the total number categorized by various causes for delay and by dates of application.
3. Virgin Mobile shall submit to the Commission a report showing the information required by paragraph 1 of this procedure, and the number of days service has been delayed, when the lesser of 50 or 5 percent of the total number of service applications in a service area in a consecutive three-month period are held service orders. Virgin Mobile shall further submit a report of its proposed action to reduce the number of those held service orders to fewer than the lesser of 50 or five percent of the total number of service applications in that service area. Reports must be submitted to the Commission by August 15th of each year.
4. All customers who have not been mailed a telephone and assigned a telephone number within ten days of the date of approval of their eligibility by the Colorado Department of Human Services shall be provided a written notice by Virgin Mobile, stating the order number assigned by Virgin Mobile to the application for service, the general status of the order, and a phone number to call with questions.



This notice shall be postmarked on or before the 15<sup>th</sup> day after the date of approval of their eligibility by the Colorado Department of Human Services.

5. Under circumstances where the period to provide Lifeline service exceed 30 calendar days after the approval of the customer eligibility by the Colorado Department of Human Services, Virgin Mobile shall file a letter with the Director of the Commission stating the circumstances causing the delay, explaining whether such circumstances are beyond Virgin Mobile' control, and providing an estimate of the time necessary to provide service. This letter shall include: the name and address of the applicant, the date of application for service, and the number assigned by Virgin Mobile to the application for service.

## **G. SERVICE INTERRUPTIONS**

### General

1. Service is interrupted when it becomes unusable to the Customer or when the Customer is unable to transmit or receive calls due to the failure of a component of the network furnished by Virgin Mobile.
2. An interruption period begins when the Customer reports a service, facility or circuit to be inoperative and releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.

### Reestablishing Service

1. Company will make all reasonable efforts to prevent interruptions of service and, when interruptions do occur, reestablish service with the shortest possible delay. Company will make attempts to resolve emergencies at all hours, consistent with the bona fide needs of customers and the personal safety of Company's employees. In almost all cases, Company will be able to reestablish service within 24 hours. If unusual repairs are required, or other factors will prevent the prompt reestablishment of service, Virgin Mobile will make reasonable efforts to contact Customer.
2. Limitations on Allowances
3. No credit allowance will be made for any interruption of service due to the failure of power, equipment, systems or services not provided by Virgin Mobile; during any period in which Virgin Mobile is not given full and free access to the Customer's or Virgin Mobile' facilities and equipment for the purpose of investigating and correcting the interruption; during any period in which the Customer continues to use the service on an impaired basis; during any period in which the Customer has released service to Virgin Mobile for maintenance purposes or for implementation of a Customer order for a change in service arrangements; or that was not reported to Virgin Mobile within thirty (30) days of the date that service was affected.

### Record Keeping

Virgin Mobile shall keep a record showing all interruptions affecting service in an entire service area or any major portion of it that affects the lesser of 25 percent or 1,000 of the



service area's customers for one or more hours during the day. This record shall show the date, time, duration, extent and cause of the interruption. Virgin Mobile shall inform Customers of the potential of future service unavailability when Virgin Mobile is experiencing or is forecasting potential service unavailability in specific areas for purposes other than outages due to routine maintenance. Services are available twenty-four (24) hours per day, seven (7) days per week. Virgin Mobile will make reasonable arrangements to resolve emergency resulting from failures of service, unusual and prolonged increases in traffic, illness of personnel, fire, storm or other acts of God, and inform its employees as to procedures to be followed in the event of such emergencies in order to prevent or minimize interruptions or impairment of telecommunications service.

**H. ADVERTISING**

Virgin Mobile shall submit annual reports describing advertising materials in use in Colorado to the Commission Staff and OCC no later than August 15 of each year.

**I. NETWORK REQUIREMENTS**

1. Intra-LATA Interexchange Toll Dialing Pattern.
  - a. Virgin Mobile complies with all NANP dialing pattern requirements.
2. 911 or E-911 Access. Virgin Mobile shall pay the appropriate wireless E911 charge of one and four-tenths percent based on the \$16.50 worth of free voice minutes provided to eligible Lifeline customers and on all other minutes sold to customers whether sold separately or bundled with text messages or other services. Virgin Mobile shall remit the amount monthly in accordance with C.R.S. § 29-11-102.5(3).
3. Services General.
  - a. Virgin Mobile provides wireless telecommunications services to Customers for voice, data and other types of telecommunications capable of origination over Virgin Mobile' wireless network on a monthly basis. When using Virgin Mobile service at Customer's premises in accordance with Virgin Mobile' instructions, transmission will be at adequate volume levels and free of excessive distortion.
  - b. The Company's local usage plan is comparable to the incumbent local exchange carrier.
  - c. Lifeline service is offered subject to Company's Terms of Service, the availability of facilities and the provisions contained herein.

**J. REPORTING REQUIREMENTS**

Virgin Mobile shall file the following reports with the Director of the Public Utilities Commission for information purposes only:

1. Copies of filings submitted to Federal Communications Commission or Universal Service Administrator Company (USAC). Virgin Mobile shall file copies of all FCC forms submitted to the FCC or USAC, including Form 497, with the Commission.

2. Copies of annual filings submitted to Federal Communications Commission or Universal Service Administration Company. Virgin Mobile shall file a copy of its annual report regarding its Lifeline verification survey results performed annually to the Commission by August 15<sup>th</sup> of each year.
3. Annual ETC Certification. Virgin Mobile will file annual certification that it is complying with applicable service quality standards and the consumer protection rules, e.g., the CTIA consumer code for wireless service.
4. Plan Offerings. Virgin Mobile shall file a copy with the Commission of any and all proposed Lifeline offering(s) prior to offering service to Lifeline customers in Colorado.
5. Changes to existing plans or new plans for Lifeline. Virgin Mobile shall notify the Commission 30 days in advance before implementing any changes to terms, conditions, rates and any changes to the allocations of free minutes as well as any new plans or products introduced.
6. Submit quarterly report to Commission regarding customer-specific data. Virgin Mobile shall submit a quarterly report to the Commission to include customer-specific data: customer name, address, and zip code for:
  - a. Lifeline customers receiving or that have applied through Virgin Mobile for a second Lifeline subsidy per household in that same month from Virgin Mobile,
  - b. Lifeline customers receiving or that have applied through Virgin Mobile for a second Lifeline subsidy per household in that same month from another carrier,
  - c. New Lifeline customers enrolled in Virgin Mobile' Lifeline service,
  - d. Lifeline customers removed from Lifeline service due to non-usage and,
  - e. Lifeline customers removed from Lifeline service due to ineligibility through the verification process.
7. Unfilled Requests for Service. Number of requests for service from eligible Lifeline customers approved by DHS within Virgin Mobile' service area which were unfulfilled during the past year. Report must be submitted to Commission by August 15<sup>th</sup> of each year.

**K. LIFELINE NON-USAGE POLICY AND INELIGIBILITY NOTICE**



1. Virgin Mobile will identify Lifeline customers that have not used Virgin Mobile' Lifeline service for 60 days and cease to claim Lifeline reimbursements for such customers if they do not use their service within a 30-day grace period following the initial 60-day non-usage period. Non-usage shall be:
  - a. a Lifeline customer's account where no usage appears during any continuous 60-day period will be subject to the Lifeline non-usage policy,
  - b. Virgin Mobile shall promptly notify the customer in writing that he or she may no longer be eligible for Lifeline service subject to a 30-day grace period,
  - c. Virgin Mobile shall keep the Lifeline customer's account active during the 30-day grace period and will engage in outreach efforts to determine whether the Lifeline customer desires to remain on Virgin Mobile' Lifeline service,
  - d. if the Lifeline customer's account does not show any customer-specific activity during the grace period such as making or receiving a voice call or adding money to the account, Virgin Mobile will deactivate Lifeline services for that customer, and
  - e. Virgin Mobile will no longer seek to recover federal Universal Lifeline Service subsidy or thereafter report that customer on its USAC Form 497.
2. The Customer shall be notified in writing of Virgin Mobile' intention to discontinue Lifeline services due to the Lifeline customer no longer meeting the qualification criteria upon notification from Department of Human Services (DHS). Any notice shall clearly state that the customer contact DHS registration system to verify eligibility. Virgin Mobile will not seek Lifeline reimbursement from USAC upon notice from DHS that the customer is no longer eligible unless the customer confirms eligibility with DHS.

**L. CTIA CODE OF CONDUCT**

1. Virgin Mobile shall comply with the principles, disclosures, and practices for wireless service provided to consumers in the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service. Such Code can be found at: [http://files.ctia.org/pdf/The\\_Code.pdf](http://files.ctia.org/pdf/The_Code.pdf).

**M. SUBSCRIBER ELIGIBILITY**

1. Subscriber eligibility shall be established pursuant to a DHS certification process and as modified by the Colorado General Assembly. Upon initial application for Virgin Mobile's Lifeline service, the Customer must certify by his or her signature under penalty of perjury that he or she is head of household and that he or she will receive Lifeline supported services only from Virgin Mobile.

- a Virgin Mobile shall require each eligible Lifeline consumer to self-certify under penalty of perjury at the time of enrollment and annually thereafter that he or she is the head of household, receives Lifeline-supported service only from Virgin Mobile, and does not receive Lifeline from any other provider;
  - b Virgin Mobile shall require each eligible Lifeline consumer at the time of application to initial on the certification form that to the best of his or her knowledge that he or she is not receiving Lifeline-supported service from any other Lifeline provider and to ensure the consumer understands that “Lifeline-supported service” is a federal subsidy;
2. Virgin Mobile shall file a copy of state-specific subscriber data, including name and address of Lifeline subscribers, to the Universal Service Administrative Company (USAC), upon request, and to this Commission for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier;
  3. Virgin Mobile shall immediately investigate any notification from the Commission or DHS regarding any Lifeline customer receiving duplicate subsidy from another carrier or from Virgin Mobile. If it is determined that the Lifeline customer is receiving duplicate subsidy, Virgin Mobile will work with the other carrier(s) to 1 notify the customer of the duplicate accounts and work with the customer to choose only one provider of Lifeline service. Virgin Mobile shall also abide by any rules of the FCC and work with USAC and the Commission Staff to rectify any duplicate accounts. In the event the customer selects a carrier other than Virgin Mobile to provide Lifeline service, Virgin Mobile shall promptly remove the customer’s Lifeline service and remove customer from any USAC reimbursement,
  4. Virgin Mobile shall deal directly with the subscriber and DHS to certify and verify the subscriber’s Lifeline eligibility on an annual basis;
  5. Virgin Mobile shall explain in prominent, plain, easily comprehensible language to all new and potential subscribers that no consumer is permitted to receive more than one Lifeline subsidy;
  6. Virgin Mobile shall ensure that all marketing materials for the service make clear that it is a Lifeline-supported service;
  7. Virgin Mobile shall promptly, de-enroll any subscriber whom Virgin Mobile determines is no longer eligible for Lifeline service or is notified by DHS that the subscriber is no longer eligible for Lifeline service. Virgin Mobile shall promptly remove a customer’s Lifeline service and remove customer from any USAC reimbursement.

**N. 911 CALLING**

Virgin Mobile shall provide access to 911service. If service is disconnected or minutes are depleted, customers may still make 911 calls and calls to Customer Care number (411).



**O. CUSTOMER CARE ACCESS**

Customers will be provided a toll-free method to access Virgin Mobile' customer care representatives, available 8am – 12am (midnight) EST Monday through Friday by dialing \*4, \*VM, 611 from a Virgin Mobile handset, and online at [www.assurancewireless.com](http://www.assurancewireless.com). Customers may obtain directory assistance by dialing 411 from an Virgin Mobile handset.

**P. Limitations of Liability**

1. Because Virgin Mobile has no control of the content of communications transmitted over its network, and because of the possibility of errors incident to the provision and use of its services, services furnished by Virgin Mobile are subject to the terms, conditions and limitations specified herein and in Virgin Mobile's Terms of Service available on the Assurance Wireless website.
2. The liability of Virgin Mobile for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed. The customer credit or refund shall be in accordance with Commission rule 723-2-2304.

**Q. Customer Disconnection**

Virgin Mobile may not deny or discontinue service to a Customer without prior written notice after at least 15-days ("written notice" or "in writing" as used in this Section shall mean a message sent to the Customer as a SMS or "text" message or in letter form) except for the following reasons:

1. If a condition immediately dangerous or hazardous to life, physical safety, or property exists; or
2. Upon order by any court, the Commission, or any other duly authorized public authority; or
3. For a violation of Virgin Mobile' terms and conditions or Commission rule; or
4. If service was obtained fraudulently or without the authorization of the provider or is being used for, or suspected of being used for, fraudulent purposes; or
5. Failure to comply with municipal ordinances or other laws pertaining to telecommunications service which may adversely affect the safety of the Customer, other persons or the integrity of Virgin Mobile' service, or
6. Obtaining service by subterfuge that includes, but is not restricted to, an application for service at a location in the name of another party.
7. Violation of any rule which may adversely affect the safety of the Customer, other persons, the integrity of Virgin Mobile' service, or otherwise violate the Assurance Wireless Terms of Service.

If Virgin Mobile disconnects service to Lifeline Customer for any reasons stated above, Virgin Mobile will immediately cease seeking reimbursement from the Lifeline universal service fund for that Customer.

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## **LIFELINE BASIC UNIVERSAL SERVICE OFFERING OF VIRGIN MOBILE USA, L.P.**

The following contains a detailed description of Virgin Mobile USA, L.P.'s ("Virgin Mobile") Lifeline Basic Universal Service (LBUS) offering in Colorado. Virgin Mobile will offer Lifeline service under the name of Access Wireless. This description relates only to Virgin Mobile' wireless LBUS offering and in no way relates to the Virgin Mobile' other service offerings.

### **A. VIRGIN MOBILE's LIFELINE BASIC UNIVERSAL SERVICE OFFERING**

Virgin Mobile's Lifeline Basic Universal Service Offering ("LBUS Offering") includes the Following Services Required under 47 C.F.R. § 54.101(a) revised December 23, 2011 and 4 CCR 723-2-2308(a):

1. Access to Public Switched Telephone Network and Local Usage. Virgin Mobile' service includes voice grade access to the public switched telephone network or its functional equivalent and minutes of use for local service without additional charge to the end user.
2. Access to Emergency Service. Customers of Virgin Mobile' LBUS Offering will be able to reach a public safety answering point by dialing "911" regardless of activation status. Virgin Mobile will provide its Lifeline customers with 911 and E911 compliant handsets and replacing non-compliant handsets at no additional charge.
3. Toll Limitation. Virgin Mobile calling plans are not offered on a distance-sensitive basis and minutes are not charged separately for local or domestic long distance services. Prepaid offerings, by their very construct, act as a toll limitation mechanism.
4. Lifeline Services. Qualified low income customers shall receive the equivalent value of \$16.50 per month (250 voice minutes). Virgin Mobile does not offer reduced activation fees by virtue of the Federal Link-Up program. Customers may contact Virgin Mobile for eligibility or more information.
5. Hearing Impaired. Virgin Mobile will make available services for the hearing impaired. Customers may contact Virgin Mobile for more information.

**B. ADDITIONAL SERVICES WHICH ARE INCLUDED IN LIFELINE BASIC UNIVERSAL SERVICE OFFERINGS**

1. Free Handset
2. Voice Mail
3. Call Waiting
4. Caller ID
5. Free balance inquiries
6. Free calls to 911 emergency services

**C. THE PRICING FOR VIRGIN MOBILE' UNIVERSAL SERVICE OFFERING**

1. Virgin Mobile will pass the imputed state subsidy and the entire federal subsidy in the form of free usage to the Lifeline customers. Virgin Mobile shall offer at least one Lifeline calling plan with a minimum of 900 minutes of usage.
2. Retail calling plans are pay in advance offerings, excluding taxes and governmental assessments, and do not require the customer to sign a contract.
3. Long distance calls are included at no additional charge for calls made within the United States. International long distance calls are charged at the rate charged to the Company and passed through without mark-up.
4. Federal and state universal service assessments are imposed separately in an amount that is a percentage of the customer's bill.
5. Other governmental taxes and assessments imposed by law.
6. Customers will not be required to enter into a long-term service contract.

**D. THE AREAS IN WHICH VIRGIN MOBILE' LIFELINE UNIVERSAL SERVICE OFFERINGS ARE AVAILABLE, AND THE CORRESPONDING LOCAL CALLING AREAS**

Virgin Mobile LBUS Offering is available to customers within the exchanges in which Virgin Mobile has been designated as an ETC. Virgin Mobile shall file an application with the Commission if it expands its footprint to exchanges not listed in Attachment 2 and Attachment 3 if or when the FCC approves Virgin Mobile forbearance application, and proposes to provide Lifeline service to the additional exchanges prior to offering Lifeline service.

Virgin Mobile shall initially provide three different Lifeline plans to eligible Lifeline customers:

- 250 Free minutes of use and a free handset to each qualifying customer, or
- For \$5.00 per month, an additional block of 250 minutes, bringing the total minutes for a customer to 500, or
- For \$20.00 per month, an additional block of 750 minutes, bringing the total minutes for a customer to 1,000 plus 1,000 messages, and
- Overage minutes or messages for \$.10 each

For purposes of Tier III support, the parties acknowledge that the current retail value of 250 prepaid wireless minutes is equivalent to \$16.50 in Colorado. Virgin Mobile shall file with the Commission 30 days in advance if the 250 prepaid minutes of use is modified.

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