

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

DOCKET NO. 12A-1088T

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**IN THE MATTER OF THE APPLICATION OF NEXUS COMMUNICATIONS, INC.  
FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER FOR  
LOW INCOME SUPPORT ONLY**

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**STIPULATION AND SETTLEMENT AGREEMENT**

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Nexus Communications, Inc. ("Nexus" or the "Company"), Trial Staff of the Public Utilities Commission of the State of Colorado ("Staff"), and the Colorado Office of Consumer Counsel ("OCC") (collectively the "Stipulating Parties" or the "Parties"), through their undersigned counsel, enter into this Stipulation and Settlement Agreement ("Stipulation" or "Stipulation and Settlement") regarding the Application filed by Nexus 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 therefor, 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, as set forth in 47 C.F.R. § 54.101(a), and which were revised on 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; and
- d. toll limitation for qualifying low-income consumers.

5. On February 6, 2012, the FCC issued a Report and Order and Further Notice of Proposed Rulemaking, ("Lifeline Reform Order")<sup>1</sup>, in which it issued blanket forbearance from

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<sup>1</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

the facilities-based requirement to all carriers that were seeking limited ETC designation for the purpose of offering Lifeline service only.<sup>2</sup> Lifeline-only ETCs are now subject to the following conditions:

- a. provide Lifeline subscribers with 911/E911 access, regardless of activation status and availability of minutes;
- b. provide E911-compliant handsets and replace noncompliant handsets at no additional charge; and
- c. file a compliance plan with the FCC for approval that includes the procedures to enroll a subscriber in Lifeline service and for reimbursement for that subscriber, sample marketing materials, materials on initial and ongoing certification, how the carrier will offer service, the geographic areas in which it will offer service, and a detailed description of its Lifeline service plans including the rates, number of minutes and types of plans available to Lifeline subscribers.

6. In addition, the Lifeline Reform Order eliminated Link Up support for all ETCs serving non-Tribal lands.<sup>3</sup>

7. The Lifeline Reform Order further requires that a carrier seeking ETC designation for the purpose of offering Lifeline-only must demonstrate its technical and financial capacity to provide the supported services.<sup>4</sup>

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No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket 12-23, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd. 6656 (FCC rel. Feb. 6, 2012) (Lifeline Reform Order).

<sup>2</sup> *Id.* at ¶ 496.

<sup>3</sup> *Id.* at ¶ 245.

<sup>4</sup> *Id.* at ¶ 388.



8. This 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.

9. On October 12, 2012, Nexus filed an Application ("Application") seeking designation as an ETC for the limited purpose of receiving universal service support for low-income subscribers in Colorado, Docket Number 12A-1088T. Nexus sought ETC designation for the limited purpose of offering Lifeline service to consumers who reside in the geographic service area where its underlying carrier, Verizon Wireless, provides coverage in the State of Colorado, excluding any exchanges served by rural incumbent local exchange carriers ("ILEC"). A list of ILEC exchanges that comprise the requested Nexus' service area is shown on Exhibit A to Nexus' Application.

10. The Parties engaged in settlement discussions regarding issues raised by Nexus' Application.

11. The Parties have now reached agreement on the issues raised in this docket, as is set forth herein. This Stipulation is entered into for the purpose of avoiding the costs and risks of litigation. The Parties agree this Stipulation shall only bind the parties hereto and shall not legally bind the Parties with respect to other applications and proceedings before the Commission other than in a subsequent proceeding to enforce the terms of this Stipulation.

#### **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:

1. Nexus is a beneficial user of the Verizon Wireless network.



2. Much of Verizon Wireless' network is located along the I-25, I-70 and I-76 highways in Colorado.

3. Attachment 1 is a list of the legacy Qwest Corporation exchanges where Nexus will offer Lifeline service throughout each entire exchange. Attachment 1 differs from Exhibit A to Nexus' Application in that there are a small number of exchanges have been excluded. Nexus will provide service throughout the entirety of all exchanges listed in Attachment 1 via resale and through the use of roaming outside of the area covered by Verizon Wireless network. Nexus will not assess roaming charges to any Lifeline subscribers for use within any of the exchanges listed in Attachment 1.

4. Nexus will advertise the availability of the supported services throughout its designated service areas using media of general distribution pursuant to 47 U.S.C. § 214(3)(1)(B) in a manner that is designed to reach those likely to qualify for such services. Nexus intends to use media such as newspapers of general circulation, radio, and television. In light of these obligations and the fact that Nexus does not maintain or produce a White Pages directory, the Parties agree that Nexus should be granted a permanent waiver of the portion of 4 CCR 723-2-2187 ("Rule 2187") (d)(VII) regarding the placing of consumer guide pages in the "White Pages" directory within the ETC service area as requested by Nexus.

5. Nexus seeks ETC designation for the limited purpose of providing universal service low-income Lifeline service in Colorado. Nexus is neither seeking Federal universal service high-cost support ("USF") nor Colorado high cost support mechanism ("CHCSM") in its service area.

6. Because Nexus does not seek high cost USF or CHCSM support, and for other reasons set forth in Nexus' Motion for Waiver of Certain Rules,<sup>5</sup> the Parties agree that it would be in the public interest and consistent with the Lifeline Reform Order<sup>6</sup> for Nexus to be granted a full waiver of Rule 2187(f)(II) (F), (G), (H) and (K) through (N), which would otherwise require the submission of detailed information about network expansion plans paid for by high cost funds in areas where Nexus has been designated an ETC, a Colorado-specific trial balance, and a build-out plan showing Nexus' intended use of high cost funds. As to duration, the Parties agree that this waiver be in effect until either (1) Nexus provides services solely on its own network, (2) this Commission modifies Rule 2187(f)(II)(F), (G), (H) and (K) through (M) or (3) the FCC modifies its blanket forbearance of the "own facilities" requirement. The Parties also agree that the waiver of the Colorado-specific trial balance requirement in Rule 2187(f)(II)(N) should be permanent. Finally, for the reasons noted above, the Parties agree that a full waiver of Rule 2187(d)(XIII) regarding a build-out plan for universal service is warranted and should be permanently granted.

7. Nexus requested a full waiver of Rule 2187(F)(II)(A) and states that the recent changes to the Lifeline program eliminated the reporting of unfulfilled requests.

8. Nexus requests partial waiver of Rule 2187(F)(II)(O) that requires affidavit language concerning receipt of high cost support. Because Nexus is not seeking high cost support from the USF or CHCSM support, the Parties agree that it would be in the public interest and consistent with the Lifeline Reform Order reporting requirements to not require Nexus to attest the purposes of High Cost Support when it will not receive any such support. The Parties

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<sup>5</sup> Filed concurrently with Nexus' Application, October 12, 2012.

<sup>6</sup> The Lifeline Reform Order streamlined the reporting requirements for ETCs designated by the FCC and an ETC applicant is no longer required to submit a five-year network improvement plan.

agree the Commission should grant this partial waiver and that Nexus will submit an affidavit attesting that all other required information provided in its annual filing is true and correct

9. Nexus should also be granted full variance of Rule 2187(d)(III) that requires a proposed ETC to describe in its application the service area in which the Applicant seeks designation as an ETC by metes and bounds. As to duration, the Parties request that this variance be for the filing of this Application only since the metes and bounds description is information to be included in an application when filed. Verizon Wireless' physical network does not precisely correlate with a metes and bounds description as required by Rule 2187(d)(III). However, a list of the wire centers of Qwest Corporation in Colorado where Nexus has shown an intent and ability to offer the supported services once designated as an ETC throughout the service area set forth on Attachment 1.

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

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

12. The Parties stipulate and agree that Nexus has shown good cause that its Lifeline Basic Universal Service ("LBUS") offering as described in Attachment 3 meet all applicable state and federal requirements, that Nexus' ETC designation for Colorado low-income universal service purposes will serve the public interest, convenience and necessity, that Nexus does not receive high cost USF support in Colorado, and that Nexus' advertising adequately informs potential subscribers of the availability of Nexus' Lifeline service throughout its proposed ETC



service area, and recommend that the Commission grant a full waiver of Rules 2187 (d)(III) and (f)(II)(F), (G), (H) and (K) through (N).

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

1. Nexus 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. Nexus has been granted ETC status to offer Lifeline wireless services in California, Georgia, Iowa, Maine, Maryland, Missouri, Nevada, New Jersey, Ohio, Rhode Island and West Virginia. Nexus has also recently received wireless ETC designation in Indiana and Oklahoma; however the Company has not yet begun to provide wireless service in those states. Nexus has also been designated as an ETC for wireline services in Alabama, Florida, Kentucky, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas. It serves consumers using both wireline and wireless technology to Lifeline participants in Arkansas, Illinois, Kansas, Louisiana, Michigan, Mississippi, and Wisconsin.

3. Nexus has not been subject to any enforcement action at the FCC or in any state. No ETC designations held by Nexus have been rescinded, revoked, or terminated by the FCC or by any state regulatory agency. Nexus has operated in the United States since 2000 and has significant experience in providing high-quality telecommunications services. It obtains the majority of its revenue from selling low-cost prepaid telephone services on a nationwide basis. Nexus will not need to rely exclusively on federal USF support and will not need, and does not seek, Colorado high cost funds to provide the proposed wireless services.

4. Nexus provides each of the supported services set forth in 47 C.F.R. § 54.101(a) and has shown an intent and ability to offer those services once designated an ETC throughout the areas set forth on Attachment I of the Stipulation.

5. Nexus will offer one LBUS Plan to eligible non-tribal Lifeline subscribers. The Parties have agreed that other Lifeline plans as described in Application on page 4 or in Amended FCC Compliance Plan on page 6 attached to witness Fenker's testimony with fewer than 250 free minutes per month will not be offered in Colorado. Nexus' LBUS plan described in Attachment 3 complies with Rule 2187(d)(XII); which includes free 250 minutes that do not rollover, as well as additional airtime minute packages that can exceed 950 minutes. Nexus' LBUS plan is consistent with other previously-designated ETC Lifeline-only carriers in Colorado. Nexus' Lifeline plan is available for enrollment via Nexus' website ([www.reachoutmobile.com](http://www.reachoutmobile.com)) and through Nexus' subscriber service department.

6. Nexus agrees to work with the Colorado Department of Human Services ("CDHS") regarding certification and verification of the eligibility of Lifeline subscribers. It is understood that Nexus, as a prepaid provider, will not be required to obtain or retain social security numbers of subscribers. However, in compliance with Lifeline Reform Order, Nexus will obtain and retain the last four digits of the social security number of its subscribers.

7. Nexus' LBUS plan is not offered on a distance sensitive basis and there is no additional charge for toll minutes of use. As such, toll limitation is not a concern because of the prepaid nature of this Lifeline plan. Prepaid offerings, by their very construct, act as a toll limitation mechanism; therefore, Nexus will not seek reimbursement for toll limitation.

8. The Lifeline Reform Order further requires each applicant seeking ETC designation to submit to the FCC for approval a Compliance Plan that contains the information as outlined in Section 5.c of the Preliminary Statement above.

9. On December 6, 2012, Nexus submitted a Third Revised Compliance Plan for FCC approval in WC Docket No. 09-197 and WC Docket No. 11-42. The Compliance Plan



details the verification, certification, and other anti-fraud measures Nexus will take to comply with state and federal requirements and to ensure that Lifeline support is provided only to consumers who are truly eligible. On December 26, 2012, the FCC issued a public notice that it had approved Nexus' Compliance Plan. Since it has been found to meet all of the FCC's aforementioned criteria, Nexus is entitled to the FCC's blanket forbearance from the "own facilities" requirement. Nexus' approved Third Amended Compliance Plan and the public notice evincing its approval are attached to this Stipulation as Attachment 4.

10. The Parties stipulate and agree that with the incorporation of the agreed upon terms and conditions in Attachments 2 and 3, designating Nexus as an ETC in the study areas and wire centers set forth in Attachment 1 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 1 should be approved as Nexus' designated service area and that Nexus shall use a Lifeline Certification Form as set forth in Exhibit 1 to Nexus' approved Compliance Plan (attached hereto as Attachment 4) unless a different form is required by the Commission or CDHS in the future.

11. Without waiving any of its positions stated in this proceeding, Nexus has entered into this Stipulation with Staff and the OCC to settle this matter. The Parties have agreed to the LBUS Plan and unlimited top-up option as described in Attachment 3. Nothing in this Stipulation shall prohibit Nexus the flexibility to offer new service plans to eligible consumers or to permit eligible consumers to apply their Lifeline discount to bundled service plans or plans containing optional calling features. In the event Nexus offers new expanded service plans or bundled service plans in the future, these plans will be referred to herein as "Lifeline" plans. Further, the Parties stipulate and agree that Nexus shall provide its LBUS plan and any future



Lifeline plans pursuant to this Stipulation (including Attachments 1 through 4). The following requirements shall apply:

- A. If Nexus desires to (1) modify its existing LBUS Plan, (2) add a new Lifeline plan, (3) modify a Lifeline plan, (4) modify its Terms and Conditions, or (5) modify its Operating Procedures, (each, a "Modification"), then Nexus shall first provide the other Parties thirty-days advance written notice of the proposed Modification. If none of the Parties objects within the thirty-day notice period (the "Notice Period"), then Nexus' proposed Modification will go into effect upon the expiration of the Notice Period. However, if one or more of the Parties objects in writing to the proposed Modification and indicates to Nexus during the Notice Period that the Modification may be contrary to the public interest or disadvantageous to subscribers, then Nexus shall file an application with the Commission and obtain the Commission's approval before implementing the proposed Modification. Nexus shall also maintain Colorado-specific information on its "Terms and Conditions of Service" page on its website ([www.reachoutmobile.com/terms.php](http://www.reachoutmobile.com/terms.php)) that will provide interested persons with notice of any proposed modifications to its LBUS plan or any additional Lifeline plans offered to eligible subscribers.
- B. If Nexus has failed to comply with paragraph A above and has implemented a Modification to the LBUS plan or any additional Lifeline plans without following the procedures described above, then upon appropriate pleading, or upon its own motion, the Commission may investigate any unnoticed or unauthorized change to Nexus' LBUS or Lifeline Plan Description, Terms and Conditions and Operating Procedures. In any such investigation, Nexus agrees to respond to requests for information from the Commission Staff. However, nothing in this Stipulation shall be construed as a waiver of any rights Nexus may have to object to such requests for information, seek to limit disclosure of privileged information, or seek to declare information as confidential. After notice to Nexus and a subsequent investigation, the Commission may find that a change is not consistent with Nexus' ETC status or results in a universal service Lifeline offering that is not eligible for universal service Lifeline funding. If Nexus does not thereafter make such changes as are necessary to bring its Lifeline offering into compliance with such requirements, Nexus understands that the Commission may revoke Nexus' ETC status.
- C. The Parties agree that the Commission has authority to enforce compliance with this Stipulation pursuant to its terms and pursuant to Rule 2187 and, consistent with this Paragraph, may exercise its audit powers derived from Section 40-15-107, C.R.S., with respect to the LBUS plan or the Nexus' ETC status. Consistent with this authority, for changes to any

additional Lifeline plans or implementation of new Lifeline plans, other than the LBUS Plan, Staff may investigate and obtain any necessary data through the Commission's audit powers once Staff is notified of changes. This process should work in the same manner that occurs when Staff reviews tariff filings. Staff will work cooperatively with Nexus to obtain information in order to assess whether the changes are in the public interest or may otherwise impact Nexus' eligibility to receive Lifeline funding. The investigation should be completed within the 30-day period between the notification of proposed change and Nexus' implementation of the change if the Parties reach an agreement. Nexus may not implement the proposed change if the investigation has not been completed. If there is disagreement between Staff and Nexus, any Party, or any interested person, may file a formal complaint with, or seek a declaratory ruling from the Commission. Nexus will have an opportunity to contest a Staff position that a change is not consistent with Nexus' ETC status or results in a universal service Lifeline offering that is not eligible for universal service Lifeline funding by filing (1) an application to change its LBUS Plan, or (2) a request for declaratory ruling and in each case an evidentiary hearing may be held. Finally, with regard to Lifeline plans other than the LBUS Plan, Staff may notify the FCC and Universal Service Administrator Company ("USAC") if it believes the Lifeline offering is not eligible for funding.

- D. The Parties acknowledge that because Nexus is using the network of its underlying carrier, Verizon Wireless, throughout its designated service area, that no notice to Public Safety Answering Points ("PSAPs") is required.
- E. The Parties agree that Nexus 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 \$0.18 on its LBUS Plan based on a value of \$12.75 per month in Colorado. In the event the number of free minutes associated with the LBUS Plan changes as discussed above, or with any new Lifeline Plans, the value for purposes of calculating the E911 charge shall be modified proportionately. The Parties further agree that Nexus shall remit and pay the prepaid wireless E911 charge of one and four-tenths percent of the price of each retail transaction associated with the purchase of additional minutes or data plans from Lifeline subscribers as required by C.R.S § 29-11-102.5. In the event C.R.S § 29-11-102.5 is amended to change the E911 charge, Nexus shall pay the E911 charge at the amended rate and in the same manner as its wireless Lifeline competitors. Nexus will also pay the prepaid wireless E911 charge on all prepaid and or/replenishment voice minutes sold independently of the LBUS plan. For prepaid minutes bundled with text messages or other services sold directly through Nexus, Nexus will pay the prepaid wireless E911 charge on the full amount of the retail transaction. In the event that Nexus develops a system to separate out the voice minute charges from non-voice charges at the point of sale,



Nexus shall notify the Commission 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.

- F. The Parties agree that Nexus shall remit and pay the Colorado High Cost charge, at the rate then in effect, on all intrastate retail voice minute revenues (calculated based on the safe harbor percentage established by the FCC then in effect, currently 62.9 percent intrastate) from voice minutes above the free voice minutes (e.g. above the 250 free minutes in its LBUS Plan).
- G. The Parties agree that Nexus provides all its subscribers with the ability to make and receive interexchange or toll calls through interconnection arrangements made by Nexus or its underlying providers.
- H. Nexus commits to provide service throughout its designated service area as listed in Attachment 1 of this Settlement to all subscribers making a reasonable request for service. Nexus certifies that it will provide service on a timely basis and that it will comply with the service requirements applicable to the support that it receives pursuant to 47 C.F.R. § 54.202(a)(1)(i).
- I. Before offering Lifeline service in Colorado, Nexus will include its Colorado-specific information on the "Terms and Conditions of Service" page of its web site ([www.reachoutmobile.com/terms.php](http://www.reachoutmobile.com/terms.php)) where its Colorado offering is described, and the Commission's contact information as listed in Attachment 2 to the Stipulation for any unresolved subscriber questions or complaints.
- J. To the extent the Commission subsequently adopts rules of general applicability to Lifeline ETCs that are inconsistent with some or all these provisions A through I, the provisions in the Commission's Lifeline ETC rules shall control.

### **GENERAL PROVISIONS**

1. Without waiving any of its positions stated in this case, Nexus 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 rulemakings or otherwise, any such lawful and applicable determinations would apply to Nexus.



2. 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.

3. All witnesses of the Parties will support all aspects of the Stipulation 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 Stipulation 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.

4. 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.

5. In the event this Stipulation 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.

6. 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 Nexus Application.

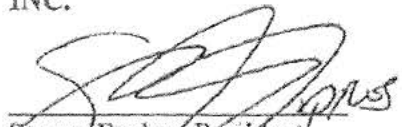
7. This Stipulation is an integrated agreement that may not be altered by the unilateral determination of any Party.

8. This Stipulation may be executed in separate counterparts, including facsimile. The counterparts taken together shall constitute the Stipulation. 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.

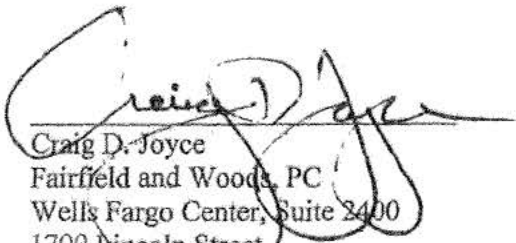
WHEREFORE, the Parties respectfully submit this Stipulation for approval by the Commission and request that the Commission grant such approval.

Dated this 21<sup>st</sup> day of February, 2013.

FOR NEXUS COMMUNICATIONS,  
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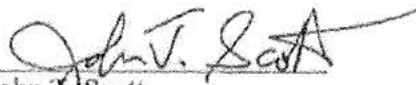
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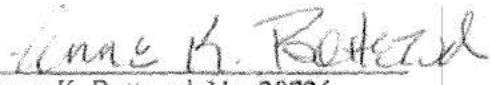
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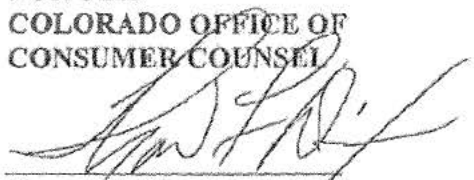
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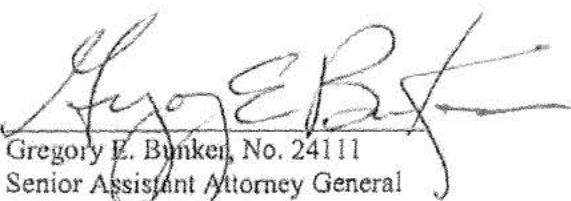
  
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## **LIST OF ATTACHMENTS**

- Attachment 1: Nexus' Colorado designated service area in non-rural exchange areas
- Attachment 2: Operating Procedures
- Attachment 3: Nexus' Initial Lifeline Offering
- Attachment 4: FCC-Approved Compliance Plan and Public Notice

Nexus Communications, Inc., dba Reachout Wireless ETC Designation - Lifeline Only			
	Cli	Central Office Name	Underlying Provider
1	ENWDCOAB	ABERDEEN	Qwest Corporation
2	AGLRCOMA	AGUILAR	Qwest Corporation
3	AFACCOMA	AIR FORCE ACADEMY	Qwest Corporation
4	ALMSCOMA	ALAMOSA	Qwest Corporation
5	ARVDCOMA	ARVADA	Qwest Corporation
6	ASPECOMA	ASPEN	Qwest Corporation
7	AULTCOMA	AULT	Qwest Corporation
8	AURRCOMA	AURORA	Qwest Corporation
9	AVONCOMA	AVON	Qwest Corporation
10	AVDLCOMA	AVONDALE	Qwest Corporation
11	BALYCOMA	BAILEY	Qwest Corporation
12	BSLTCOMA	BASALT	Qwest Corporation
13	BYFDCOMA	BAYFIELD	Qwest Corporation
14	BRTHCOMA	BERTHOUD	Qwest Corporation
15	BLFSCOMA	BLACK FOREST	Qwest Corporation
16	BLDRCOMA	BOULDER	Qwest Corporation
17	BRRGCOMA	BRECKENRIDGE	Qwest Corporation
18	BITNCOMA	BRIGHTON	Qwest Corporation
19	BRFDCOMA	BROOMFIELD	Qwest Corporation
20	BRSHCOMA	BRUSH	Qwest Corporation
21	BNVSCOMA	BUENA VISTA	Qwest Corporation
22	CLHNCOMA	CALHAN	Qwest Corporation
23	CACYCOMA	CANON CITY	Qwest Corporation
24	DNVRCOCH	CAPITOL HILL	Qwest Corporation
25	CRDLCOMA	CARBONDALE	Qwest Corporation
26	CSRKCONM	CASTLE ROCK	Qwest Corporation
27	CNCYCOMA	CENTRAL CITY	Qwest Corporation
28	CFTNCONM	CLIFTON	Qwest Corporation
29	CCCNCOMA	COAL CREEK CANYON	Qwest Corporation
30	CLSPCOEA	COLO SPRINGS EAST	Qwest Corporation
31	CLSPCOMA	COLO SPRINGS MAIN	Qwest Corporation
32	DNVRCOCL	COLUMBINE	Qwest Corporation
33	CPMTCOMA	COPPER MOUNTAIN	Qwest Corporation
34	DNVRCOCW	COTTONWOOD	Qwest Corporation
35	CragCOMA	CRAIG	Qwest Corporation
36	CRBTCOMA	CRESTED BUTTE	Qwest Corporation
37	CRCKCOMA	CRIPPLE CREEK	Qwest Corporation
38	DNVRCOCP	CURTIS PARK	Qwest Corporation
39	DCKRCOMA	DECKERS	Qwest Corporation
40	DLNRCOMA	DEL NORTE	Qwest Corporation
41	DELTCOMA	DELTA	Qwest Corporation
42	DNVRCOEA	DENVER EAST	Qwest Corporation
43	DNVRCOMA	DENVER MAIN	Qwest Corporation
44	DNVRCONO	DENVER NORTH	Qwest Corporation
45	DNVRCONE	DENVER NORTHEAST	Qwest Corporation
46	DNVRCOSO	DENVER SOUTH	Qwest Corporation



Nexus Communications, Inc., dba Reachout Wireless ETC Designation - Lifeline Only			
	Cli	Central Office Name	Underlying Provider
47	DNVRCOSE	DENVER SOUTHEAST	Qwest Corporation
48	DNVRCOSW	DENVER SOUTHWEST	Qwest Corporation
49	DNVRCOWS	DENVER WEST	Qwest Corporation
50	DLLNCOMA	DILLON	Qwest Corporation
51	DNVRCOOU	DNVR INTL AIRPORT	Qwest Corporation
52	DNVRCODC	DRY CREEK	Qwest Corporation
53	EATNCOMA	EATON	Qwest Corporation
54	ELBRCOMA	ELBERT	Qwest Corporation
55	ELZBCO01	ELIZABETH	Qwest Corporation
56	ENWDCOMA	ENGLEWOOD	Qwest Corporation
57	ERIECOMA	ERIE	Qwest Corporation
58	ESPKCOMA	ESTES PARK	Qwest Corporation
59	EVRGCOMA	EVERGREEN	Qwest Corporation
60	FRPLCOMA	FAIRPLAY	Qwest Corporation
61	FLRNCOMA	FLORENCE	Qwest Corporation
62	FONTCOMA	FOUNTAIN	Qwest Corporation
63	FRSRCOMA	FRASER	Qwest Corporation
64	FRDRCOMA	FREDERICK	Qwest Corporation
65	FRSCCOMA	FRISCO	Qwest Corporation
66	FRUTCOMA	FRUITA	Qwest Corporation
67	FTCLCOMA	FT COLLINS	Qwest Corporation
68	FTLPCOMA	FT LUPTON	Qwest Corporation
69	FTMRCOMA	FT MORGAN	Qwest Corporation
70	CLSPCO32	GATEHOUSE	Qwest Corporation
71	GRTWCOMA	GEORGETOWN	Qwest Corporation
72	GLCRCOMA	GILCREST	Qwest Corporation
73	GLSPCOMA	GLENWOOD SPRINGS	Qwest Corporation
74	GLDNCOMA	GOLDEN	Qwest Corporation
75	GRNBCOMA	GRANBY	Qwest Corporation
76	GDJTCOMA	GRAND JUNCTION	Qwest Corporation
77	GDLKCOMA	GRAND LAKE	Qwest Corporation
78	GRELCOMA	GREELEY	Qwest Corporation
79	GMFLCOMA	GREEN MOUNTAIN FALLS	Qwest Corporation
80	BLDRCOGB	GUNBARREL	Qwest Corporation
81	GNSNCOMA	GUNNISON	Qwest Corporation
82	FTCLCOHM	HARMONY	Qwest Corporation
83	HYDNCOMA	HAYDEN	Qwest Corporation
84	LTTNCOHL	HIGHLANDS RANCH	Qwest Corporation
85	HLRSCOMA	HILLROSE	Qwest Corporation
86	HSSPCOMA	HOT SULPHUR SPRINGS	Qwest Corporation
87	HDSNCOMA	HUDSON	Qwest Corporation
88	IDSPCOMA	IDAHO SPRNGS	Qwest Corporation
89	JHMLCOMA	JOHNSTOWN-MILLIKEN	Qwest Corporation
90	JLBGCOMA	JULESBURG	Qwest Corporation
91	KNBGCOMA	KEENESBURG	Qwest Corporation
92	KIOWCOMA	KIOWA	Qwest Corporation

Nexus Communications, Inc., dba Reachout Wireless ETC Designation - Lifeline Only			
	Cli	Central Office Name	Underlying Provider
93	KRNGCOMA	KREMMLING	Qwest Corporation
94	LSLLCOMA	LA SALLE	Qwest Corporation
95	LKWDCOMA	LAKEWOOD	Qwest Corporation
96	LRKSCOM	LARKSPUR	Qwest Corporation
97	LDVLCOMA	LEADVILLE	Qwest Corporation
98	LIMNCOMA	LIMON	Qwest Corporation
99	LTTNCOMA	LITTLETON	Qwest Corporation
100	LNMTCOMA	LONGMONT	Qwest Corporation
101	LKMTCOMA	LOOKOUT MOUNTAIN	Qwest Corporation
102	LVLDCOMA	LOVELAND	Qwest Corporation
103	LYNSCOMA	LYONS	Qwest Corporation
104	MNCSCOMA	MANCOS	Qwest Corporation
105	MNSPCOMA	MANITOU SPRINGS	Qwest Corporation
106	MEADCOMA	MEAD	Qwest Corporation
107	MEKRCOMA	MEEKER	Qwest Corporation
108	MVNPCOMA	MESA VERDE	Qwest Corporation
109	MNTRCOMA	MINTURN	Qwest Corporation
110	AURRCOMB	MONAGHAN	Qwest Corporation
111	MTVSCOMA	MONTE VISTA	Qwest Corporation
112	DNVRCOMB	MONTEBELLO	Qwest Corporation
113	MTRSCOMA	MONTROSE	Qwest Corporation
114	MNMTCOMA	MONUMENT	Qwest Corporation
115	MRSNCOMA	MORRISON	Qwest Corporation
116	NDLDCOMA	NEDERLAND	Qwest Corporation
117	NWCSCOMA	NEW CASTLE	Qwest Corporation
118	NIWTCOMA	NIWOT	Qwest Corporation
119	NGLNCOMA	NORTHGLENN	Qwest Corporation
120	OKCKCOMA	OAK CREEK	Qwest Corporation
121	OLTHCOMA	OLATHE	Qwest Corporation
122	OURYCOMA	OURAY	Qwest Corporation
123	OVIDCOMA	OVID	Qwest Corporation
124	PLSDCOMA	PALISADE	Qwest Corporation
125	PACHCO01	PARACHUTE	Qwest Corporation
126	PRKRCOMA	PARKER	Qwest Corporation
127	GRELCOJC	PARKVIEW	Qwest Corporation
128	PNRSCOMA	PENROSE	Qwest Corporation
129	PYTNCOMA	PEYTON	Qwest Corporation
130	CLSPCOPV	PIKEVIEW	Qwest Corporation
131	PTVLCOMA	PLATTEVILLE	Qwest Corporation
132	PUBLCOMA	PUEBLO MAIN	Qwest Corporation
133	PUBLCO06	PUEBLO WEST	Qwest Corporation
134	RDGWCOMA	RIDGWAY	Qwest Corporation
135	RIFLCOMA	RIFLE	Qwest Corporation
136	SALDCOMA	SALIDA	Qwest Corporation
137	SCRTCOMA	SECURITY	Qwest Corporation
138	SILTCOMA	SILT	Qwest Corporation



Nexus Communications, Inc., dba Reachout Wireless ETC Designation - Lifeline Only			
	Cli	Central Office Name	Underlying Provider
139	SLTNCOMA	SILVERTON	Qwest Corporation
140	DNVRCOSH	SMOKY HILL	Qwest Corporation
141	SFRKCOMA	SOUTHFORK	Qwest Corporation
142	SNMSCOMA	SNOWMASS	Qwest Corporation
143	STSPCOMA	STEAMBOAT SPRINGS	Qwest Corporation
144	STNGCOMA	STERLING	Qwest Corporation
145	CLSPCOSM	STRATMOOR	Qwest Corporation
146	DNVRCOSL	SULLIVAN	Qwest Corporation
147	PUBLICOSU	SUNSET	Qwest Corporation
148	TEMACOMA	TABLE MESA	Qwest Corporation
149	TLRDCOMA	TELLURIDE	Qwest Corporation
150	TRNDCOMA	TRINIDAD	Qwest Corporation
151	VAILCOMA	VAIL	Qwest Corporation
152	VNLDCOMA	VINELAND	Qwest Corporation
153	WLBGCOMA	WALSENBURG	Qwest Corporation
154	WARDCOMA	WARD	Qwest Corporation
155	WLDACOMA	WELDONA	Qwest Corporation
156	WGTNCOMA	WELLINGTON	Qwest Corporation
157	WMNSCOMA	WESTMINISTER	Qwest Corporation
158	WNDSCOMA	WINDSOR	Qwest Corporation
159	WDPKCOMA	WOODLAND PARK	Qwest Corporation
160	YAMPCOMA	YAMPA	Qwest Corporation

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**OPERATING PROCEDURES APPLICABLE TO LIFELINE BASIC UNIVERSAL  
SERVICE OFFERING OF NEXUS COMMUNICATIONS, INC.**

**A. ACCESS TO RECORDS.**

All records required by these procedures pertaining to Nexus Communications, Inc.'s ("Nexus") Lifeline Basic Universal Service ("LBUS") offering shall be made available to the Commission or its authorized representatives, on a confidential basis, as appropriate, at any time upon request.

**B. RETENTION OF RECORDS.**

Unless otherwise authorized by the Colorado Public Utilities Commission ("Commission"), all records required by these procedures pertaining to Nexus' Lifeline 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.**

Attachment 1 to the Stipulation depicts the non-rural wire centers where Nexus is designated for ETC status.

**D. RECORDS OF COMPLAINTS.**

1. Nexus shall maintain an accurate record of all oral and written complaints made by its subscribers regarding its service, or rates and charges. This record shall include the name and address of the subscriber 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 Nexus and to the Commission whether any particular subscriber encounters the same difficulties frequently, in terms of complaints per month, including subscriber trouble reports, whether a large number or percentage of all complaints from different subscribers 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. For any unresolved complaints or subscriber questions, Nexus shall direct its personnel engaged in initial contact with an applicant or a subscriber in which dissatisfaction with the decision or explanation by the personnel is expressed, to inform the subscriber of the right to have the problem considered and acted upon by another consumer representative or

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supervisory personnel of Nexus. If the applicant or subscriber continues to express dissatisfaction after the supervisory personnel have addressed the problem, Nexus 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 [dora\\_puc\\_complaints@state.co.us](mailto:dora_puc_complaints@state.co.us) for further review of an unresolved problem. Nexus shall post on its website the contact information of the External Affairs Section of the Commission.

**E. DESIGNATED SERVICE AREA.**

Nexus shall file an application with the Commission for expansion of its ETC designation service area if it increases its service area beyond the boundaries of the non-rural ILEC wire centers listed in Attachment 1 to this Stipulation. Absent authorization from the Commission, Nexus shall not serve eligible Lifeline subscribers in the portions of those wire centers beyond those listed in Attachment 1.

**F. HELD SERVICE APPLICATIONS.**

1. During periods of time, if any, when Nexus may not be able to supply service to subscribers in Nexus' Designated Service Area, described in Paragraph E above, within ten calendar days of the date of approval of their eligibility by the Colorado Department of Human Services ("CDHS"), Nexus shall keep a record for its Designated 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, together with the reason for the delay in providing the service to the applicant, and the expected date of service.
2. All subscribers who have not been delivered a telephone and assigned a telephone number within ten calendar days of the date of approval of their eligibility by the CDHS shall be provided a written or email notice by Nexus, stating the order number assigned by Nexus to the application for service, the general status of the order, and a phone number to call with questions. This notice shall be postmarked or sent via email on or before the 15th day after the date of approval of their eligibility by the CDHS.
3. Under circumstances where the period to provide Lifeline service exceeds 30 calendar days after the approval of the subscriber eligibility by the CDHS, Nexus shall file a letter with the Commission stating the circumstances causing the delay, explaining whether such circumstances are beyond Nexus' control, and providing an estimate of the time

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necessary to provide service. This letter shall be filed with the Director by the last business day of the following month.

**G. SERVICE INTERRUPTIONS.**

General

1. Service is interrupted when it becomes unusable to the subscriber or when the subscriber is unable to transmit or receive calls due to the failure of a component of the network furnished by Nexus or provided through resale.
2. An interruption period begins when the subscriber 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

3. Nexus will make all reasonable efforts to prevent interruptions of service that are within its control and, when interruptions do occur, reestablish service with the shortest possible delay. Nexus will make attempts to resolve emergencies at all hours, consistent with the bona fide needs of subscribers and the personal safety of Nexus' employees. In almost all cases, Nexus will be able to reestablish service within 24 hours. If unusual repairs are required, or other factors will prevent the prompt reestablishment of service, Nexus will make reasonable efforts to contact the subscriber. In the event a Lifeline subscriber in Colorado experiences a service interruption caused by a failure of equipment under Nexus' control or under the control of Nexus' underlying facilities-based carrier, Verizon Wireless, for a time period that meets or exceeds eight or more hours during a continuous 24-hour period as stated in Rule 2304(b)(IV), Nexus will extend that subscriber's service for the 30-day period in which the interruption occurred day for day for a period of time equal to the loss of service for any minutes remaining at the end of the 30-day period on its LBUS plan and any additional minutes included as part of Nexus' LBUS plan.

Record Keeping and Reports

4. Nexus shall keep records regarding outages described in Rule 2187(f)(II)(C). Nexus shall inform subscribers of the potential of future service unavailability when Nexus is experiencing or is forecasting potential service unavailability in specific areas for purposes other than outages due to routine maintenance. Services are generally available twenty-four (24) hours per day, seven (7) days per week. Nexus will make reasonable arrangements to resolve emergencies resulting from

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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. Reports including the detailed information described in Rule 2187(f)(II)(C) shall be filed with the Commission as part of Nexus' ETC annual report, as required by Rule 2187(f)(II)(C).

**H. ADVERTISING.**

Nexus shall submit annual reports describing advertising materials in use in Colorado to the Commission Staff and OCC as described and required by Rule 2187(f)(II)(I).

**I. NETWORK REQUIREMENTS.**

Intra-LATA Interexchange Toll Dialing Pattern. Nexus will comply with all NANP dialing pattern requirements.

**J. REPORTING REQUIREMENTS.**

Nexus shall file the following reports with the Commission:

1. Copies of all Lifeline-related filings submitted to Federal Communications Commission (FCC) or Universal Service Administrator Company (USAC). Nexus shall file copies of all Lifeline-related FCC forms submitted to the FCC or USAC, including Form 497, with the Commission promptly after those filings occur at the FCC or USAC.
2. Annual ETC Certification. Nexus will file an annual certification that it is able to function in emergency situations, is complying with applicable service quality standards and the consumer protection rules, e.g., the CTIA consumer code for wireless service. This certification shall be filed with Nexus' annual report as required by Rule 2187(f)(II)(D) and (E).

Quarterly Report. Nexus shall submit a quarterly report to the Commission, on a confidential basis, that will include subscriber-specific data, including subscriber name, address, and zip code, for:

- a. Lifeline subscribers receiving two or more Lifeline subsidies per household in that same month from Nexus,
- b. New Lifeline subscribers enrolled in Nexus' Lifeline service,
- c. Lifeline subscribers removed from Lifeline service due to non-usage, and



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- d. Lifeline subscribers removed from Lifeline service due to ineligibility through the annual re-certification process.

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

1. Nexus will identify Lifeline subscribers who have not used Nexus' Lifeline service for 60 consecutive days in accordance with Nexus' FCC Compliance Plan (p. 19-20) and will de-enroll such subscribers from Lifeline service, deactivate such accounts and cease to claim Lifeline reimbursement for such subscribers. Non-usage is determined as follows:
  - a. After 60 consecutive days of non-use, Nexus contacts the subscriber, either by phone, text, email, or written notification, asking the subscriber to provide confirmation that the subscriber wishes to retain his or her Lifeline service within 30 days from the date of the notice. Subscribers are informed that failure to provide such confirmation will result in de-enrollment from the Lifeline program.
  - b. If the subscriber does not respond to the notice as provided above, the subscriber is de-enrolled from the Lifeline program and Nexus does not request further Lifeline reimbursement for the subscriber from USAC or any state Universal Service Fund Administrator. Nexus will report annually to the Federal Communications Commission the number of subscribers de-enrolled for non-usage by month.
  - c. During the entire 60 day period, Nexus' Lifeline subscriber's service remains active and is not suspended. In the event the subscriber's service is deactivated for non-usage as described above, access to 911 emergency services remains intact as required by the FCC's existing public safety rules and guidelines.
  - d. Lifeline subscribers can "use" the service by: (1) completing an outbound call; (2) purchasing minutes from Nexus to add to the subscriber's plan; (3) answering an incoming call from a party other than Nexus; or (4) responding to a direct contact from Nexus confirming that the subscriber wants to continue receiving the service.
2. The subscriber shall be notified in writing of Nexus' intention to discontinue Lifeline services due to the Lifeline subscriber no longer meeting the qualification criteria upon notification from CDHS. Any notice shall clearly state that the subscriber contact CDHS registration system to verify eligibility. Nexus will not seek Lifeline reimbursement

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from USAC upon notice from CDHS that the subscriber is no longer eligible unless the subscriber confirms eligibility with CDHS.

**L. CTIA CODE OF CONDUCT.**

Nexus 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 CDHS certification process and as modified by the Colorado General Assembly. Upon initial application for Nexus' Lifeline service, the subscriber must certify by his or her signature under penalty of perjury that he or she will receive Lifeline supported services only from Nexus and, to the best of his/her knowledge, no one else in his/her household is receiving Lifeline-supported service.
  - a. Nexus shall require each eligible Lifeline consumer to self-certify under penalty of perjury at the time of enrollment and annually thereafter that his or her household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
  - b. Nexus 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 and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program;
  - c. Lifeline service is a non-transferable benefit and the Lifeline subscriber may not transfer his or her benefit to any other person;
  - d. If the Lifeline subscriber moves to a new address, he or she will provide that new address to Nexus within 30 days;



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- e. If the Lifeline subscriber provided a temporary residential address to Nexus, he or she will be required to verify his or her temporary residential address every 90 days;<sup>1</sup> and,
  - f. The Lifeline subscriber will notify Nexus within 30 days if he or she is no longer eligible for receiving Lifeline benefits; the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- 2. Nexus shall file a copy of state-specific subscriber data, including name and address of Lifeline subscribers, to USAC, upon request, and to this Commission for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier.
  - 3. Nexus shall immediately investigate any notification from the Commission, CDHS or USAC regarding any Lifeline subscriber receiving duplicate subsidy from another carrier or from Nexus. If it is determined that the Lifeline subscriber is receiving a duplicate subsidy, Nexus will work with the other carrier(s) to notify the subscriber of the duplicate accounts and work with the subscriber to choose only one provider of Lifeline service. Nexus 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 subscriber selects a carrier other than Nexus to provide Lifeline service, Nexus shall promptly remove the subscriber's Lifeline service and remove the subscriber from any USAC reimbursement.
  - 4. Nexus shall deal directly with the subscriber and CDHS to certify and verify the subscriber's Lifeline eligibility on an annual basis.
  - 5. Nexus 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. Nexus shall ensure that all marketing materials for the service make clear that it is a Lifeline-supported service.
  - 7. Nexus shall promptly de-enroll any subscriber whom Nexus determines is no longer eligible for Lifeline service or when Nexus is notified by CDHS that the subscriber is no longer eligible for Lifeline service. Nexus shall promptly remove a subscriber's Lifeline service and remove the subscriber from any USAC reimbursement.

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<sup>1</sup> Nexus will comply with the temporary address rule if and when it becomes effective; as of the date of this Stipulation, this requirement has not been approved pursuant to the Paperwork Reduction Act.



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**N. 911 CALLING.**

1. Nexus shall provide access to 911 service. If service is disconnected or minutes are depleted, subscribers may still make 911 calls and calls to the subscriber service department number (611).
2. Nexus shall remit the appropriate wireless E911 charges in accordance with the Stipulation and Settlement and C.R.S. § 29-11-102.5(3) and provide a copy to the Commission Staff of the amount remitted at the time the payment is made. Parties agree that Nexus will separately identify the imputed amount of E911 charge on free minutes and the amount remitted on retail transactions.

**O. SUBSCRIBER SERVICE ACCESS.**

Subscribers will be provided a toll-free method to access Nexus' subscriber service department, available at a minimum from 8am - 5pm CST Monday through Friday by dialing #611 from a Nexus handset, and online at ([www.reachoutmobile.com](http://www.reachoutmobile.com)). Subscribers may obtain directory assistance by dialing 411 from a Nexus handset.

**P. LIMITATIONS OF LIABILITY.**

Because Nexus 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 Nexus are subject to the terms, conditions and limitations specified herein and in Nexus' Terms and Conditions of Service available at ([www.reachoutmobile.com/terms.php](http://www.reachoutmobile.com/terms.php)).

**Q. SUBSCRIBER DISCONNECTION.**

1. Nexus shall not deny or discontinue service to a subscriber without prior written notice of at least 15 days ("written notice" or "in writing" as used in this Section shall mean a message sent to the subscriber as a SMS or "text" message or in letter form printed in English and Spanish per 4 CCR 723-2- 2303(d)(II)) except for the following reasons:
  - a. If a condition immediately dangerous or hazardous to life, physical safety, or property exists; or
  - b. Upon order by any court, the Commission, or any other duly authorized public authority; or
  - c. For a violation of Nexus' terms and conditions or Commission rule that may adversely affect the safety of any person or the integrity of Nexus' service; or

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- d. 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
  - e. Obtaining service by subterfuge that includes, but is not restricted to, an application for service at a location in the name of another party.
2. If Nexus disconnects service to a Lifeline subscriber for any reasons stated above, Nexus will immediately cease seeking reimbursement from the Lifeline universal service fund for that subscriber.

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Attachment 3

## **LIFELINE BASIC UNIVERSAL SERVICE OFFERING OF NEXUS COMMUNICATIONS, INC.**

The following contains a detailed description of Nexus Communications, Inc.'s ("Nexus") Lifeline Basic Universal Service ("LBUS") initial offering in Colorado.

### **A. NEXUS' LBUS OFFERING**

Nexus' LBUS Offering includes the following services required under 47 C.F.R. § 54.101(a) and 4 CCR 723-2-2308(a):

1. Access to Public Switched Telephone Network and Local Usage. Nexus' 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. Subscribers of Nexus' LBUS Offering will be able to reach a public safety answering point by dialing "911" regardless of activation status. Nexus will provide its Lifeline subscribers with 911 and E911 compliant handsets and replace non-compliant handsets at no additional charge.
3. Toll Limitation. Nexus' LBUS plan is 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 subscribers shall receive the equivalent value of \$9.25 per month (for 250 free voice minutes).<sup>1</sup>
5. Hearing Impaired. Nexus will make available services for the hearing impaired. Subscribers may contact Nexus for more information.

### **B. ADDITIONAL SERVICES WHICH ARE INCLUDED IN NEXUS' LBUS OFFERING**

1. Free Handset to each qualifying subscriber
2. Free Voicemail<sup>2</sup>
3. Free Call Waiting
4. Free Caller ID
5. Free subscriber service calls by calling #611 from a Nexus handset
6. Free calls to 911 emergency services

<sup>1</sup> Nothing in this Paragraph A(4) shall modify Nexus' agreement in the Stipulation to remit and pay the prepaid wireless E911 charges as set forth in the Stipulation and Settlement and required by C.R.S. § 29-11-102.5.

<sup>2</sup> Calls placed to Voicemail count against the voice minutes provided by the plan.



7. Free domestic long distance calls

**C. THE PRICING FOR NEXUS' LBUS OFFERING**

1. Nexus will flow through \$9.25, which includes the federal subsidy, in the form of 250 free minutes.
2. Retail calling plan is a pay-in-advance offering and does 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.
4. Federal and state universal service assessments are imposed separately. The Parties agree that Nexus shall remit and pay the Colorado High Cost charge, at the rate then in effect, on all intrastate retail voice minute revenues (calculated based on the safe harbor percentage established by the FCC then in effect, currently 62.9 percent intrastate) from voice minutes above the free voice minutes (*e.g.* 250 free minutes).
5. Subscribers will not be required to enter into a long-term service contract or pay an activation fee.
6. Subscribers will be required to pay a number change fee of \$15.00 for a change of wireless telephone number initiated at the request of the wireless subscriber.
7. Subscribers will be charged the replacement cost based on the value of the handset, starting at \$19.99 and up, associated with lost, stolen or damaged handsets.
8. Subscribers will be charged \$1.50 for each directory assistance call. Invoices will be provided upon request from the subscriber.
9. Subscribers will not be assessed roaming charges for areas listed in Attachment 1. Roaming outside of the exchanges listed in Attachment 1 to the Stipulation is assessed at \$.59 per minute.

**D. THE AREAS IN WHICH NEXUS' LBUS OFFERING IS AVAILABLE, AND THE CORRESPONDING LOCAL CALLING AREAS**

Nexus' LBUS Offering is available to customers within the exchanges in which Nexus has been designated as an ETC. Nexus shall not offer its LBUS plan in exchanges other than those listed in Attachment 1 to the Stipulation and shall file

an application with the Commission if it expands its footprint to exchanges not listed in Attachment 1.

**E. NEXUS' LBUS PLAN**

Nexus shall provide the following LBUS plan to eligible Lifeline subscribers:

250 Free Minute Plan (non-rollover) (LBUS Plan)

Minutes are "anytime" minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic Short Message Service ("SMS") text messages do not carry over to the following month except in the event of a service interruption as described in Attachment 2, ¶ G3. SMS text messaging is available at a rate of one text per minute of airtime.

Lifeline customers who subscribe to the 250 minute plan will have the option to purchase an Unlimited Talk and Text airtime card. This card provides for unlimited local and domestic long distance calling and unlimited text messaging for thirty calendar days. The cost of this Unlimited Talk and Text airtime card is \$26.50 per month, after the \$9.25 Lifeline discount. Minutes expire at the end of each 30-day cycle, whether the subscriber uses the airtime minutes or not. Customers who decide not to purchase this plan in any given month will default to the 250 Free Minute Plan for that month.

Additional Minutes

Airtime – additional airtime minutes can be purchased by calling Nexus' subscriber service department, or via Nexus' website ([www.reachoutmobile.com](http://www.reachoutmobile.com))

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of

Lifeline and Link Up Reform and  
Modernization

WC Docket No. 11-42

Telecommunications Carriers Eligible to  
Receive Universal Service Support

WC Docket No. 09-197

Nexus Communications, Inc. Petition for  
Designation as an Eligible Telecommunications  
Carrier for Low Income Support Only

**THIRD AMENDED COMPLIANCE PLAN OF NEXUS COMMUNICATIONS, INC.**

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December 4, 2012

Colorado Public Utilities System



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## SUMMARY

Nexus Communications, Inc. ("Nexus") hereby seeks to avail itself of the Commission's grant of forbearance from the "own facilities" requirement by submission of this Amended Compliance Plan. Nexus is submitting simultaneously with this Amended Compliance Plan a Second Amendment to its pending Petitions for designation as an ETC. Nexus fully complies with all conditions of the recently-amended Lifeline rules and all pertinent conditions in the *Lifeline Reform Order*.

Nexus is technically and financially qualified to provide Lifeline service. Nexus became a CLEC in 2001 and received its first ETC designation in 2006. Nexus is designated as an ETC in 26 states and provides wireline service as an ETC in 13 states, and wireless service in 18 states. Nexus is successfully providing Lifeline-supported services and has a steadily increasing subscriber base. Nexus is financially stable and is fully capable of honoring its service obligations. Nexus offers Lifeline subscribers multiple wireless calling plans to choose from, which are detailed herein.

Nexus complies with the requirements pertaining to consumer qualifications for Lifeline set forth in new 47 C.F.R. § 54.409 and any state-specific requirements. More specifically, unless otherwise required under applicable state law, Nexus requires all subscribers to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines; or (2) the household's participation in one of the federal assistance programs listed in the Commission's rules. Nexus confirms that neither the subscriber nor anyone else in the subscriber's household is subscribed to a Lifeline service. This Amended Compliance Plan describes the procedures by which Nexus: (1) analyzes the eligibility of applicants to obtain Lifeline service; (2) obtains proof of eligibility from applicants; (3) certifies the eligibility of applicants; (4) collects the necessary information from applicants; (5) requires applicants to

certify as to their eligibility to receive Lifeline benefits; and (6) annually re-certifies all Lifeline subscribers. Nexus has included as an exhibit its Lifeline applications forms for wireline and wireless services.

Nexus' practices comply with the 911/E911 access conditions set forth in the *Lifeline Reform Order*. Specifically, Nexus provides its Lifeline subscribers with 911/E911 access at the time Lifeline service is initiated – regardless of activation status and availability of minutes – and provides its Lifeline subscribers with E911-compliant handsets. Nexus' practices provide access to 911/E911 services to the extent these services have been deployed by its underlying carrier. Nexus commits to continue these practices going forward.

Nexus has incorporated in its marketing materials for its Lifeline services, in clear, easily understood language, the various disclosures required by 47 C.F.R. § 54.405. Nexus has attached a representative sample of its marketing materials incorporating these disclosures.

Nexus shares the Commission's commitment to minimize waste, fraud and abuse of Lifeline benefits. Accordingly, Nexus has implemented procedures intended to prevent duplicate Lifeline benefits from being awarded to the same household or individual. These measures include practices intended to: (1) prevent duplicates within Nexus' subscriber base; (2) avoid reimbursement for any subscriber until the subscriber activates service; (3) ceasing reimbursement for subscribers who fail to use the service for a 60-day period; and (4) ensuring that Nexus provides only one Lifeline service per household.

As detailed below, Nexus' practices and procedures comply with the Commission's applicable Lifeline regulations and orders, and Nexus commits to continuing these practices going forward. Accordingly, Nexus respectfully requests expeditious approval of its pending Petitions and this Amended Compliance Plan.



Before the  
Federal Communications Commission  
Washington, D.C. 20554

In the Matter of

Lifeline and Link Up Reform and  
Modernization

WC Docket No. 11-42

Telecommunications Carriers Eligible to  
Receive Universal Service Support

WC Docket No. 09-197

Nexus Communications, Inc. Petition for  
Designation as an Eligible Telecommunications  
Carrier for Low Income Support Only

**AMENDED COMPLIANCE PLAN OF NEXUS COMMUNICATIONS, INC.**

Nexus Communications, Inc. ("Nexus"), through its undersigned counsel, hereby seeks to avail itself of the Federal Communications Commission's ("Commission") grant of forbearance from the "own facilities" requirement set forth in 47 U.S.C. § 214(e)(1)(A) by submission of this Amended Compliance Plan. Nexus' Amended Compliance Plan is filed in accordance with the procedures established in the *Lifeline Reform Order*<sup>1</sup> and clarified the *Public Notice* issued by the Wireline Competition Bureau on February 29, 2012.<sup>2</sup> Nexus is submitting simultaneously

<sup>1</sup> *Lifeline and Link Up Reform and Modernization et al.*, WC Dockets No. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (FCC, rel. Feb. 6, 2012) ("*Lifeline Reform Order*"). Nexus believes that there may still exist a good faith basis for it to continue to operate as a facilities-based carrier. Under the Commission's recently amended regulations governing the Lifeline program, however, it appears that retaining its facilities-based status no longer provides any material benefits to Nexus or its subscribers. Should this change in the future, Nexus reserves the right to seek relief from the Commission to reinstate its status as a facilities-based carrier under applicable federal law. Nonetheless, Nexus acknowledges that its Amended Compliance Plan, once approved by the Commission, will apply in all states even if Nexus is deemed to operate as a facilities-based carrier in certain state(s).

<sup>2</sup> *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, Public Notice, DA 12-314 (WCB, rel. Feb. 29, 2012) ("*Public Notice*").

with this Amendment Compliance Plan a Second Amendment<sup>3</sup> to its pending Petitions for designation as an eligible telecommunications carrier (“ETC”).<sup>4</sup>

Nexus respectfully requests expeditious approval of its Petitions and its Amended Compliance Plan so it may continue to provide essential Lifeline service to eligible low-income subscribers in states where it currently operates and may provide eligible low-income consumers Lifeline wireless service options in additional states in the future. Nexus also requests expeditious approval of its Amended Compliance Plan because the company has filed an application to participate in the Commission’s Lifeline Broadband Pilot Program.

As set forth below, Nexus fully complies with all conditions set forth in the Commission’s recently-amended Lifeline rules and with all pertinent conditions set forth in the *Lifeline Reform Order*. This Amended Compliance Plan describes the measures Nexus has implemented in order to achieve full compliance with the Commission’s Lifeline rules and policies, and Nexus commits to continuing these practices going forward. For the convenience of the Commission, this Amended Compliance Plan follows the format established by the Wireline Competition Bureau in the *Public Notice*.

## **I. INFORMATION ABOUT NEXUS AND THE LIFELINE PLANS IT OFFERS**

### **A. Company Information**

Nexus is 100% owned by Steven Fenker, Nexus’ President. It is organized under Ohio law and is headquartered in Columbus, Ohio. Nexus has no holding company. Nexus owns

<sup>3</sup> *Nexus Communications, Inc. Petition for Designation as an Eligible Telecommunications Carrier for Low Income Support Only*, Second Amendment to Petitions, WC Docket No. 09-197 (filed August 3, 2012).

<sup>4</sup> *Petition of Nexus Communications, Inc. for Designation as an Eligible Telecommunications Carrier for Low Income Support Only*, Petition, WC Docket No. 09-197 (filed April 5, 2011; amended April 24, 2012 and further amended August 3, 2012); *Petition of Nexus Communications, Inc. for Designation as an Eligible Telecommunications Carrier for Low Income Support Only*, Petition, WC Docket No. 09-197 (filed June 3, 2011; amended April 24, 2012 and further amended August 3, 2012).

100% of Telecom Services, Inc., but that company does not provide telecommunications services.

Nexus operates its wireline business under the names TSI and TSI Telephone Company, and operates its wireless business under the name ReachOut Wireless.<sup>5</sup>

**B. Nexus' Financial and Technical Capabilities to Provide Lifeline Service**

Nexus has been in business since 2000. Nexus became a competitive local exchange carrier in 2001 and received its first ETC designation in June 2006. Nexus now focuses on providing service to low-income consumers. Nexus initially began providing its services over wireline technology, and has responded to strong subscriber demand by offering wireless technology as well. Nexus was one of the first telecommunications providers to recognize the low-income market segment as a business opportunity rather than a regulatory burden. Its success in the market is based on its willingness to tailor its services to the specific needs of low-income consumers, including the budget management tools and mobility that prepaid wireless services provide.

Nexus has been designated as an ETC in a total of 26 states.<sup>6</sup> It provides wireline service as an ETC in 13 states,<sup>7</sup> and wireless service as an ETC in 18 states.<sup>8</sup> Nexus does not seek, and

<sup>5</sup> Nexus' wireline facilities differ from its wireless operations and Nexus believes that its wireline facilities continue to meet the "own facilities" requirements of 47 U.S.C. § 214(e)(1)(A) even after the recent Commission orders and amendments to the statute implementing regulation found at 47 C.F.R. § 54.101. Nevertheless, there is now little practical difference between having facilities-based and forbearance status. In light of the foregoing and the fact that Nexus is a single entity with both wireline and wireless operations, Nexus has determined that for purposes of its own administrative convenience, it seeks forbearance for all of Nexus' operations—both wireline and wireless.

<sup>6</sup> Those states are Alabama, Arkansas, California, Florida, Georgia, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee, Texas, West Virginia and Wisconsin.

<sup>7</sup> Those states are Alabama, Arkansas, Illinois, Kansas, Louisiana, Michigan, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas and Wisconsin. Although Nexus has been designated a wireline ETC in Florida and Kentucky, it currently only provides services on a resold basis in these states. In other words, Nexus resells the wireline services of an ILEC, which passes through a Lifeline discount on the wholesale line it sells to Nexus. Nexus does not file FCC Form 497s for its



will not accept, High Cost support in any of those states. Nexus is successfully providing Lifeline supported services in these states and has a steadily increasing subscriber base. Nexus' management has many years of experience in the telecommunications industry. Nexus' President Steven Fenker has held management positions in the telecommunications industry for 28 years. Also part of the Nexus' senior management team is Mark Deek, who has 15 years of experience in the telecommunications industry, with particular expertise in intercarrier relations, and subscriber care and billing database management.

In order to provide wireless Lifeline services, Nexus purchases wireless minutes from a national carrier (Verizon Wireless) that is widely-recognized for the quality and reliability of its wireless network. Nexus supplements this robust wireless network with its own network facilities, back-office and operations support systems, which Nexus operates and are ideally suited to serve lower revenue subscribers. Nexus has made a significant financial investment to evaluate, design, develop and integrate these systems. With respect to this network investment, Nexus owns and operates its own switching and other facilities located in the state of Ohio, which are housed in a Tier IV co-location facility.<sup>9</sup>

Nexus has good relationships with the commissions in the states in which it operates. Moreover, Nexus is financially stable and fully capable of honoring its service obligations to subscribers and federal and state regulatory obligations. Although Nexus currently derives the

wireline operations in these states. Nevertheless, Nexus seeks forbearance for its ETC designations in Florida and Kentucky.

<sup>8</sup> Those states are Arkansas, California, Georgia, Iowa, Illinois, Kansas, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, Ohio, Rhode Island, West Virginia and Wisconsin.

<sup>9</sup> Because Nexus owns and operates its own network facilities, Nexus reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state for purposes of a state-level universal service funding under state program rules and requirements. Nonetheless, as explained in note 1, Nexus acknowledges that its Amended Compliance Plan, once approved by the Commission, will apply in all states even if Nexus is deemed to operate as a facilities-based carrier in certain state(s).

majority of its revenue from the sale of prepaid wireless services, Nexus does not rely exclusively on disbursements from the Lifeline program to operate. For example, Nexus derives additional revenue from the sale of wireline and wireless services to non-Lifeline subscribers, and the sale of optional replenishment airtime and text minutes.

**C. Geographic Area of Nexus' Service Offerings**

Nexus first began providing wireline ETC service in the second quarter of 2006 and the company now provides this service in the following states: Alabama, Arkansas, Illinois, Kansas, Louisiana, Michigan, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas and Wisconsin. Further, it provides wireline Lifeline service on a resold basis in Florida and Kentucky.<sup>10</sup>

In the second quarter of 2009, Nexus began to offer wireless services in recognition of the high demand for such services in the communities it services. Consumers indicated a strong preference for mobile wireless services and Nexus has worked to satisfy this demand by growing and investing in wireless technology. Nexus' wireless offerings have been very successful with low-income consumers and the company now provides prepaid wireless ETC service in the following states: Arkansas, California, Georgia, Iowa, Illinois, Kansas, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, Ohio, Rhode Island, West Virginia and Wisconsin.<sup>11</sup>

**D. Nexus' Lifeline Service Plans**

Nexus offers the following prepaid wireless service plans for its Lifeline subscribers:

<sup>10</sup> See *supra* note 7. Nexus will comply with the requirements listed at the newly-revised 47 C.F.R. § 54.417(c) for resellers for its resale operations in Florida and Kentucky. To the extent that Nexus avails itself of its ETC status in these states, it will comply with all applicable Commission rules.

<sup>11</sup> Nexus received wireless ETC authority in Oklahoma on March 21, 2012. However, Nexus does not intend to launch wireless service in Oklahoma until it has secured approval of its Amended Compliance Plan from the Commission.



250 Minute Plan (non-rollover) (all states except California): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic Short Message Service (“SMS”) text messages do not carry over to the following month. SMS text messaging is available at a rate of one text per minute of airtime.

125 Minute Plan (rollover) (all states except California): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic SMS text messages carry over to the following month. SMS text messaging is available at a rate of one text per minute of airtime.

68 Minute Plan (rollover) (all states except California): Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic SMS text messages carry over to the following month. Domestic SMS text messaging is available at a rate of two text messages per each minute of airtime. Nexus does not actively market the 68 Minute Plan and, although technically still available to subscribers because it was part of the offerings approved by the relevant state commissions, it is rarely selected except by a few subscribers who infrequently use voice service and more frequently send text messages.

California 250 Minute Plan: Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or SMS text messages do not carry over to the following month. Domestic SMS text messaging is available at a rate of one text message per each minute of airtime. There is a minimum out-of-pocket charge of \$2.50 per month.

California 500 Minute Plan: Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or SMS text messages do not carry over to the following month. Domestic SMS text messaging is available at a rate of one text message per each minute of airtime. There is a minimum out-of-pocket charge of \$5.00 per month.

California 1000 Minute Plan: Minutes are “anytime” minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or SMS text messages do not carry over to the following month. Domestic SMS text messaging is available at a rate of one text message per each minute of airtime. There is a minimum out-of-pocket charge of \$20.00 per month.

All plans include at no extra charge one E911-compliant handset and “anytime” nationwide minutes that can be used for domestic calls, including local or intrastate/interstate long distance calls.

Nexus’ Lifeline subscribers in states other than California may purchase additional minutes on a prepaid basis in denominations of \$3.00 (20 minutes), \$5.00 (40 minutes), \$10.00



(120 minutes), \$20.00 (300 minutes), \$30.00 (500 minutes) and \$50.00 (950 minutes). Nexus also offers an unlimited talk and text additional airtime card. This card provides unlimited local and domestic long distance calling, and unlimited text messaging for thirty (30) calendar days. The cost to Lifeline subscribers is \$26.50.

Nexus' California subscribers may purchase additional minutes on a prepaid basis in denominations of \$3.00 (91 minutes), \$5.00 (152 minutes), \$10.00 (304 minutes), \$20.00 (607 minutes), \$30.00 (910 minutes) and \$50.00 (1,516 minutes), all billed at \$0.033 per minute. All minutes are valid for 30 days from date of replenishment. Nexus' California subscribers may also purchase the unlimited talk and text additional airtime card.

International SMS text messaging is available at a rate of \$0.20 for each international text sent or received. The rate for directory assistance calls is \$1.50 per request. Nexus permits Lifeline subscribers to block international calls at no additional charge. There is no deduction of minutes for calls to 911 or Nexus' subscriber service department.

Calls from the handset for checking or retrieving voicemails count against the voice minutes provided by the plan. Calls from a source other than the handset checking or retrieving voicemail messages and incoming calls that leave a voicemail message are free to Nexus subscribers. Calls to 911 emergency services are always free, and may be made regardless of service activation or availability of minutes.

**E. Other Certifications Required by 47 C.F.R. § 54.202**

The *Public Notice* requires carriers to include certifications required under recently amended 47 C.F.R. § 54.202. Nexus hereby certifies that it does and will continue to comply with the service requirements applicable to the support it receives.<sup>12</sup> Specifically, Nexus' Lifeline services: (i) include voice telephony services that provide voice grade access to the

<sup>12</sup> 47 C.F.R. § 54.202(a)(1).

public switched network or its functional equivalent; (ii) provide subscribers with a defined number of minutes of usage for local service at no additional charges, as described above in Section I(D); (iii) provide subscribers with access to the emergency services provided by local government or other public safety organizations, such as 911/E911 to the extent the local government in Nexus' service area has implemented 911/E911 systems, as described below in Section III; and (iv) toll limitation for qualifying low-income consumers.<sup>13</sup>

## **II. NEXUS' COMPLIANCE WITH NEW COMMISSION RULES RELATING TO DETERMINATIONS OF SUBSCRIBER ELIGIBILITY FOR LIFELINE SERVICES**

Nexus complies with the requirements pertaining to consumer qualifications for Lifeline set forth in section 54.409 of the Commission's rules<sup>14</sup> and any state-specific requirements in the various states in which Nexus has been (or will be) designated an ETC. More specifically, Nexus requires all subscribers to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines for a household of that size; or (2) the household's participation in one of the federal assistance programs listed in 47 C.F.R. § 54.409(a)(2) or 47 C.F.R. § 54.409(a)(3). Nexus also confirms that the subscriber is not already receiving a Lifeline service and that no one else in the subscriber's household is subscribed to a Lifeline service.<sup>15</sup>

<sup>13</sup> Toll limitation means both toll blocking and toll control, or, if a carrier is not capable of providing both toll blocking and toll control, then toll limitation is defined as either toll blocking or toll control. Nexus will meet the requirement to provide toll limitation to Lifeline subscribers by offering service on a prepaid, or pay-as-you-go, basis, as well as toll blocking for international calls. As the Commission found in its grant of ETC designation to Virgin Mobile, "the prepaid nature of [a prepaid wireless carrier's] service offering works as an effective toll control." *Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A)*, Order, 24 FCC Rcd 3381, 3394 at ¶ 34 (2009). Moreover, Nexus will provide traditional toll blocking for international calls to qualifying low-income consumers at no additional charge. Nexus also provides its users with the ability to monitor their minute usage and balance as an additional means of controlling their communications budget.

<sup>14</sup> 47 C.F.R. § 54.509.

<sup>15</sup> 47 C.F.R. § 54.409(c).



Nexus uses a variety of outreach programs for its Lifeline supported services, which include direct mail, Internet advertising, and radio and television advertising. Nexus also reaches potential subscribers through retail marketing, including kiosks and point-of-sale promotional materials located in third-party retail establishments, as well as one retail establishment owned by Nexus. Each channel is intended to induce potential subscribers to contact Nexus either in person, over the Internet or by telephone. Although the logistics of the enrollment process varies somewhat for each channel as is further described below, in all cases, Lifeline applicants are thoroughly screened to ensure that they are qualified before a handset is delivered.

**A. Nexus' Procedures to Determine Consumer Eligibility for the Lifeline Program**

**Analysis of Lifeline Eligibility.** If Nexus cannot determine an applicant's eligibility for Lifeline by accessing income or program eligibility databases, Nexus personnel (either employees, third-party subscriber service representatives or authorized agents in third-party retail establishments) review documents to establish eligibility in accordance with the criteria set forth in 47 C.F.R. § 54.409. All Nexus personnel who interact with existing Lifeline subscribers or Lifeline applicants have been fully trained in assisting Lifeline applicants with Lifeline eligibility. All Nexus personnel and authorized third-party representatives have been trained to answer questions about Lifeline requirements, and how to review required documentation to determine whether it satisfies the *Lifeline Reform Order* and state-specific eligibility requirements using state specific checklists. That being said, the final review and determination of the sufficiency of documentation is conducted by Nexus employees or authorized agents directly trained by Nexus employees. All Nexus personnel and authorized third-party representatives involved in enrolling Lifeline applicants have been trained on the Commission's



revised Lifeline eligibility rules and Nexus' practices and policies designed to implement these new rules.

**Proof of Lifeline Eligibility.** Nexus follows the Commission's requirements pertaining to acceptable documentation to establish eligibility based either on income level or participation in a qualified government assistance program. Specifically, acceptable documentation of program eligibility includes: (1) the current or prior year's statement of benefits from a qualifying state, federal or Tribal program; (2) a notice letter of participation in a qualifying state, federal or Tribal program; (3) program participation documents (e.g., the consumer's Supplemental Nutrition Assistance Program ("SNAP") electronic benefit transfer card or Medicaid participation card (or copy thereof); or (4) another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.<sup>16</sup> Acceptable documentation of income eligibility includes: (1) the prior year's state, federal, or Tribal tax return; (2) current income statement from an employer or paycheck stub; (3) a Social Security statement of benefits; (4) a Veterans Administration statement of benefits; (5) a retirement/pension statement of benefits; (6) an Unemployment/Workers' Compensation statement of benefit; (7) federal or Tribal notice letter of participation in General Assistance; (8) or a divorce decree, child support award, or other official document containing income information. If the applicant presents Nexus with documentation of income that does not cover a full year, the applicant must present the same type of documentation covering three consecutive months within the previous twelve months.<sup>17</sup>

Nexus subscribers may provide the documentation in person, via fax or e-mail, or they may mail copies to Nexus. Nexus maintains detailed, accurate records identifying the data

<sup>16</sup> *Lifeline Reform Order* at ¶ 101.

<sup>17</sup> 47 C.F.R. § 54.410(b)(1)(i)(B).

source used to determine a subscriber's eligibility or the documentation the subscriber provided to demonstrate eligibility for Lifeline. The specifically-trained personnel in charge of reviewing all incoming Lifeline applications examine and electronically record in its subscriber service and billing database the type of documentation presented by each prospective Lifeline subscriber,<sup>18</sup> including the date of review, the identity of the documentation, the type of media (e.g., paper, electronic card, etc.), and the issuance and/or expiration date of the documentation. Nexus' database includes separate data entry fields for this information, eliciting a response for each type of information, and will reject the order if any such field is not completed. If an applicant is unable to provide documentary proof of eligibility based on either household income level or current participation in a qualified program, Nexus denies that application.

**B. Nexus' Procedures for Subscriber Certifications**

In the *Lifeline Reform Order*, the Commission established a path for a transition to a national, governmental database that will be used to confirm the initial and continued eligibility of a Lifeline applicant or subscriber.<sup>19</sup> Nexus will utilize that database when it becomes operational.<sup>20</sup> Until that time, however, Nexus will continue to adhere to the following procedures for enrolling prospective subscribers into the Lifeline program.

Nexus has implemented certification procedures that enable prospective subscribers to demonstrate their eligibility by contacting Nexus either in person or by telephone, facsimile, over the Internet, or other electronic transmission. The personnel involved in enrolling Lifeline applicants verbally recite the certifications to Lifeline applicants where when enrolling in person

<sup>18</sup> 47 C.F.R. § 54.410(b)(1)(ii) - (iii); 47 C.F.R. § 54.410(c)(1)(ii)-(iii).

<sup>19</sup> See *Lifeline Reform Order* at ¶ 403.

<sup>20</sup> On its new certification forms that were revised to encompass the requirements of the Commission's *Lifeline Reform Order*, Nexus obtains consent from each applicant to provide "any records required" for the administration of the Lifeline program including so that such information may be used in a Lifeline database. In order to ensure that it has the same consent from subscribers that applied using prior Nexus forms, Nexus has included nearly identical language on its annual re-certification forms and scripts.



or over the phone. In any retail locations (except those with kiosks), Nexus' authorized third-party representatives<sup>21</sup> initially examine the qualifying documentation in person (which documentation will be forwarded to Nexus personnel specifically trained in reviewing Lifeline qualifying documentation for further review) or, if the applicant does not have the documentation at the time, direct the applicant to supply the documentation via fax, mail or email. All applicants who do not have the requisite documentation at the time are informed that their Lifeline application will not be processed until the applicant provides the required documentary proof of eligibility. Prospective subscribers who do not complete Nexus' Lifeline Application in person must return the signed document and eligibility documentation to Nexus by mail, facsimile, electronic mail or other electronic transmission. Nexus accepts electronic signatures that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §§ 7001-7006 and any applicable state laws.<sup>22</sup>

Each prospective subscriber is required to complete and sign Nexus' "Lifeline Application." Samples of this document are provided as Exhibit 1. Nexus has modified its Lifeline Application as necessary for use in certain states that have specific requirements, such as additional qualifying programs, but the operative language of Exhibit 1 will remain constant. Nexus's Lifeline Application conforms to the requirements of the *Lifeline Reform Order*, 47 C.F.R. § 54.410(d) and 47 C.F.R. § 54.405.

**Information Collected.** Nexus collects the following information from prospective subscriber in its Lifeline Application form: (1) the subscriber's full name; (2) the subscriber's full residential address (P.O. Boxes are not permitted); (3) whether the residential address is permanent or temporary; (4) the subscriber's billing address, if different; (5) the subscriber's date

<sup>21</sup> All third-party representatives are accountable to Nexus for purposes of compliance with state and federal Lifeline rules.

<sup>22</sup> See *Lifeline Reform Order* at ¶ 168; 47 C.F.R. § 54.419.



of birth; (6) the last four digits of the subscriber's Social Security number (or Tribal identification number if the subscriber is a member of a Tribal nation and does not have a Social Security number<sup>23</sup>); (7) if the subscriber is seeking to qualify for Lifeline under the program-based criteria, the name of the qualifying assistance program from which the subscriber, or his or her dependents, or his or her household receives benefits; and (8) if the subscriber is seeking to qualify for Lifeline under the income-based criterion, the number of individuals in his or her household.<sup>24</sup>

**Applicant Certifications.** In accordance with 47 C.F.R. § 54.410(d), in its Lifeline Application, Nexus requires all Lifeline applicants to certify, under penalty of perjury, that: (1) the subscriber meets the income- or program-based eligibility criteria for receiving Lifeline; (2) the subscriber will notify Nexus within 30 days if, for any reason, he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income- or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit; (3) if the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, that he or she lives on Tribal lands;<sup>25</sup> (4) if the subscriber moves to a new address, that he or she will provide that new address to Nexus within 30 days; (5) if the subscriber provided a temporary residential address to Nexus, the subscriber will be required to verify his or her temporary residential address every 90 days; (6) the subscriber's household will receive only one Lifeline service and, to the best of the applicant's knowledge, the subscriber's household is not already receiving a Lifeline service; (7) the information contained in the subscriber's

<sup>23</sup> Nexus will only include language regarding a Tribal identification number on forms used in states with Tribal areas.

<sup>24</sup> 47 C.F.R. § 54.410(d)(2).

<sup>25</sup> Because Nexus' designated service includes only two states with Tribal lands (Oklahoma and Rhode Island), only Nexus' Lifeline Application specifically for those states include this certification.

application/certification form is true and correct to the best of the subscriber's knowledge; (8) the subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and (9) the subscriber acknowledges that he or she may be required to re-certify his or her continued eligibility for Lifeline at any time, and that his or her failure to re-certify as to continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits, and (10) that the applicant authorizes Nexus to access any state or federal records or database to verify his or her eligibility, and authorizes Nexus to release any records required for administration of the program, including to USAC to be used in the national Lifeline database and that failure to so authorize Nexus will result in a denial of Lifeline benefits.<sup>26</sup> The Lifeline Application also describes the information that is transmitted, that the information is being transmitted to USAC to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service. Prospective applicants must affirmatively certify to each of these certifications in order for the application process to move forward, including those applying online. For those applying online, Nexus' website does not permit the applicant to submit the application unless all certifications have been completed. Subscribers also may certify via interactive voice response ("IVR"), which is then saved as a recorded file and saved in the subscriber's account in Nexus' subscriber care and billing system.

In accordance with 47 C.F.R. § 54.410(d)(1), Nexus' Lifeline Application discloses the following information: (1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (2) only one Lifeline service is available per household; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at

<sup>26</sup> See Exhibit I.



the same address and share income and expenses; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the subscriber's de-enrollment from the program; and (6) Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person.<sup>27</sup>

Finally, in accordance with 47 C.F.R. § 54.405(c), Nexus' Lifeline Application indicates, using easily understood language, (1) that the service is a Lifeline service; (2) that Lifeline is a government assistance program; (3) that the service is non-transferrable; (4) that only eligible consumers may enroll in the program; and (5) that the program is limited to one discount per household.<sup>28</sup>

#### **C. Nexus' Procedures for Annual Re-certification of Lifeline Subscribers**

In accordance with the requirements of the *Lifeline Reform Order* and 47 C.F.R. § 54.410(f), Nexus annually recertifies all of its Lifeline subscribers by either (1) querying the appropriate eligibility or income databases, confirming that the subscriber continues to meet the program- or income-based eligibility requirements for Lifeline and documenting the results of that review, or (2) obtaining a signed certification from the subscriber that meets the certification requirements set forth in 47 C.F.R. § 54.410(d). Nexus' annual re-certification form includes a confirmation from the subscriber that the applicant's household receives only one Lifeline benefit and, to the best of the subscriber's knowledge, the subscriber's household is receiving no more than one Lifeline benefit. Additionally, Nexus' re-certification materials inform the subscriber that he or she is being contacted to re-certify his or her continuing eligibility for Lifeline and if the subscriber fails to respond, he or she will be de-enrolled in the program.

<sup>27</sup> *Id.*

<sup>28</sup> *Id.*



For 2012, Nexus began re-certifying the eligibility of its Lifeline subscriber base on June 1, 2012 on a rolling basis. Nexus will complete this process by the end of 2012 and will report the results to USAC by January 31, 2012.<sup>29</sup> Nexus will notify its subscribers in writing that a failure to respond to the re-certification request will result in de-enrollment in the Lifeline program.<sup>30</sup> Nexus will de-enroll subscribers who do not respond to the annual re-certification or fail to provide proof of continued eligibility in accordance with the procedures set forth in 47 C.F.R. § 54.405(e)(4).

### **III. NEXUS' COMPLIANCE WITH THE FORBEARANCE CONDITIONS RELATING TO PUBLIC SAFETY AND 911/E911 ACCESS**

Nexus' practices comply with the 911/E911 access conditions set forth in paragraph 373 of the *Lifeline Reform Order*. Specifically, Nexus: (1) provides its Lifeline subscribers with 911/E911 access at the time Lifeline service is initiated, regardless of activation status and availability of minutes, and (2) provides its Lifeline subscribers with E911-compliant handsets and replaces, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services. Nexus' practices provide access to 911/E911 services to the extent that these services have been deployed by its underlying wireless carrier. Nexus commits to continue these practices going forward.

Nexus will provide its Lifeline subscribers with access to 911/E911 services immediately upon activation of service. The Commission and consumers are assured that all Nexus subscribers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911/E911 access will be available from Nexus handsets even if the account associated with the handset has no minutes remaining.

<sup>29</sup> *Lifeline Reform Order* at ¶ 130.

<sup>30</sup> *Id.* at ¶ 142.

Nexus' existing practices currently provide access to 911/E911 services for all subscribers. Nexus uses Verizon Wireless as its underlying network carrier. Verizon Wireless routes 911 calls from Nexus' subscribers in the same manner as 911 calls from Verizon Wireless' own retail subscribers. To the extent that Verizon Wireless is certified in a given PSAP territory, this 911 capability functions in the same manner for Nexus and its subscribers. Nexus also currently enables 911 emergency calling services for all properly activated handsets regardless of whether the account associated with the handset is active or suspended.

Nexus will ensure that all handsets used in connection with its Lifeline service offering will be E911-compliant. Indeed, Nexus' handsets have always been E911-compliant. All Nexus handsets undergo a thorough quality inspection by Nexus prior to being distributed to subscribers. All Nexus handsets are required to meet Nexus' handset specifications, which ensure that the handset models meet all E911 requirements. As a result, any existing Nexus subscriber that qualifies for and subsequently elects Lifeline service will already have an E911-compliant handset provided by Nexus. Additionally, any new subscriber that qualifies for and enrolls in Nexus' Lifeline program is assured of receiving an E911-compliant handset as well, free of charge.

#### **IV. NEXUS' COMPLIANCE WITH THE COMMISSION'S MARKETING AND DISCLOSURE REQUIREMENTS FOR PARTICIPATION IN THE LIFELINE PROGRAM**

Nexus has incorporated into its marketing materials for its Lifeline services, in clear, easily understood language: (1) that the service is supported by Lifeline, a government program; (2) that only eligible consumers may enroll in the program; (3) what documentation is necessary for enrollment; (4) that the benefit is limited to one per household and is non-transferrable; (5) that consumers who willfully make false statements in order to obtain the

benefit can be punished by fine or imprisonment or can be barred from the program.<sup>31</sup> Nexus also discloses its name (the ETC) on all marketing materials.<sup>32</sup> A representative sample of Nexus' revised marketing materials incorporating these disclosures is attached as Exhibit 2.

**V. NEXUS' PROCEDURES AND EFFORTS TO PREVENT WASTE, FRAUD AND ABUSE IN CONNECTION WITH LIFELINE FUNDS**

Nexus shares the Commission's commitment to minimize waste, fraud and abuse of Lifeline benefits. According, Nexus has implemented a variety of measures and procedures intended to prevent duplicate Lifeline benefits from being awarded to the same household or individual.

**Prevention of Duplicates within Nexus' Subscriber Base.** Lifeline applications to Nexus that are preliminarily deemed eligible are submitted to a data entry process, including verifying the address against the United States Postal Service database file of valid U.S. addresses. A Lifeline applicant's address, name, and the last four digits of his or her social security number are then queried against all of Nexus' active Lifeline subscribers (both wireline and wireless), in all states in which Nexus operates. If it is found that Nexus is already providing Lifeline service to the same subscriber or household, the application is rejected. Nexus commits to continuing these practices going forward.

**Service Activation.** Nexus ships handsets to qualified subscribers using FedEx's SmartPost delivery service and retains written confirmation that delivery was completed. Nexus does not seek reimbursement for Lifeline service for any subscriber until the subscriber activates the service, which may be done by taking such actions as dialing an outbound call.<sup>33</sup> Nexus will use the date of this first completed outbound call from its call records as the subscriber's

<sup>31</sup> *Lifeline Reform Order* at ¶ 275; 47 C.F.R. § 54.405(c).

<sup>32</sup> *Lifeline Reform Order* at ¶ 275; 47 C.F.R. § 54.405(d).

<sup>33</sup> Currently, the only form of activation that Nexus accepts is the placement of an outbound call.



effective start date for the purposes of determining the subscriber's enrollment date in the Lifeline program.

**Non-Usage Policy.** From the beginning of its wireless operations in 2009, Nexus voluntarily adopted a policy whereby a subscriber who has not used his or her handset within 60 days is de-enrolled from the Lifeline program (after a 30-day notice period). Upon de-enrollment, Nexus ceases seeking Lifeline reimbursements for that subscriber. Nexus' non-usage policy ensures that only subscribers who actually utilize their wireless service continue to receive Lifeline-subsidized service, and that Nexus only receives Lifeline support for those subscribers who remain enrolled in the program. Nexus commits to continuing this practice in conformance with the requirements of 47 C.F.R. § 54.405(e)(3).

Specifically, after 60 days of non-use,<sup>34</sup> Nexus provides notice to the subscriber that failure to use the Lifeline service or provide other confirmation to Nexus that the subscriber wishes to retain his or her Lifeline service within 30 days from the date of the de-enrollment notice will result in de-enrollment from the Lifeline program.<sup>35</sup> Nexus will not request further Lifeline reimbursement for any de-enrolled subscriber and Nexus will report annually to the Commission the number of subscribers de-enrolled for non-usage by month.<sup>36</sup>

**De-Enrollment and Disconnection.** Nexus subscribers may easily de-enroll from Lifeline or disconnect their service altogether. There is a link on the home page of Nexus' website [www.reachoutmobile.com](http://www.reachoutmobile.com) for de-enrollments and disconnections. This link permits subscribers to de-enroll from Lifeline and either subscribe to a non-Lifeline service or cancel

<sup>34</sup> Subscribers can "use" the service by: (1) completing an outbound call; (2) purchasing minutes from Nexus to add to the subscriber's plan; (3) answering an incoming call from a party other than Nexus; or (4) responding to a direct contact from Nexus confirming that the subscriber wants to continue receiving the service. 47 C.F.R. § 54.407(c)(2).

<sup>35</sup> 47 C.F.R. § 54.405(e)(3).

<sup>36</sup> 47 C.F.R. § 54.405(e)(3).

their service altogether. Subscribers may also de-enroll or disconnect their service by calling Nexus' customer service call center.

**One Per Household Rule.** Nexus has implemented policies and practices in accordance with the Commission's rules and the *Lifeline Reform Order* to ensure that it provides only one Lifeline service per household. As described above, Nexus has already implemented procedures to ensure that Nexus itself only provides one Lifeline service per household. When the National Lifeline Accountability Database becomes available, Nexus will fully comply with the requirements of 47 C.F.R. § 54.404 and utilize the database to determine if an applicant is currently receiving Lifeline benefits from another carrier or if another person residing at the applicant's residential address is receiving Lifeline benefits. Nexus also will retain the following data: the date Nexus queried the duplicates database; the date and information Nexus transmitted to the database; the date of transmission of updated subscriber information to the database; the date of transmission of subscriber de-enrollment to the database; the date and database upon which Nexus determined income-based eligibility; state Lifeline administrator documentation of subscriber eligibility, and subscriber's certification of eligibility; the notice of program-certification and subscriber self-certification, when performed by a state agency or state Lifeline administrator.

Nexus has also instructed its customer service representatives to explain the one-per-household requirement to prospective and existing subscribers, including explaining that the brands Safelink Wireless, Assurance Wireless, i-wireless, Stand-Up Wireless, Budget Mobile and TAG Mobile are Lifeline services. If Nexus has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, for example, due to a violation of the one-per-household rule, Nexus initiates its termination process in accordance with the procedures

set forth in 47 C.F.R. § 54.405(e)(1). Nexus will also maintain the results of each state administrator's certification efforts for each subscriber in that state where a state administrator or agency is responsible for re-certification and where a state has been unable to re-certify a subscriber, Nexus will keep the record and comply with the relevant de-enrollment procedures.

## VI. CONCLUSION

Nexus submits that the foregoing Amended Compliance Plan fully satisfies the conditions set forth in the *Lifeline Reform Order*, the *Public Notice* and in the Commission's rules pertaining to Lifeline. Accordingly, Nexus respectfully requests expeditious approval of its pending ETC Petitions and this Amended Compliance Plan so that Nexus may continue to provide essential Lifeline service to eligible low-income subscribers in states where it currently operates and may provide eligible consumers Lifeline wireless service options in additional states. Nexus also requests expeditious approval of its Amended Compliance Plan because the company has filed an application to participate in the Commission's Lifeline Broadband Pilot Program.

Respectfully submitted,



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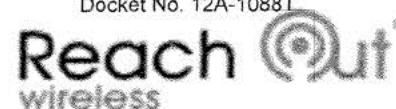
December 4, 2012



# Exhibit 1

## Lifeline Applications

Fax to: 1-877-870-9333 Email to: enroll@reachoutmobile.com or  
Mail to: ReachOut Wireless, PO Box 247168, Columbus, OH 43224-7168



\_\_\_ 125 FREE Rollover Minutes \_\_\_ 250 FREE Non-Rollover Minutes

## LIFELINE APPLICATION

I certify that I participate in one of the following programs (check one):

- |  |  |
|--|--|
| ___ Food Stamps (SNAP)                                 | ___ Medicaid   |
| ___ Federal Public Housing Assistance (Section 8)      | ___ Temporary Assistance to Needy Families (TANF)                            |
| ___ National School Lunch Free Lunch Program           | ___ Supplemental Social Security (SSI)                                       |
| ___ Low-Income Home Energy Assistance Program (LIHEAP) | <i>If you wish to qualify based on income, a different form is required.</i> |

**You must provide documentation demonstrating your current participation in the program checked above.**

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

Last 4 digits of Soc. Security #: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Residential Address: \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

(no P.O. Box for res. address) This is my (check one): \_\_\_ Permanent Address \_\_\_ Temporary Address

*If you move, you must update your residential address with ReachOut Wireless within 30 days*

Billing Address (if different): \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

I certify that:

- \_\_\_ I acknowledge that Lifeline is a government assistance program and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program.
- \_\_\_ I acknowledge that only Lifeline eligible consumers may enroll in the Lifeline Program.
- \_\_\_ I acknowledge that only one Lifeline service is available per household, and that, to the best of my knowledge, no other person in my household is receiving a Lifeline service. (For purposes of Lifeline, a "household" is any individual or group of individuals who live together at the same address and share income and expenses.)
- \_\_\_ I acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers and that violation of this limitation constitutes a violation of the rules of the Federal Communications Commission and will result in de-enrollment from the Lifeline program. If I am participating in another Lifeline program at the time I apply for ReachOut Wireless Lifeline service, I agree to cancel that Lifeline service with any other provider.
- \_\_\_ I acknowledge that Lifeline is non-transferable and that I may not transfer my benefit to any other person.
- \_\_\_ I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law.
- \_\_\_ I will notify ReachOut Wireless within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such as no longer participating in any of qualifying program, or if I or a member of my household receives another Lifeline benefit.
- \_\_\_ I acknowledge that I may be required to re-certify to my continued eligibility for Lifeline at any time, and that my failure to re-certify will result in de-enrollment and termination of my Lifeline benefits.
- \_\_\_ If I move to a new address, I will provide the new address to ReachOut Wireless within 30 days.
- \_\_\_ If I provided a temporary address, I will be required to verify my temporary address every 90 days. If I do not provide verification within 30 days, I will be de-enrolled from the Lifeline program.
- \_\_\_ I authorize Reachout Wireless to access any state or federal governmental records or database required to verify my statements herein and to confirm my continued eligibility for Lifeline and authorize social service agency representatives to discuss with and/or provide information to ReachOut Wireless verifying my participation in programs that qualify me for Lifeline. I also authorize ReachOut Wireless to release any records required for the administration of ReachOut Wireless's Lifeline program, including to the Universal Service Administrative Company (USAC), to be used in a Lifeline Program Database. I understand that the records are required to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service.
- \_\_\_ I certify **penalty of perjury** that the information contained in this certification is true and correct to the best of my knowledge.

Applicant's Signature: \_\_\_\_\_

Date: \_\_\_\_\_



Fax to: 1-877-870-9333 Email to: enroll@reachoutmobile.com or  
Mail to: ReachOut Wireless, PO Box 247168, Columbus, OH 43224-7168

**Reach Out**  
wireless

\_\_\_ 125 FREE Rollover Minutes \_\_\_ 250 FREE Non-Rollover Minutes

**LIFELINE APPLICATION**

I certify that my household income is at or below 135% of the Federal Poverty Guidelines as indicated below:

Eligibility for Lifeline may apply if your household income is at or below 135% of the Federal Poverty Guidelines for a household of that size. Indicate which income range applies to you in the chart. You must provide proof of eligibility based on income, which can include:	Check or Complete	Persons in Household	Annual Income	Monthly Income
<ul style="list-style-type: none"> <li>• Last year's federal or state tax return</li> <li>• Current income statement from an employer or paycheck stub (must cover 3 consecutive months within the previous 12 months)</li> <li>• A Social Security statement of benefits</li> <li>• A retirement/pension statement of benefits</li> <li>• An Unemployment/Workers' Compensation statement of benefit</li> <li>• Federal notice letter of participation in General Assistance</li> <li>• Divorce decree, child support award or other official document containing income information</li> </ul>	<input type="checkbox"/>	1	\$15,080	\$1,257
	<input type="checkbox"/>	2	\$20,426	\$1,702
	<input type="checkbox"/>	3	\$25,772	\$2,148
	<input type="checkbox"/>	4	\$31,118	\$2,593
	<input type="checkbox"/>	5	\$36,464	\$3,039
	<input type="checkbox"/>	6	\$41,810	\$3,484
	<input type="checkbox"/>	7	\$47,156	\$3,930
	<input type="checkbox"/>	8	\$52,502	\$4,375
	___ # in household	For each add'l person, add:	\$5,346	\$446

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

Last 4 digits of Soc. Security #: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Residential Address: \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

(no P.O. Box for res. address) This is my (check one): \_\_\_\_\_ Permanent Address \_\_\_\_\_ Temporary Address

If you move, you must update your residential address with ReachOut Wireless within 30 days.

Billing Address (if different): \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

I certify that:

\_\_\_ I acknowledge that Lifeline is a government assistance program and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program.

\_\_\_ I acknowledge that only Lifeline eligible consumers may enroll in the Lifeline Program.

\_\_\_ I acknowledge that only one Lifeline service is available per household, and that, to the best of my knowledge, no other person in my household is receiving a Lifeline service. (For purposes of Lifeline, a "household" is any individual or group of individuals who live together at the same address and share income and expenses.)

\_\_\_ I acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers and that violation of this limitation constitutes a violation of the rules of the Federal Communications Commission and will result in de-enrollment from the Lifeline program. If I am participating in another Lifeline program at the time I apply for ReachOut Wireless Lifeline service, I agree to cancel that Lifeline service with any other provider.

\_\_\_ I acknowledge that Lifeline is non-transferable and that I may not transfer my benefit to any other person.

\_\_\_ I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law.

\_\_\_ I will notify ReachOut Wireless within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such as no longer meeting the income levels, or if I or a member of my household receives another Lifeline benefit.

\_\_\_ I acknowledge that I may be required to re-certify to my continued eligibility for Lifeline at any time, and that my failure to re-certify will result in de-enrollment and termination of my Lifeline benefits.

\_\_\_ If I move to a new address, I will provide the new address to ReachOut Wireless within 30 days.

\_\_\_ If I provided a temporary address, I will be required to verify my temporary address every 90 days. If I do not provide verification within 30 days, I will be de-enrolled from the Lifeline program.

\_\_\_ I authorize ReachOut Wireless to access any governmental state or federal records or database located anywhere required to verify my statements herein and to confirm my continued eligibility for Lifeline and authorize social service agency representatives to discuss with and/or provide information to ReachOut Wireless verifying my participation in programs that qualify me for Lifeline. I also authorize ReachOut Wireless to release any records required for the administration of ReachOut Wireless's Lifeline program, including to the Universal Service Administrative Company (USAC) to be used in a Lifeline Program Database. I understand that the records are required to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service.

\_\_\_ I certify **penalty of perjury** that the information contained in this certification is true and correct to the best of my knowledge.

**Applicant's Signature:** \_\_\_\_\_

**Date** \_\_\_\_\_

Customer Service 1 - 877 - 870 - 9444

[www.reachoutmobile.com](http://www.reachoutmobile.com)





Fax to: 1-800-700-5576 Email to: enroll@TSIHomePhone.com or  
Mail to: TSI Home Phone, PO Box 247168, Columbus, OH 43224-7168

### WIRELINE LIFELINE APPLICATION – PROGRAM BASED

I certify that I participate in one of the following programs (check one):

- |   |  |
|---|--|
| <input type="checkbox"/> Food Stamps (SNAP)                                 | <input type="checkbox"/> Medicaid  |
| <input type="checkbox"/> Federal Public Housing Assistance (Section 8)      | <input type="checkbox"/> Temporary Assistance to Needy Families (TANF)       |
| <input type="checkbox"/> National School Lunch Free Lunch Program           | <input type="checkbox"/> Supplemental Social Security (SSI)                  |
| <input type="checkbox"/> Low-Income Home Energy Assistance Program (LIHEAP) | <i>If you wish to qualify based on income, a different form is required.</i> |

**You must provide documentation demonstrating your current participation in the program checked above.**

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

Last 4 digits of Soc. Security #: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Residential Address: \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

(no P.O. Box for res. address) This is my (check one): ☐ Permanent Address ☐ Temporary Address

*If you move, you must update your residential address with TSI Home Phone within 30 days*

Billing Address (if different): \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

I certify that:

- ☐ I acknowledge that Lifeline is a government assistance program and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program.
- ☐ I acknowledge that only Lifeline eligible consumers may enroll in the Lifeline Program.
- ☐ I acknowledge that only one Lifeline service is available per household, and that, to the best of my knowledge, no other person in my household is receiving a Lifeline service. (For purposes of Lifeline, a "household" is any individual or group of individuals who live together at the same address and share income and expenses.)
- ☐ I acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers and that violation of this limitation constitutes a violation of the rules of the Federal Communications Commission and will result in de-enrollment from the Lifeline program. If I am participating in another Lifeline program at the time I apply for TSI Home Phone Lifeline service, I agree to cancel that Lifeline service with any other provider.
- ☐ I acknowledge that Lifeline is non-transferable and that I may not transfer my benefit to any other person.
- ☐ I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law.
- ☐ I will notify TSI Home Phone within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such as no longer participating in any of qualifying program, or if I or a member of my household receives another Lifeline benefit.
- ☐ I acknowledge that I may be required to re-certify to my continued eligibility for Lifeline at any time, and that my failure to re-certify will result in de-enrollment and termination of my Lifeline benefits.
- ☐ If I move to a new address, I will provide the new address to TSI Home Phone within 30 days.
- ☐ If I provided a temporary address, I will be required to verify my temporary address every 90 days. If I do not provide verification within 30 days, I will be de-enrolled from the Lifeline program.
- ☐ I authorize TSI Home Phone to access any governmental state or federal records or database located anywhere required to verify my statements herein and to confirm my continued eligibility for Lifeline and authorize social service agency representatives to discuss with and/or provide information to TSI Home Phone verifying my participation in programs that qualify me for Lifeline. I also authorize TSI Home Phone to release any records required for the administration of TSI Home Phone's Lifeline program, including to the Universal Service Administrative Company (USAC) to be used in a Lifeline Program Database. I understand that the records are required to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service.
- ☐ I certify **penalty of perjury** that the information contained in this certification is true and correct to the best of my knowledge.

Applicant's Signature: \_\_\_\_\_

Date: \_\_\_\_\_





Fax to: 1-800-700-5576 Email to: enroll@TSIHomePhone.com or  
Mail to: TSI Home Phone, PO Box 247168, Columbus, OH 43224-7168

### WIRELINELIFELINE APPLICATION – INCOME BASED

I certify that my household income is at or below 135% of the Federal Poverty Guidelines as indicated below:

Eligibility for Lifeline may apply if your household income is at or below 135% of the Federal Poverty Guidelines for a household of that size. Indicate which income range applies to you in the chart. You must provide proof of eligibility based on income, which can include:	Check or Complete	Persons in Household	Annual Income	Monthly Income
<ul style="list-style-type: none"> <li>• Last year's federal or state tax return</li> <li>• Current income statement from an employer or paycheck stub (must cover 3 consecutive months within the previous 12 months)</li> <li>• A Social Security statement of benefits</li> <li>• A retirement/pension statement of benefits</li> <li>• An Unemployment/Workers' Compensation statement of benefit</li> <li>• Federal notice letter of participation in General Assistance</li> <li>• Divorce decree, child support award or other official document containing income information</li> </ul>	<input type="checkbox"/>	1	\$15,080	\$1,257
	<input type="checkbox"/>	2	\$20,426	\$1,702
	<input type="checkbox"/>	3	\$25,772	\$2,148
	<input type="checkbox"/>	4	\$31,118	\$2,593
	<input type="checkbox"/>	5	\$36,464	\$3,039
	<input type="checkbox"/>	6	\$41,810	\$3,484
	<input type="checkbox"/>	7	\$47,156	\$3,930
	<input type="checkbox"/>	8	\$52,502	\$4,375
	# in household	For each add'l person, add:	\$5,346	\$446

Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

Last 4 digits of Soc. Security #: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Residential Address: \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

(no P.O. Box for res. address) This is my (check one): \_\_\_\_\_ Permanent Address \_\_\_\_\_ Temporary Address

If you move, you must update your residential address with TSI Home Phone within 30 days

Billing Address (if different): \_\_\_\_\_ Apt. \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

I certify that:

- \_\_\_\_\_ I acknowledge that Lifeline is a government assistance program and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program.
- \_\_\_\_\_ I acknowledge that only Lifeline eligible consumers may enroll in the Lifeline Program.
- \_\_\_\_\_ I acknowledge that only one Lifeline service is available per household, and that, to the best of my knowledge, no other person in my household is receiving a Lifeline service. (For purposes of Lifeline, a "household" is any individual or group of individuals who live together at the same address and share income and expenses.)
- \_\_\_\_\_ I acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers and that violation of this limitation constitutes a violation of the rules of the Federal Communications Commission and will result in de-enrollment from the Lifeline program. If I am participating in another Lifeline program at the time I apply for TSI Home Phone Lifeline service, I agree to cancel that Lifeline service with any other provider.
- \_\_\_\_\_ I acknowledge that Lifeline is non-transferable and that I may not transfer my benefit to any other person.
- \_\_\_\_\_ I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law.
- \_\_\_\_\_ I will notify TSI Home Phone within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such as no longer meeting the income levels, or if I or a member of my household receives another Lifeline benefit.
- \_\_\_\_\_ I acknowledge that I may be required to re-certify to my continued eligibility for Lifeline at any time, and that my failure to re-certify will result in de-enrollment and termination of my Lifeline benefits.
- \_\_\_\_\_ If I move to a new address, I will provide the new address to TSI Home Phone within 30 days.
- \_\_\_\_\_ If I provided a temporary address, I will be required to verify my temporary address every 90 days. If I do not provide verification within 30 days, I will be de-enrolled from the Lifeline program.
- \_\_\_\_\_ I authorize TSI Home Phone to access any governmental state or federal records or database located anywhere required to verify my statements herein and to confirm my continued eligibility for Lifeline and authorize social service agency representatives to discuss with and/or provide information to TSI Home Phone verifying my participation in programs that qualify me for Lifeline. I also authorize TSI Home Phone to release any records required for the administration of TSI Home Phone's Lifeline program, including to the Universal Service Administrative Company (USAC) to be used in a Lifeline Program Database. I understand that the records are required to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service.
- \_\_\_\_\_ I certify **penalty of perjury** that the information contained in this certification is true and correct to the best of my knowledge.

Applicant's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# Exhibit 2

## Sample Marketing Material



# FREE

CELLULAR PHONE  
FREE MINUTES & TEXTS

# 250

anytime minutes  
every month!

Receive a **FREE Cell  
Phone and  
250 Minutes**  
a month for **ALL**  
qualifying  
customers!



1-877-870-9444 **ReachOut**  
www.ReachOutWireless.com wireless

Complaints concerning LifelineLinkup service can be directed to the XXXXX  
Public Service Commission's Commission Affairs Unit at XXX-XXX-XXXX.

# FREE

CELLULAR PHONE  
FREE MINUTES & TEXTS

# 125

anytime **ROLLOVER** minutes  
every month!

**All unused minutes rollover  
to the next month!**

Receive a **FREE Cell  
Phone and  
125 ROLLOVER  
Minutes** a  
month for **ALL**  
qualifying  
customers!



1-877-870-9444 **ReachOut**  
www.ReachOutWireless.com wireless

Complaints concerning LifelineLinkup service can be directed to the XXXXX  
Public Service Commission's Commission Affairs Unit at XXX-XXX-XXXX.

# FREE

CELLULAR PHONE  
FREE MINUTES & TEXTS

**ReachOut**  
wireless

1-877-870-9444

www.ReachOutWireless.com

## IMPORTANT INFORMATION concerning Lifeline wireless service

Lifeline is a government assistance program. **Only one Lifeline service is available per household.** A violation of the one per household limitation constitutes a violation of the Federal Communication Commissions rules and will result in your de-enrollment from the program. **Your household is not permitted to receive multiple Lifeline benefits whether they be from one or multiple companies.** This includes wireline and wireless service. **Lifeline is a non-transferable benefit.** You may not transfer your benefit to any other person. **You must activate your service.** You must use your phone to continue to receive service. Should you not use your service for 60 days you will be de-enrolled. **Lifeline is a Federal benefit.** Willingly making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program. **Proof of eligibility is required and only eligible customers may enroll.** Proof may consist of eligible program card or statement benefits.

Nexus Communications Inc.



DA 12-2063  
Release Date: December 26, 2012

**WIRELINE COMPETITION BUREAU APPROVES THE COMPLIANCE PLANS OF  
AIRVOICE WIRELESS, AMERIMEX COMMUNICATIONS, BLUE JAY WIRELESS,  
MILLENNIUM 2000, NEXUS COMMUNICATIONS, PLATINUMTEL COMMUNICATIONS,  
SAGE TELECOM, TELRITE AND TELScape COMMUNICATIONS**

**WC Docket Nos. 09-197 and 11-42**

The Wireline Competition Bureau (Bureau) approves the compliance plans of nine carriers: AirVoice Wireless, LLC (AirVoice); AmeriMex Communications Corp. (AmeriMex); Blue Jay Wireless, LLC (Blue Jay); Millennium 2000, Inc. (Millennium 2000); Nexus Communications, Inc. (Nexus); PlatinumTel Communications, LLC (PlatinumTel); Sage Telecom, Inc. (Sage); Telrite Corporation (Telrite); and Telscape Communications, Inc. d/b/a Telscape Wireless (Telscape). The compliance plans were filed pursuant to the *Lifeline Reform Order* as a condition of obtaining forbearance from the facilities requirement of the Communications Act of 1934, as amended (the Act), for the provision of Lifeline service.<sup>1</sup>

The Act provides that in order to be designated as an eligible telecommunications carrier (ETC) for the purpose of universal service support, a carrier must “offer the services that are supported by Federal universal service support mechanisms . . . either using its own facilities or a combination of its own facilities and resale of another carrier’s services . . . .”<sup>2</sup> The Commission amended its rules to define voice telephony as the supported service and removed directory assistance and operator services, among other things, from the list of supported services.<sup>3</sup> As a result of these amendments, many Lifeline-only ETCs that previously met the facilities requirement by providing operator services, directory assistance or other previously supported services no longer meet the facilities requirement of the Act.<sup>4</sup> In the *Lifeline Reform Order*, the Commission found that a grant of blanket forbearance of the facilities requirement,

<sup>1</sup> See *Lifeline and Link Up Reform and Modernization et al*, WC Docket No. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6816-17, paras. 379-380 (2012) (*Lifeline Reform Order*). A list of the compliance plans approved through this Public Notice can be found in the Appendix to this Public Notice.

<sup>2</sup> 47 U.S.C. § 214(e)(1)(A).

<sup>3</sup> See *Lifeline Reform Order*, 27 FCC Rcd at 6678, para. 47; see also 47 C.F.R. § 54.101(a).

<sup>4</sup> See *Lifeline Reform Order*, 27 FCC Rcd at 6812, para. 366, App. A; *Connect America Fund et al*, WC Docket 10-90, Order on Reconsideration, 26 FCC Rcd 17633, 17634-35, para. 4 (2011) (*USF/ICC Transformation Order on Reconsideration*). Some ETCs have included language in their compliance plans indicating that they have facilities or plan to acquire facilities in the future. See, e.g., Blanket Forbearance Compliance Plan, WC Docket Nos. 09-197 and 11-42, Q Link Wireless, LLC’s Third Amended Compliance Plan at 4 n. 2 (filed July 30, 2012). To the extent ETCs seek to avail themselves of the conditional forbearance relief established in the *Lifeline Reform Order*, we presume they lack facilities to provide the supported service under sections 54.101 and 54.401 of the Commission’s rules. See 47 C.F.R. §§ 54.101 and 54.401. Such ETCs must comply with the compliance plan approved herein in each state or territory where they are designated as an ETC, regardless of their claim of facilities for other purposes, such as eligibility for state universal service funding.

subject to certain public safety and compliance obligations, is appropriate for carriers seeking to provide Lifeline-only service.<sup>5</sup> Therefore, in the *Lifeline Reform Order*, the Commission conditionally granted forbearance from the Act's facilities requirement to all telecommunications carriers seeking Lifeline-only ETC designation, subject to the following conditions: (1) compliance with certain 911 and enhanced 911 public safety requirements; and (2) Bureau approval of a compliance plan providing specific information regarding the carrier and its service offerings and outlining the measures the carrier will take to implement the obligations contained in the *Order*.<sup>6</sup>

The Bureau has reviewed the nine plans listed in the Appendix for compliance with the conditions of the *Lifeline Reform Order* and now approves those nine compliance plans.<sup>7</sup>

Filings, including the Compliance Plans identified in the Appendix, and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12<sup>th</sup> Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12<sup>th</sup> Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 448-5563, or via email [www.bcpweb.com](http://www.bcpweb.com).

**People with Disabilities:** To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at (202) 418-7400 or TTY (202) 418-0484.

For further information, please contact Michelle Schaefer, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400 or TTY (202) 418-0484.

- FCC -

<sup>5</sup> See *Lifeline Reform Order*, 27 FCC Rcd at 6813-6817, paras. 368-381.

<sup>6</sup> See *id.*, 27 FCC Rcd at 6814, 6819, paras. 373, 389. Subsequently, the Bureau provided guidance for carriers submitting compliance plans pursuant to the *Lifeline Reform Order*. *Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order*, WC Docket Nos. 09-197 and 11-42, Public Notice, 27 FCC Rcd 2186 (Wireline Comp. Bur. 2012).

<sup>7</sup> The Commission has not acted on any pending ETC petitions filed by these carriers, and this Public Notice only approves the compliance plans of the carriers listed above. While these compliance plans contain information on each carrier's Lifeline offering, we leave it to the designating authority to determine whether or not the carrier's Lifeline offerings are sufficient to serve consumers. See *Lifeline Reform Order*, 27 FCC Rcd at 6679-80, 6818-19, paras. 50, 387.



**APPENDIX**

<b>Petitioner</b>	<b>Compliance Plans As Captioned by Petitioner</b>	<b>Date of Filing</b>	<b>Docket Numbers</b>
AirVoice Wireless, LLC	AirVoice Wireless, LLC's Amended Compliance Plan	December 7, 2012	09-197; 11-42
AmeriMex Communications Corp.	AmeriMex Communications Corp. Revised Compliance Plan	December 6, 2012	09-197; 11-42
Blue Jay Wireless, LLC	Blue Jay Wireless, LLC Compliance Plan	November 30, 2012	09-197; 11-42
Millennium 2000 Inc.	Amended Compliance Plan of Millennium 2000 Inc.	December 18, 2012	09-197; 11-42
Nexus Communications, Inc.	Third Amended Compliance Plan of Nexus Communications, Inc.	December 4, 2012	09-197; 11-42
PlatinumTel Communications, LLC	PlatinumTel Communications LLC's Revised Compliance Plan	December 19, 2012	09-197; 11-42
Sage Telecom, Inc.	Revised Compliance Plan of Sage Telecom, Inc.	December 19, 2012	09-197; 11-42
Telrite Corporation	Telrite Corporation Compliance Plan	November 29, 2012	09-197; 11-42
Telscape Communications Inc. d/b/a Telscape Wireless	Revised Compliance Plan of Telscape Communications, Inc.	December 19, 2012	09-197; 11-42