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

DOCKET NO. 12A-507T

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**IN THE MATTER OF THE APPLICATION OF BUDGET PREPAY, INC. D/B/A  
BUDGET MOBILE'S APPLICATION FOR LIMITED DESIGNATION AS A NON-  
RURAL WIRELESS ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE  
STATE OF COLORADO AND FOR WAIVER OF CERTAIN COMMISSION RULES.**

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**STIPULATION AND SETTLEMENT AGREEMENT**

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Budget Prepay, Inc. d/b/a/ Budget Mobile ("Budget" or the "Company"), Trial Staff of the Public Utilities Commission of the State of Colorado ("Staff"), the Colorado Office of Consumer Counsel ("OCC") and the Adams, Arapahoe, and Jefferson counties E911 Authorities (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 Budget in the instant docket. The Parties submit this Stipulation for approval by the Colorado Public Utilities Commission (the "Commission" or the "PUC") pursuant to the Commission's Rules of Practice and Procedure, 4 CCR 723-1-1407 and 1408.

**PRELIMINARY STATEMENT**

1. On May 8, 1997, the Federal Communications Commission ("FCC") issued its Universal Service Report and Order, 12 FCC Rcd 8776 (1997) ("Universal Service Order") implementing the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the "Federal Act"). The FCC provided further guidance on Eligible Telecommunications Carrier ("ETC") designation in its ETC Report and Order issued March 17, 2005, Federal-State Joint Board on Universal Service, Report and Order, 20 FCC Rcd 6371, 6384 (2005).

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

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

4. The FCC’s supported services, 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, (“FCC 12-11 Lifeline Order”)<sup>1</sup>, in which it issued a blanket forbearance from 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 customers.

6. In addition, the FCC 12-11 Lifeline Order eliminated Link-Up support for all ETCs serving non-Tribal lands.<sup>3</sup>

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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 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, FCC 12-11 (rel. Feb. 6, 2012) (FCC 12-11 Lifeline Order).

<sup>2</sup> *Id.* at ¶ 496.

<sup>3</sup> *Id.* at ¶ 245.

7. The FCC 12-11 Lifeline 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>

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 May 15, 2012, Budget filed an Application ("Application") seeking designation as an ETC for the limited purpose of receiving universal service support for low-income customers in Colorado, Docket Number 12A-507T. Budget sought ETC designation for the limited purpose of offering Lifeline service to customers who reside in the exchanges in Colorado served by non-rural incumbent local exchange carriers ("ILEC"). A list of ILEC exchanges that comprise the requested Budget service area is shown on Exhibit 3 to Budget's Application. These exchanges include non-rural exchanges of Qwest Corporation in Colorado, including the MVNPCOMA (Cortez, CO exchange) and DURNCOMA (Durango, CO exchange) exchanges where Budget may potentially enroll eligible Tribal Lifeline customers.

10. The Parties engaged in settlement discussions regarding issues raised by Budget's 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

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<sup>4</sup> *Id.* at ¶ 388.

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. Budget is a beneficial user of the Verizon Wireless (Verizon) network.
2. Much of Verizon's network is located along the I-25, I-70 and I-76 highways in Colorado.
3. Attachment 1 is a list of the Qwest Corporation exchanges where Budget will offer Lifeline service throughout each entire exchange. Attachment 1 differs from Exhibit 3 to Budget's Application due to the exclusion of the Allenspark, DeBeque, Elbert, and Leadville exchanges. Those exchanges were removed due to Staff's and OCC's concerns that Budget's wireless service may not cover one hundred percent of the geographic area in those exchanges as of the date of this Stipulation.
4. Budget will advertise the availability of the supported services throughout its designated service areas using media of general distribution in a manner that is designed to reach those likely to qualify for such services. Budget intends to use a variety of media resources, including point of sale material of various kinds, onsite merchandising, banners, customer direct mail, customer brochures, television, and print media. In light of these obligations and the fact that Budget does not maintain or produce a White Pages directory, the Parties agree that Budget should be granted a permanent waiver of the portion of 4 CCR 723-2-2187 ("Rule 2187") (d)(VII) regarding the placing of customer guide pages in the "White Pages" directory within the ETC service area.

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

6. Because Budget does not seek high cost USF or CHCSM support, the Parties agree that it would be in the public interest and consistent with the FCC 12-11 Lifeline Order<sup>5</sup> for Budget to be granted a full waiver of Rule 2187 (d)(XIII) and Rule 2187(f)(II) (H), (L) and (N), which would otherwise require the submission of detailed information about network expansion plans paid for by high cost funds in areas where Budget has been designated an ETC, a Colorado-specific trial balance, and a build-out plan showing Budget’s intended use of high cost funds. As to duration, the Parties agree that a waiver of Rule 2187(f)(II)(H) and (L) should be in effect until either (1) Budget provides services solely on its own network, (2) this Commission modifies Rule 2187(f)(II) (H) or (L), 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. Budget 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

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<sup>5</sup> The FCC 12-11 Lifeline 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.

information to be included in an application when filed. Verizon's physical network does not precisely correlate with a metes and bounds description as required by Rule 2187(d)(III). However, a list of the exchanges of Qwest Corporation in Colorado where Budget will serve is contained on Attachment 1 and adequately describes its service area.

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

9. Budget's 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.

10. The Parties stipulate and agree that Budget has shown good cause, that its Lifeline basic universal service offerings as described in Attachment 3 meets all applicable state and federal requirements. Budget's ETC designation for Colorado low-income universal service purposes will serve the public interest, convenience and necessity, that it does not receive high cost USF support in Colorado, and that its advertising adequately informs potential customers of the availability of Budget's Lifeline service throughout its proposed ETC service area.

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

1. Budget 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. Budget has been granted ETC status to offer Lifeline wireless services in Arkansas, Georgia, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Nevada, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Washington, and Wisconsin. Budget has also been designated as an ETC for wireline services in Alabama,

Arkansas, Florida, Kentucky, Louisiana, Maryland, Michigan, Mississippi, Missouri, Nebraska, North Carolina, Oklahoma, South Carolina, and Tennessee.

3. Budget has not been subject to any enforcement action at the FCC or in any state. No ETC designations held by Budget have been rescinded, revoked, or terminated by the FCC or by any state regulatory agency. Budget has operated in the United States for over 16 years 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 to approximately 400,000 customers in 42 states. Budget 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. In addition, two of Budget's subsidiaries, Silver Creek Long Distance, LLC, and MyMinutes.com, LLC, as of early 2012, are no longer active.

4. Budget 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 1 of the Stipulation.

5. Budget will initially offer a choice of two (2) prepaid Lifeline Basic Universal Service plans ("LBUS Plans") to eligible non-tribal Lifeline customers and one tribal Lifeline Plan, as described in Attachment 3. Budget's month-to-month prepaid LBUS plans described in Attachment 3 comply with Rule 2187(d)(XII) ; one plan offers 4,000 minutes and the other offers 250 free minutes as well as replenishment minute packages that can exceed 900 minutes. Budget's LBUS plans are available for enrollment via Budget's website ([www.budgetmobile.com](http://www.budgetmobile.com)), company-owned and affiliated retail stores, and through inbound telemarketing. The majority of Budget's prepay sales are through in-person channels.



6. Budget agrees to work with the Colorado Department of Human Services (“CDHS”) regarding certification and verification of the eligibility of Lifeline customers. It is understood that Budget, as a prepaid provider, will not be required to obtain or retain social security numbers of customers. However, in compliance with FCC 12-11 Lifeline Order, Budget will obtain and retain the last four digits of the social security number of its customers.

7. Budget’s LBUS plans are 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 these Lifeline plans. Prepaid offerings, by their very construct, act as a toll limitation mechanism, therefore Budget will not seek reimbursement for toll limitation.

8. The FCC 12-11 Lifeline 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 May 1, 2012, Budget submitted a 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 Budget 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 May 25, 2012, the 18 FCC issued a public notice that it had approved Budget’s Compliance Plan. Since it has been found to meet all of the FCC’s aforementioned criteria, Budget is entitled to the FCC’s blanket forbearance from the “own facilities” requirement.

10. The Parties stipulate and agree that with the incorporation of the agreed upon terms and conditions in Attachments 2 and 3, designating Budget as an ETC in the study areas and exchanges 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 Budget's designated service area and that Budget shall use a Lifeline Certification Form as set forth in 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, Budget has entered into this Stipulation with Staff, the OCC, and the E911 Authorities to settle this matter. The Parties have agreed to the three LBUS Plans described in Attachment 3: LBUS Plan #1, LBUS Plan #2, and a Tribal LBUS Plan. Nothing in this Stipulation shall prohibit Budget 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 Budget 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 Budget shall provide its LBUS plans and any future Lifeline plans pursuant to this Stipulation (including Attachments 1 through 4). The following requirements shall apply:

- A. If Budget desires to (1) modify one or more of the existing three LBUS Plans, (2) add a new Lifeline plan, or (3) modify a Lifeline plan (each, a "Modification"), then Budget shall first provide the other Parties thirty days' advance notice of the proposed Modification. If none of the Parties objects within the thirty-day notice period (the "Notice Period"), then Budget's proposed Modification will go into effect upon the expiration of the Notice Period. However, if one or more of the Parties indicates to Budget during the Notice Period that the Modification may be contrary to the public interest or disadvantageous to customers, then Budget shall file an application with the Commission and obtain the Commission's approval before implementing the proposed Modification. Budget shall also maintain a Colorado-specific page on its website ([www.budgetmobile.com](http://www.budgetmobile.com)) that will provide interested persons with notice of any proposed modifications to its three LBUS plans or any additional Lifeline plans offered to eligible customers.

- B. If Budget has failed to comply with paragraph A above and has implemented a modification or addition to the LBUS plans 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 Budget's LBUS or Lifeline Plan Description, Terms and Conditions and Operating Procedures. In any such investigation, Budget 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 Budget 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 Budget and a subsequent investigation, the Commission may find that a change is not consistent with Budget's ETC status or results in a universal service Lifeline offering that is not eligible for universal service Lifeline funding. If Budget does not thereafter make such changes as are necessary to bring its Lifeline offering into compliance with such requirements, Budget understands that the Commission may revoke Budget's 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 plans or the Company's ETC status. Consistent with this authority, for changes to any additional Lifeline plans or implementation of new Lifeline plans, other than the LBUS Plans, Staff may investigate and obtain any necessary data through the Commission's audit powers once the Commission is notified of changes. This process should work in the same manner that occurs when Staff reviews tariff filings. Staff will work cooperatively with Budget to obtain information in order to assess whether the changes are in the public interest or may otherwise impact Budget's eligibility to receive Lifeline funding. The investigation should be completed within the 30-day period between the notification of proposed change and Budget's implementation of the change if the Parties reach an agreement. Budget may not implement the proposed change if the investigation has not been completed. If there is disagreement between Staff and Budget, any Party, or any interested person, may file a formal complaint with, or seek a declaratory ruling from the Commission. Budget will have an opportunity to contest a Staff position that a change is not consistent with Budget's 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 Plans, 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 LBUS Plans, Staff may notify the FCC and Universal Service Administrator Company ("USAC") if it believes the Lifeline offerings are not eligible for funding.

- D. The Parties acknowledge that because Budget is using the network of its underlying carrier, Verizon, throughout its designated service area, that no notice to Public Safety Answering Points (“PSAPs”) is required.
- E. The Parties agree that Budget 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 (1) \$0.18 on its 250 free prepaid minutes (LBUS Plan #1) based on a value of \$12.75 per month in Colorado, (2) \$0.48 on its Active User Talk and Text Plan (LBUS Plan #2) based on a value of \$34.25 per month, and (3) \$0.48 on its Tribal LBUS Plan provided to eligible Lifeline customers based on a value of \$34.25 per month. In the event the number of free minutes associated with the LBUS Plans 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 Budget 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 customers 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, Budget shall pay the E911 charge at the amended rate and in the same manner as its wireless Lifeline competitors. Budget will also pay the prepaid wireless E911 charge on all prepaid and or/replenishment voice minutes sold independently of the LBUS plans. For prepaid minutes bundled with text messages or other services sold directly through Budget, Budget will pay the prepaid wireless E911 charge on the full amount of the retail transaction. In the event that Budget develops a system to separate out the voice minute charges from non-voice charges at the point of sale, Budget 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 Budget 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 under LBUS Plan #1 and above the 4,000 free minutes under the Tribal LBUS Plan).
- G. The Parties agree that Budget provides all its customers with the ability to make and receive interexchange or toll calls through interconnection arrangements made by Budget or its underlying providers.
- H. Budget commits to provide service throughout its designated service area as listed in Attachment 1 of this Settlement to all customers making a reasonable request for service. Budget 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 Budget will place on its Colorado-specific page of its web site ([www.budgetmobile.com](http://www.budgetmobile.com)) where its Colorado offerings are described, the Commission's contact information as listed in Attachment 2 to the Stipulation for any unresolved customer 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, Budget 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 Budget.

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 Budget 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 31st day of October, 2012.

**FOR BUDGET PREPAY, INC.  
D/B/A BUDGET MOBILE**



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**FOR BUDGET PREPAY, INC.  
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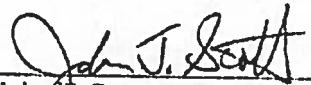
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**FOR THE STAFF OF THE  
COLORADO PUBLIC UTILITIES  
COMMISSION**

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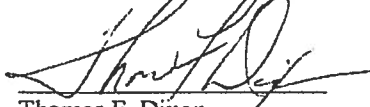
  
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**FOR THE  
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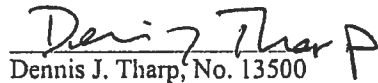
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## LIST OF ATTACHMENTS

- Attachment 1: Budget's Colorado service area in non-rural exchange areas
- Attachment 2: Operating Procedures
- Attachment 3: Budget's Initial Lifeline Offerings
- Attachment 4: Lifeline Certification Form

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<b>Budget PrePay, Inc., dba Budget Mobile ETC Designation - Lifeline Only Non-Rural Service Area</b>			
	<b>CIII</b>	<b>Central Office Name</b>	<b>Underlying Provider</b>
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	CRTZCOMA	CORTEZ	Qwest Corporation
35	DNVRCOCW	COTTONWOOD	Qwest Corporation
36	CRAGCOMA	CRAIG	Qwest Corporation
37	CRBTCOMA	CRESTED BUTTE	Qwest Corporation
38	CRCKCOMA	CRIPPLE CREEK	Qwest Corporation
39	DNVRCOCP	CURTIS PARK	Qwest Corporation
40	DCKRCOMA	DECKERS	Qwest Corporation
41	DLNRCOMA	DEL NORTE	Qwest Corporation
42	DELTCOMA	DELTA	Qwest Corporation
43	DNVRCOEA	DENVER EAST	Qwest Corporation
44	DNVRCOMA	DENVER MAIN	Qwest Corporation
45	DNVRCONO	DENVER NORTH	Qwest Corporation
46	DNVRCONE	DENVER NORTHEAST	Qwest Corporation

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

Budget PrePay, Inc., dba Budget Mobile ETC Designation - Lifeline Only Non-Rural Service Area			
	CIII	Central Office Name	Underlying Provider
93	KIOWCOMA	KIOWA	Qwest Corporation
94	KRNGCOMA	KREMMLING	Qwest Corporation
95	LSLLCOMA	LA SALLE	Qwest Corporation
96	LKWDCOMA	LAKEWOOD	Qwest Corporation
97	LRKSCONM	LARKSPUR	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

<b>Budget PrePay, Inc., dba Budget Mobile ETC Designation - Lifeline Only Non-Rural Service Area</b>			
	<b>CIII</b>	<b>Central Office Name</b>	<b>Underlying Provider</b>
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	WGTCOMAS	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 BUDGET MOBILE

### A. ACCESS TO RECORDS.

All records required by these procedures pertaining to Budget's Lifeline offerings shall be made available to the Commission or its authorized representatives at any time upon request.

### B. RETENTION OF RECORDS.

Unless otherwise authorized by the Colorado Public Utilities Commission ("Commission"), all records required by these procedures pertaining to Budget's Lifeline offerings 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 exchanges where Budget is designated for ETC status.

### D. RECORDS OF COMPLAINTS.

1. Budget shall maintain an accurate record of all oral and written complaints made by its customers regarding its service, or rates and charges. This record shall include the name and address of the customer or complainant, the time, date and nature of the complaint, the action taken to clear trouble, and the date and time of trouble clearance.
2. The record of complaints shall be categorized to indicate to Budget and to the Commission whether any particular customer encounters the same difficulties frequently, in terms of complaints per month, including customer trouble reports, whether a large number or percentage of all complaints from different customers arise from the same irregularity in service, with 5 percent or more of all complaints over a three month period being considered significant, or whether some phase of the construction, equipment, maintenance or operation are causing the complaints.
3. For any unresolved complaints or customer questions, Budget shall direct its personnel engaged in initial contact with an applicant or a customer in which dissatisfaction with the decision or explanation by the personnel is expressed, to inform the customer of the right to have the problem considered and acted upon by another consumer representative or supervisory personnel of Budget. If the applicant or customer continues to express dissatisfaction after the supervisory personnel have addressed the problem, Budget shall further direct the supervisory



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personnel to provide the complainant that they may contact the External Affairs Section of the Commission at Colorado Public Utilities Commission, Consumer Affairs, 1560 Broadway, Suite 250, Denver Colorado 80202, Phone 303-894-2070 or 800-456-0858, fax number 303-894-2532 or by e-mail to [PUCconsumer.complaints@dora.state.co.us](mailto:PUCconsumer.complaints@dora.state.co.us) for further review of an unresolved problem. Budget shall post on its website the contact information of the External Affairs Section of the Commission.

**E. DESIGNATED SERVICE AREA.**

Budget 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, Budget shall not serve eligible Lifeline customers 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 Budget may not be able to supply service to customers in Budget's 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"), Budget 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 customers 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 Budget, stating the order number assigned by Budget 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 15<sup>th</sup> 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 customer eligibility by the CDHS, Budget shall file a letter with the Commission stating the circumstances causing the delay, explaining whether such circumstances are beyond Budget's control, and providing an estimate of the time necessary to provide service. This letter should 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 customer or when the customer is unable to transmit or receive calls due to the failure of a component of the network furnished by Budget or provided through resale.

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2. An interruption period begins when the customer reports a service, facility or circuit to be inoperative and releases it for testing and repair. An interruption period ends when the service, facility or circuit is operative.

Reestablishing Service

3. Company 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. Company will make attempts to resolve emergencies at all hours, consistent with the bona fide needs of customers and the personal safety of Company's employees. In almost all cases, Company will be able to reestablish service within 24 hours. If unusual repairs are required, or other factors will prevent the prompt reestablishment of service, Budget will make reasonable efforts to contact customer.

Record Keeping and Reports

4. Budget shall keep records regarding outages described in Rule 2187(f)(II)(C). Budget shall inform customers of the potential of future service unavailability when Budget 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. Budget will make reasonable arrangements to resolve emergencies resulting from failures of service, unusual and prolonged increases in traffic, illness of personnel, fire, storm or other acts of God, and inform its employees as to procedures to be followed in the event of such emergencies in order to prevent or minimize interruptions or impairment of telecommunications service. Reports including the detailed information described in Rule 2187(f)(II)(C) shall be filed with the Commission as part of Budget's ETC annual report, as required by Rule 2187(f)(II)(C).

**H. ADVERTISING.**

Budget 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. Budget will comply with all NANP dialing pattern requirements.

**J. REPORTING REQUIREMENTS.**

Budget shall file the following reports with the Commission:

1. Copies of all filings submitted to Federal Communications Commission (FCC) or Universal Service Administrator Company (USAC). Budget shall file copies of all FCC forms submitted to the FCC or USAC, including Form 497, with the Commission at the time filings occur at the FCC or USAC.
2. Annual ETC Certification. Budget 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

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wireless service. This certification shall be filed with Budget's annual report as required by Rule 2187(f)(II)(D) and (E).

3. Quarterly Report. Budget shall submit a quarterly report to the Commission that will include customer-specific data, including customer name, address, and zip code, for:
  - a. Lifeline customers receiving two or more Lifeline subsidies per household in that same month from Budget,
  - b. New Lifeline customers enrolled in Budget's Lifeline service,
  - c. Lifeline customers removed from Lifeline service due to non-usage, and
  - d. Lifeline customers removed from Lifeline service due to ineligibility through the annual re-certification process.

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

1. Budget will identify Lifeline customers who have not used Budget's Lifeline service for 60 consecutive days in accordance with Budget's FCC Compliance Plan (p. 11-12) and will de-enroll such customers from Lifeline service, deactivate such accounts and cease to claim Lifeline reimbursement for such customers. Non-usage is determined as follows:
  - a. After 30 consecutive days of non-use, Budget identifies accounts that have not been used for 30 days and contacts these customers, either by phone, text, email, or written notification, asking the customers to respond via text message or by calling Budget's customer service number within 30 days to keep their account active.
  - b. After 45 days of non-usage (15 days after the initial notification), Budget's internal outreach team attempts to contact the customer to inquire about the customer's intentions to retain the service.
  - c. In addition to the above, and upon completion of the 30 day grace period and a cumulative 60 days of non-use, Budget provides written notice to the subscriber stating that non-use of their Lifeline service for 60 days and failure to respond to Budget's outreach efforts and/or provide an affirmative acknowledgement directly to Budget that the subscriber wishes to retain their Lifeline service within 30-days from the date of the initial text notification has resulted in their de-enrollment from the Lifeline program and deactivation of their service.
  - d. If the subscriber does not respond to the notice as provided above, the subscriber is de-enrolled from the Lifeline program and Budget does not request further Lifeline reimbursement for the subscriber from USAC or any state Universal Service Fund Administrator. Budget will report annually to the Federal Communications Commission the number of subscribers de-enrolled for non-usage by month.
  - e. During the entire 60 day period, Budget's 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.
  - f. Lifeline subscribers can "use" the service by: (1) completing an outbound call or text; (2) purchasing minutes from Budget to add to the subscriber's plan; (3) answering an incoming call from a party other than Budget; or (4)

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responding to a direct contact from Budget confirming that the subscriber wants to continue receiving the service.

2. The customer shall be notified in writing of Budget's intention to discontinue Lifeline services due to the Lifeline customer no longer meeting the qualification criteria upon notification from CDHS. Any notice shall clearly state that the customer contact CDHS registration system to verify eligibility. Budget will not seek Lifeline reimbursement from USAC upon notice from CDHS that the customer is no longer eligible unless the customer confirms eligibility with CDHS.

**L. CTIA CODE OF CONDUCT.**

Budget 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 Budget's Lifeline service, the customer must certify by his or her signature under penalty of perjury that he or she will receive Lifeline supported services only from Budget and, to the best of his/her knowledge, no one else in his/her household is receiving Lifeline-supported service.
  - a. Budget 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. Budget 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 customer 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 Budget within 30 days;

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- e. If the Lifeline subscriber provided a temporary residential address to Budget, 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 Budget 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. Budget shall file a copy of state-specific subscriber data, including name and address of Lifeline subscribers, to the Universal Service Administrative Company (USAC), upon request, and to this Commission for the purpose of determining whether an existing Lifeline subscriber receives Lifeline service from another carrier.
  3. Budget shall immediately investigate any notification from the Commission, CDHS or USAC regarding any Lifeline customer receiving duplicate subsidy from another carrier or from Budget. If it is determined that the Lifeline customer is receiving a duplicate subsidy, Budget will work with the other carrier(s) to notify the customer of the duplicate accounts and work with the customer to choose only one provider of Lifeline service. Budget shall also abide by any rules of the FCC and work with USAC and the Commission Staff to rectify any duplicate accounts. In the event the customer selects a carrier other than Budget to provide Lifeline service, Budget shall promptly remove the customer's Lifeline service and remove the customer from any USAC reimbursement.
  4. Budget shall deal directly with the subscriber and CDHS to certify and verify the subscriber's Lifeline eligibility on an annual basis.
  5. Budget 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. Budget shall ensure that all marketing materials for the service make clear that it is a Lifeline-supported service.
  7. Budget shall promptly de-enroll any subscriber whom Budget determines is no longer eligible for Lifeline service or when Budget is notified by CDHS that the subscriber is no longer eligible for Lifeline service. Budget shall promptly remove a customer's Lifeline service and remove the customer from any USAC reimbursement.

**N. 911 CALLING.**

1. Budget shall provide access to 911 service. If service is disconnected or minutes are depleted, customers may still make 911 calls and calls to a Customer Care number (611).
2. Budget 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

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<sup>1</sup> Budget 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. Budget agrees to notify the Commission when this rule is effective.

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Commission Staff of the amount remitted at the time the payment is made. Parties agree that Budget will separately identify the imputed amount of E911 charge on free minutes and the amount remitted on retail transactions.

**O. CUSTOMER CARE ACCESS.**

Customers will be provided a toll-free method to access Budget's customer care representatives, available at a minimum from 8am – 5pm CST Monday through Friday by dialing 611 from a Budget handset, and online at ([www.budgetmobile.com](http://www.budgetmobile.com)). Customers may obtain directory assistance by dialing 411 from a Budget handset.

**P. LIMITATIONS OF LIABILITY.**

Because Budget 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 Budget are subject to the terms, conditions and limitations specified herein and in Budget's Terms of Service available on the ([www.budgetmobile.com](http://www.budgetmobile.com)) website.

**Q. CUSTOMER DISCONNECTION.**

1. Budget shall not deny or discontinue service to a customer 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 customer 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 Budget's terms and conditions or Commission rule that may adversely affect the safety of any person or the integrity of Budget's service; or
  - 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 Budget disconnects service to a Lifeline customer for any reasons stated above, Budget will immediately cease seeking reimbursement from the Lifeline universal service fund for that customer.

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**LIFELINE BASIC UNIVERSAL SERVICE OFFERING  
OF BUDGET MOBILE**

The following contains a detailed description of Budget Mobile's ("Budget") Lifeline Basic Universal Service (LBUS) initial offering in Colorado.

**A. BUDGET's LIFELINE BASIC UNIVERSAL SERVICE OFFERING**

Budget's Lifeline Basic Universal Service Offering ("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. Budget's service includes voice grade access to the public switched telephone network or its functional equivalent and minutes of use for local service without additional charge to the end user.
2. Access to Emergency Service. Customers of Budget's LBUS Offering will be able to reach a public safety answering point by dialing "911" regardless of activation status. Budget will provide its Lifeline customers with 911 and E911 compliant handsets and replace non-compliant handsets at no additional charge.
3. Toll Limitation. Budget calling plans are not offered on a distance-sensitive basis and minutes are not charged separately for local or domestic long distance services. Prepaid offerings, by their very construct, act as a toll limitation mechanism.
4. Lifeline Services. Qualified low income customers shall receive the equivalent value of \$9.25 per month (250 free voice minutes or a \$9.25 price reduction for 4,000 minutes).<sup>1</sup> Qualified Tribal low income customers shall receive the equivalent value of \$34.25 per month (4,000 free voice minutes).
5. Hearing Impaired. Budget will make available services for the hearing impaired. Customers may contact Budget for more information.

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

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<sup>1</sup> Nothing in this Paragraph A(4) shall modify Budget's 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.

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1. Free Handset to each qualifying customer
2. Free Voicemail
3. Free Call Waiting
4. Free Caller ID
5. Free customer service calls
6. Free calls to 911 emergency services
7. Free domestic long distance calls

**C. THE PRICING FOR BUDGET'S LIFELINE BASIC UNIVERSAL SERVICE OFFERING**

1. Budget will flow through \$9.25 and \$34.25 respectively, which includes the federal subsidy, in the form of 250 free minutes to Lifeline customers for LBUS Plan #1, a price reduction for LBUS Plan #2, and 4,000 free minutes to Tribal customers for Tribal LBUS Plan.
2. Retail calling plans are pay-in-advance offerings and do not require the customer to sign a contract.
3. Long distance calls are included at no additional charge for calls made within the United States.
4. Federal and state universal service assessments are imposed separately. The Parties agree that Budget 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 under LBUS Plan #1 and above the 4,000 free minutes under the Tribal LBUS Plan).
5. Customers will not be required to enter into a long-term service contract or pay an activation fee.

**D. THE AREAS IN WHICH BUDGET'S LIFELINE BASIC UNIVERSAL SERVICE OFFERINGS ARE AVAILABLE, AND THE CORRESPONDING LOCAL CALLING AREAS**

Budget's LBUS Offering is available to customers within the exchanges in which Budget has been designated as an ETC. Budget shall not offer its LBUS 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.



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**E. BUDGET'S LBUS PLANS**

Budget shall provide the following three LBUS plans to eligible Lifeline customers:

Free 250 Minute Talk Plan (LBUS Plan #1)

- 250 free minutes of use each month
- Taxes or government fees are not assessed to Lifeline customers subscribing to the free 250 Minute Talk plan unless the customer purchases additional minutes, data plans, or other non-free services from Budget.

Active User Talk & Text (LBUS Plan #2)

- Monthly retail plan is \$34.25 per month, and the \$9.25 Lifeline discount will apply, resulting in \$25.00 charge to the Lifeline customer.
- Provides for a combined 4,000 voice minutes and text messages. Each text message counts as one minute of voice service.

Tribal LBUS Plan

- Budget offers the Active User Talk & Text Plan for free to eligible tribal customers with no activation fee.
- Eligible Tribal customers must self-certify to their residence on Tribal lands.
- Taxes or government fees are not assessed to Lifeline customers subscribing to the free 4,000 minute Tribal LBUS plan unless a customer purchases additional minutes, data plans, or other non-free services from Budget.
- Tribal customers can add international long distance at \$5.00 intervals and data packages for \$15.00.

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All plans include:

- Calls placed to Voicemail count against the voice minutes provided by the plan.

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Additional Minutes

Airtime – additional airtime minutes can be purchased at retail locations, by calling Customer Service, or via the Company's website ([www.budgetmobile.com](http://www.budgetmobile.com)).

- \$5 for 50 minutes
- \$10 for 100 minutes

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- \$15 for 150 minutes
- \$10 for Text Message Add which provides 1000 text messages

Applicable taxes and government fees are assessed upon the Active User Talk & Text (LBUS Plan #2), and on any Additional Minutes/Data packages for the Free 250 Minute Talk Plan, Active User Talk & Text Plan and Tribal LBUS Plan.

Roaming is blocked for Lifeline customers so that they do not incur unexpected roaming charges.

Customers will be eligible to upgrade from LBUS Plan #1 to LBUS Plan #2 by contacting Budget at least 24 hours in advance of their monthly service renewal date, requesting such upgrade and paying the associated monthly service fee.

In order for the customer to continue to receive his or her designated monthly allotment provided with LBUS Plan #2, the customer will be required to prepay the monthly service fee at least 24 hours in advance of their monthly service renewal date. In the event that prepayment of the monthly service fee is not received by the close of business on the day prior to the customer's monthly service renewal date, the Lifeline Plan will automatically default to the no-cost LBUS Plan #1. Customers may reinstate LBUS Plan #2 for the following month by making payment of the service fee at least 24 hours in advance of the following month's service renewal date. In the event a customer's Lifeline service defaults to LBUS Plan #1 and the customer chooses not to reinstate another Lifeline Plan, the customer will be subject to the federal rules related to non-usage for prepaid service as defined in Budget's FCC Compliance Plan (p. 11-12). Budget will not charge an activation fee for any of its Lifeline customers.

Service Period for all plans: All airtime (airtime associated with a particular plan, as well as additional purchased minutes, text messages or other services), expires at the end of each 30-day cycle, or 30 days from the date of purchase, whether the subscriber uses the airtime or not. No airtime (whether associated with a particular plan or purchased separately) is carried over to the next 30-day period.

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# LIFELINE CERTIFICATION FORM

Initial Lifeline Enrollment     Re-Verification of Lifeline Enrollment

## PERSONAL INFORMATION

PLEASE FILL OUT THE FOLLOWING INFORMATION:

First Name:  Middle Name:

Last Name:  Date of Birth: / /

Social Security # (last four digits):  Tribal Identification #:  Alt. Contact #: () -

Email Address:

I certify that I reside on a Federally recognized Tribal land. (For Tribal Residents Only)

## PLEASE READ AND ACKNOWLEDGE YOU AGREE BY INITIALING EACH STATEMENT BELOW, UNDER PENALTY OF PERJURY

\_\_\_\_\_ The information contained within this application is true and correct. I acknowledge that providing false or fraudulent documentation in order to demonstrate eligibility for the Lifeline program is punishable by fine or imprisonment.

\_\_\_\_\_ I understand that Lifeline is a federal government benefit program and that only qualified persons may participate in the Lifeline program.

\_\_\_\_\_ I understand that Lifeline is only available for one phone line per household, whether landline or wireless. Other Lifeline Providers Include: Cricket Communications, NE Colorado Cellular, Delta County Tele-COMM Inc., CenturyLink Qwest Corporation. To the best of my knowledge no one in my household is receiving Lifeline service. A household is defined, for purpose of the Lifeline program, as any individuals who live together at the same address and share income and expenses.

\_\_\_\_\_ I certify that I am at least 18 years of age and not currently receiving a Lifeline telephone service from any other landline or wireless telephone company. I will only receive Lifeline from Budget PrePay and no other landline or wireless telephone company. Any violation of the one phone line per household limitation will result in de-enrollment from the Lifeline program and may be punished by fine or imprisonment.

\_\_\_\_\_ I will not transfer my service to any other individual, including another eligible low-income consumer.

\_\_\_\_\_ I authorize Budget PrePay to access any records required to verify my eligibility for Lifeline service. I also authorize Budget PrePay to release any of my records required for the administration of the Lifeline program.

\_\_\_\_\_ I understand that I will be required to verify my continued eligibility for Budget PrePay's Lifeline service at least annually, and that I may be required to verify my continued eligibility at anytime, and that failure to do so will result in termination of Lifeline benefits. I will notify Budget PrePay immediately if I no longer qualify for Lifeline, or if I have a question as to whether I would still qualify.

\_\_\_\_\_ I will notify Budget PrePay within thirty (30) days if my home address changes. If the address I have provided is a temporary address, I understand that I must verify my address every ninety (90) days. Failure to provide such notification or verification may result in de-enrollment from the program.

\_\_\_\_\_ I authorize Budget PrePay to contact me by interactive voice response (IVR), or other means, to notify me of annual Lifeline re-verification and the company's 60-day non-usage reminder.

\_\_\_\_\_ I understand that completion of this application does not constitute immediate approval for Lifeline service.

