

**DOCKET NO. 38056**

**APPLICATION OF VIRGIN MOBILE  
USA, L.P. FOR DESIGNATION AS AN  
ELIGIBLE TELECOMMUNICATIONS  
CARRIER IN THE STATE OF TEXAS  
FOR THE LIMITED PURPOSE OF  
OFFERING LIFELINE SERVICES**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

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**ORDER NO. 6  
NOTICE OF APPROVAL FOR DESIGNATION AS  
AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

**Procedural History**

On March 15, 2010, Virgin Mobile USA, L.P. (Virgin Mobile or the Company) filed an application for limited designation as an eligible telecommunications carrier (ETC) throughout the State of Texas pursuant to 47 U.S.C. § 214(e) and P.U.C. SUBST. R. 26.418. Virgin Mobile seeks ETC designation only for the limited purpose of participation in the Universal Service Fund's (USF) Lifeline program as a prepaid wireless carrier. Virgin Mobile is not seeking authority to offer services in high-cost areas under the Federal Universal Service Fund (FUSF) or the Texas Universal Service Fund (TUSF).

Virgin Mobile is seeking limited ETC designation in all wire centers of the non-rural incumbent local exchange carriers AT&T Texas and Verizon as identified in Exhibit 2 of the original application and Exhibit 5 of the supplemental application. Virgin Mobile is a facilities-based commercial mobile radio service (CMRS) provider and is a wholly owned subsidiary of Sprint Nextel Corporation.

On March 16, 2010, the Commission issued Order No. 1 in this proceeding which established a procedural schedule, including deadlines for comment, motions to intervene, and publication of notice in the *Texas Register*. Notice was published in the *Texas Register* on March 26, 2010. The Applicant provided a copy of the application to the Office of Public Utility Counsel at the time of filing. Pursuant to P.U.C. SUBST. R. 26.418(g)(2)(A)(i), the effective date shall be no earlier than 30 days after the filing date of the application or 30 days after notice is completed, whichever is later.

On March 29 and April 2, 2010, Virgin Mobile filed supplements to the application. Order No. 4 issued on April 22, 2010, abated this docket. On May 6, 2010, the Applicant filed a request to unabate this proceeding. On May 13, 2010, Commission Staff filed its final recommendation requesting administrative approval of the application of Virgin Mobile for ETC status for the limited purpose of providing Lifeline service based on the following:

**Designation as Eligible Telecommunications Carrier**

To qualify for ETC status, a carrier must meet the following criteria:<sup>1</sup>

1. The carrier must be a common carrier, as that term is defined by the Federal Telecommunications Act of 1996 (FTA), Section 3(10).
2. The carrier must offer the following services<sup>2</sup> using its own facilities<sup>3</sup> or a combination of its own facilities and the resale of another carrier's services:
  - (a) voice grade access to the public switched network;
  - (b) local usage;
  - (c) dual tone multi frequency signaling or its functional equivalent;
  - (d) single party service or its equivalent;
  - (e) access to 911 or enhanced 911;
  - (f) access to operator services;
  - (g) access to interexchange service;
  - (h) access to directory assistance; and;
  - (i) toll limitation for qualifying low income customers.
3. The carrier must advertise the availability of the above services and charges for the services in a media of general distribution.<sup>4</sup>
4. The carrier must provide Lifeline and Link Up support, and may not collect a deposit from a customer receiving such support if the customer also elects toll blocking.<sup>5</sup>
5. Pursuant to 47 C.F.R. 54.201(c), prior to designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the state commission shall find that the designation is in the public interest.

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<sup>1</sup> 47 C.F.R. § 54.201(b)-(d).

<sup>2</sup> 47 C.F.R. § 54.101.

<sup>3</sup> 47 C.F.R. § 54.201.

<sup>4</sup> 47 C.F.R. § 54.201.

<sup>5</sup> 47 C.F.R. § 54.405.

Virgin Mobile meets all of the requirements to be designated as an ETC. As a wholly owned subsidiary of Sprint Nextel, Virgin Mobile will provide the above referenced services throughout the entire proposed study area using its own facilities. Virgin Mobile will serve the public interest by providing Texas consumers, especially low-income consumers, with affordable and comparable telecommunications services.

**Ordering Paragraph**

In accordance with Commission Staff's recommendation and for all the reasons stated therein, pursuant to the FTA § 214(e)(2) and P.U.C. SUBST. R. 26.418, Virgin Mobile's application for limited ETC designation, as supplemented, is **APPROVED**.

SIGNED AT AUSTIN, TEXAS the 18<sup>th</sup> day of May 2010.

**PUBLIC UTILITY COMMISSION OF TEXAS**

  
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**ANDREW KANG**  
**ADMINISTRATIVE LAW JUDGE**