

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 5, 2017

REGULAR _____ CONSENT X EFFECTIVE DATE _____ N/A _____

DATE: November 22, 2017

TO: Public Utility Commission

FROM: Kay Marinos *KM*

THROUGH: *JE* Jason Eisdorfer and *BC* Bryan Conway

SUBJECT: BOOMERANG WIRELESS, LLC DBA ENTOUCH WIRELESS:
(Docket No. UM 1668) Motion to Amend Designated Service Area.

STAFF RECOMMENDATION:

Staff recommends that Boomerang Wireless, LLC dba enTouch Wireless' (Boomerang's) request in its Motion to Amend Designated Service Area (Motion) be approved.

DISCUSSION:

Issue

Whether to approve or deny Boomerang's request, which would reduce Boomerang's current designated service area for purposes of offering Lifeline and the Oregon Telephone Assistance Program (OTAP) service. The reduction would be limited to seventeen specific zip code areas where wireless service coverage has been determined to be insufficient due to changes in the networks that Boomerang uses to provide service.

Applicable Rule or Law

Section 214(e)(2) of the federal Communications Act of 1934, as amended, gives state commissions primary responsibility for designating Eligible Telecommunications Carriers (ETCs) to receive federal universal service support for high-cost and low-income (Lifeline) purposes. General ETC and Lifeline requirements are reflected in Federal Communications Commission (FCC) regulations, 47 CFR Part 54.

The Commission updated its own ETC requirements, consistent with federal regulations, in Order No. 15-382 entered December 1, 2015, in Docket No. UM 1648. In that Order, the Commission authorized an ETC to use geographic units other than wire centers, including units associated with zip codes, to define its designated service area.

Commission regulations regarding Eligible Telecommunications Providers (ETPs) and the OTAP are included in Chapter 860, Division 033 of the Oregon Administrative Rules.

Boomerang was designated as an ETC and ETP for the purpose of offering Lifeline services in Docket No. UM 1668, Order No. 15-280, subject to the terms and conditions set forth in the parties' Stipulation. Paragraph 12 of the Stipulation provides:

"If Boomerang discontinues the use of either Verizon Wireless or Sprint facilities to provide Lifeline services in Oregon, or expands coverage through use of additional underlying wireless facilities, it will file notice with the Commission in Docket No. UM 1668 at least thirty (30) days prior to the network change. After notice is filed, Staff will perform a review of Boomerang's remaining wireless coverage and may recommend that the Commission modify Boomerang's designated service area as may be appropriate."

Analysis

The Commission initially designated Boomerang as an ETC and ETP for the limited purpose of offering Lifeline services in Order No. 15-280. The Order established Boomerang's initial designated service area (the geographic area for which it is authorized to offer Lifeline and OTAP services) in terms of specific zip codes. Boomerang does not own the facilities needed to provide wireless service, but instead utilizes the networks of facilities-based carriers. Boomerang's initial designation was premised on its use of the networks of Verizon and Sprint. In April of 2016, Boomerang filed to expand its designated service area to reflect the addition of the networks of AT&T Mobility and T-Mobile. The Commission approved that expansion in Order No. 16-171 entered May 3, 2016.

In subsequent filings, Boomerang requested expansion of its designated service area to include Tribal Lands to enable it to offer Tribal Lifeline in those areas. The Commission

approved the requests and Boomerang now offers Tribal Lifeline on the Tribal Lands of the Burns Paiute, Umatilla and Siletz Tribes.¹

Now Boomerang requests authorization to remove several zip codes from the list that currently defines its designated service area. The requested modification is based in large part on Boomerang's decision to cease using the network of AT&T Mobility to provide services.² Although Boomerang continues to use the networks of Verizon, Sprint and T-Mobile, the change provided an opportunity to reevaluate the extent and quality of coverage that Boomerang can provide to its customers. Based on customer experience and updated carrier information, and in consultation with Commission Staff, Boomerang identified areas associated with seventeen zip codes (out of a total of three hundred and eight-four included in the current service area) where coverage appears to be insufficient in terms of strength or availability. Those zip codes, which Boomerang proposes to remove from its designated service area, are listed here as Attachment A. The zip codes are associated with areas that are generally rural and sparsely populated. The changes will not affect the current designated service area relative to Tribal Lands. Exhibit 3 of Boomerang's Motion lists the specific zip codes that comprise the requested modified designated service area. Exhibit 2 of the Motion displays a map of the current designated service area and shows which zip codes are proposed for removal. The map is included here as Attachment B for ease of reference.

ETCs such as Boomerang are required by federal law and Commission requirements to provide Lifeline services throughout their designated service areas. While there may be certain locations or pockets where wireless coverage is not adequate, they should be of limited scope if a zip code is to be included in the overall designated service area. On a practical level, exclusion of zip code areas where service is inadequate saves potential customers time and effort in obtaining Lifeline service. Otherwise, the person would file an application, wait for approval and receipt of a handset, and only then find out that in reality there is no acceptable service where he or she lives. Exclusion similarly reduces the time and costs of program administration for Lifeline and OTAP. It is important to note that Boomerang currently has no Lifeline customers living in the affected zip code areas.

Conclusion

Removal of the selected zip codes from Boomerang's ETC/ETP designated service area is in the public interest. As Boomerang can no longer provide adequate service in these areas, removal will permit Boomerang to better meet its ETC obligations. It will

¹ See Order No. 16-492 (entered December 20, 2016), Order No. 16-250 (entered July 5, 2016), and Order No. 16-170 (entered May 3, 2016), respectively.

² Boomerang informed the Commission of the change in February 2017.

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also reduce the potential negative impacts on Lifeline customers and Lifeline/OTAP administration, without affecting any current Lifeline customers.

PROPOSED COMMISSION MOTION:

Approve Boomerang's request to modify its current designated service area.

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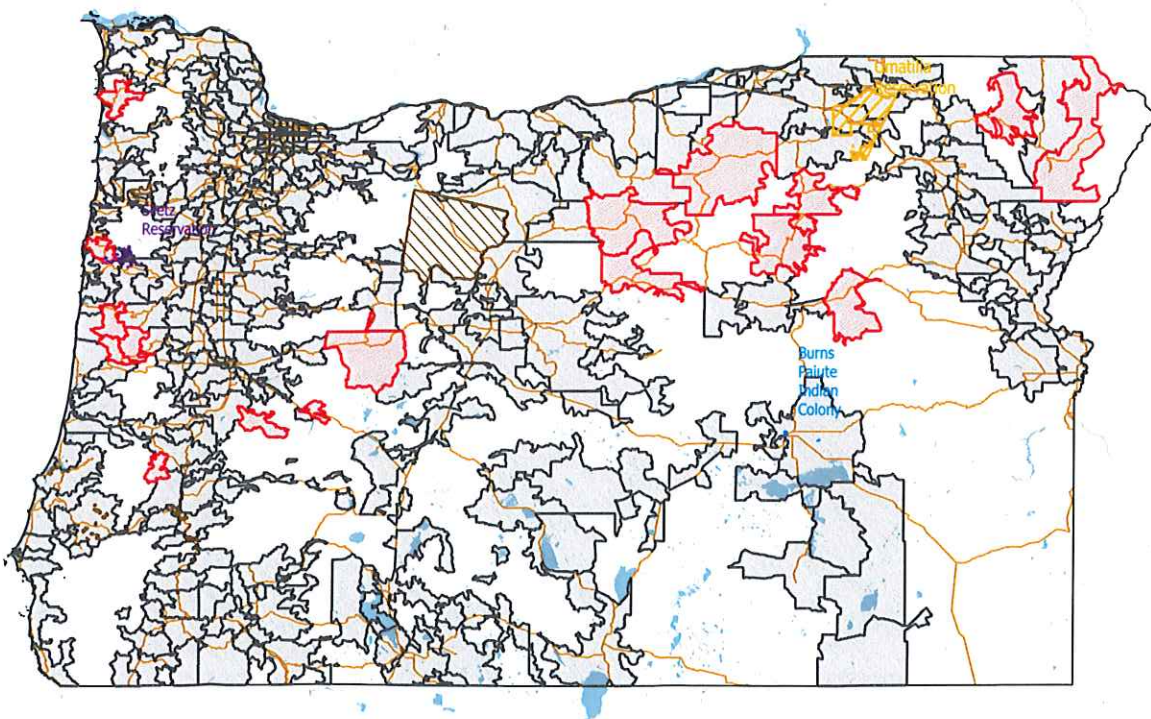
Attachment A

**Zip Codes Proposed for Removal
from Boomerang's Designated Service Area**

Zip Code	City	County
97131	Nehalem	Tillamook
97380	Siletz	Lincoln
97390	Tidewater	Lane/Lincoln
97413	Blue River	Lane
97430	Deadwood	Lane
97434	Dorena	Lane
97463	Oakridge	Lane
97480	Swisshome	Lane
97486	Umpqua	Douglas
97750	Mitchell	Wheeler
97830	Fossil	Wheeler
97836	Heppner	Morrow
97846	Joseph	Wallowa
97856	Long Creek	Grant
97869	Prairie City	Grant
97880	Ukiah	Umatilla
97885	Wallowa	Wallowa

Attachment B

Exhibit 2 - Map of Designated Service Area (Current)



Legend

- | | |
|--|-------------------------------|
| Remaining Zip Codes (ZCTA) | Removed Zip Codes (ZCTAs) |
| Siletz Reservation (included) | Other Tribal Lands (excluded) |
| Burns Paiute Indian Colony (included) | Cities |
| Umatilla Indian Reservation (included) | Highways |