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September 26, 2019

VIA EMAIL

Attention: Filing Center
Public Utility Commission of Oregon
P.O. Box 1088
Salem, OR 97308-1088

Re: Docket UM 1901 – Q LINK WIRELESS LLC’s Application for Designation as an Eligible Telecommunications Carrier and Eligible Telecommunications Provider, and Request for Certain Waivers.

Attention Filing Center:

Enclosed is Q LINK WIRELESS LLC’s Notice of Withdrawal of ETC Application.

Please contact this office with any questions.

Sincerely,

A handwritten signature in black ink that reads "Wendy McIndoo". The signature is written in a cursive, flowing style.

Wendy McIndoo
Office Manager

Enclosure

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1901

In the Matter of

Q LINK WIRELESS LLC, Application for
Designation as an Eligible
Telecommunications Carrier and
Telecommunications Provider, and
Request for Certain Waivers

NOTICE OF WITHDRAWAL OF ETC
APPLICATION

1 Q LINK WIRELESS, LLC (“Q LINK”) respectfully notifies the Commission that it hereby
2 withdraws its Application for Designation as an Eligible Telecommunications Carrier and Eligible
3 Telecommunications Provider, and Request for Certain Waivers (“ETC Application”). On October
4 4, 2017, Q LINK filed its ETC Application with the Public Utility Commission of Oregon
5 (“Commission”), the subject of the above-captioned docket. This proceeding has not been
6 classified as a Contested Case pursuant to ORS 183.310(2), and no scheduling notice has been
7 issued by the Administrative Law Judge or Commission, and no party has petitioned to intervene.
8 Q LINK now seeks to withdraw its ETC Application, without prejudice to its right to file a new
9 application in the future. Q LINK requests that the Commission enter an order closing this docket
10 (UM 1901).

11 In support of this Notice, Q LINK states as follows:

12 1. Q LINK is committed to the Lifeline program and serving the needs of eligible, low-
13 income consumers. Since 2011, Q LINK has grown to be one of the principal Lifeline providers
14 in the nation and has served approximately 2.5 million Lifeline subscribers. Q LINK has
15 successfully passed a number of routine government audits and its audit record is one of the best
16 in the industry. Q LINK also has the financial and technical capability to comply with the FCC’s
17 Lifeline service requirements. Q LINK has an excellent record for reaching eligible, low-income

1 households—67 percent of Q LINK’s Lifeline customers reside in rural zip codes and
2 approximately 80 percent were new to the Lifeline program when they subscribed with Q LINK.

3 2. According to 2017 data from the federal Universal Service Administrative
4 Company, Oregon had a Lifeline participation rate of only 10 percent, meaning only about 46,488
5 out of 487,269 eligible households are taking advantage of the important financial support
6 provided by the federal government.¹ Yet, there are only three ETC providers designated to
7 provide wireless Lifeline service to eligible consumers in the State² and as a result, there has
8 been a decline in the number of eligible consumers being served in Oregon.³

9 3. In an effort to bring these services to underserved households in Oregon, Q LINK
10 filed its ETC Application with the Commission two years ago. Making every effort toward a
11 successful approval process, Q LINK participated in all conferences or meetings with Commission
12 Staff to discuss the technical and operational details of Q LINK’s Lifeline service. In addition, Q
13 LINK has responded to a number of extensive, wide-ranging requests for information, often
14 involving matters beyond the scope of Q LINK’s eligibility for designation to provide Lifeline
15 service. At each instance, Q LINK responded to Staff’s inquiries and provided the requested
16 information in a timely manner.

17 4. On October 30, 2017 (a few weeks after Q LINK submitted its ETC Application),
18 Staff requested a conference call with Q LINK’s operations and IT personnel to discuss the
19 background operations of the Company’s enrollment, eligibility verification, and service provision
20 technical tools and process. Q LINK agreed but shortly before the call, the Company received
21 information about additional concerns and questions from Staff (due to proposed changes to the

¹ <https://www.usac.org/li/about/process-overview/stats/participation.aspx>

² <https://www.oregon.gov/puc/Pages/Free-Service.aspx>

³ See USAC Eligible Lifeline Population Statistics data, *available at* https://www.usac.org/_res/documents/li/xls/stats/Eligible-Lifeline-Population-Statistics.xlsx (noting that in 2016, the Oregon subscribers average was 64,928 compared to 46,488 in 2017 correlating with a Lifeline participation rate that dropped by 3 percent); see *also* https://www.usac.org/_res/documents/about/pdf/annual-reports/usac-annual-report-2015.pdf

1 Lifeline program by the FCC) causing the discussion to be delayed. Efforts by Q LINK to quickly
2 reschedule the call were unsuccessful due to restrictions in Staff's schedule. Ultimately, the call
3 did not occur until late February 2018—almost four months after the initial request.

4 5. Following the initial conference call, Staff proceeded to issue multiple rounds of
5 requests for documents and information that contained 72 total questions and the overall written
6 interrogatory process extended over an estimated seven-month period with the last requests in
7 that series issued in October 2018. Following another protracted delay, Staff issued yet another
8 set of data requests in July 2019. In its data requests, Staff sought information about things like
9 whether the Company conducts robocalls, what shipping company Q LINK uses to send phones
10 to customers, and average customer service call time. These inquiries seem only tangentially
11 related to Q LINK's fitness and ability to serve Oregon customers, and the extended process is
12 an example of the unnecessary delay Q LINK experienced in this proceeding.

13 6. In an effort to have Q LINK's application timely considered, Q LINK requested a
14 telephone conference or in-person meeting to once again, introduce the company, the services,
15 and the CEO. The call occurred on September 18, 2019 and the CEO made a presentation on
16 how Lifeline services are offered, and further offered to come to Oregon for additional meetings if
17 necessary. In fact, on a number of occasions on the call, the CEO emphasized that he did not
18 necessarily object to a number of the questions posed by Staff, but rather that the questions would
19 come after significant periods of time with no activity in the proceeding, thereby frustrating a timely
20 resolution to the application.

21 7. Despite Q LINK's technical and financial capability, ability to satisfy the program's
22 requirements, willingness to make key management (often the CEO) available for discussions
23 and transparent approach to this process, the Company has experienced continued delays. As
24 a result, Q LINK's ETC Application has not been timely considered. The ongoing changes to
25 aspects of the Federal Lifeline program including the adoption of a National Verifier system for
26 determining a household's eligibility to receive Lifeline benefits have caused further delay.

1 Q LINK tried to impress upon Staff that it has continued to successfully and effectively enroll and
2 provide service to eligible Lifeline customers in other states where it is designated despite the
3 FCC's changes. In addition, Q LINK has been working directly with the FCC and other Lifeline
4 ETCs to address potential challenges with the new system and ensure it is implemented in a
5 manner that does not negatively impact consumers. Q LINK has the capability and readiness to
6 respond to changes to the federal Lifeline program and adjust its Lifeline operations as necessary.
7 Thus, Q LINK is confident it would be able to provide quality service to eligible Oregon consumers
8 at present. Nevertheless, the delay requires Q LINK to put its capital elsewhere.

9 8. For the reasons outlined above, Q LINK has determined that the best course of
10 action at this time is to withdraw its ETC Application and close this proceeding. Q LINK has
11 notified Staff of its intention to close this proceeding, and it is Q LINK's understanding that Staff
12 does not oppose this request.

13 Accordingly, Q LINK hereby withdraws its ETC Application, without prejudice to its right to
14 file a new ETC/ETP Application in the future, and requests that the Commission close this docket.
15

DATED: September 26, 2019

Respectfully submitted,

MCDOWELL RACKNER & GIBSON PC



Lisa F. Rackner
Jocelyn Pease
Of Attorneys for Q LINK WIRELESS, LLC