STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own motion,) directing **BLUE JAY WIRELESS**, **LLC**, to show cause) why it should not be found to be in violation of) federal and state requirements for designation as) an eligible telecommunications carrier for purposes) of offering Lifeline service on a wireless basis.)

Case No. U-20744

At the June 10, 2020 meeting of the Michigan Public Service Commission in Lansing,

Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman Hon. Daniel C. Scripps, Commissioner Hon. Tremaine L. Phillips, Commissioner

SHOW CAUSE ORDER

The Commission Staff (Staff) has determined that Blue Jay Wireless, LLC (Blue Jay) may be

in violation of the federal Communications Act of 1934, 47 USC 214(e);¹ the Code of Federal

Regulations, 47 CFR 54.400 et seq.;² the Michigan Telecommunications Act, MCL 484.2316 and

² 47 CFR 54.400 *et seq.*, address a carrier's obligation to offer Lifeline services, the requirements to qualify as an ETC, the consequences for failure to comply with those obligations, and annual certification and record keeping requirements, among other things.

¹ 47 USC 214(e)(1), provides that, to qualify for universal service fund support, an eligible telecommunications carrier (ETC), 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 (including the services offered by another ETC), and advertise the availability of such services and the charges therefor using media of general distribution. 47 USC 214(e)(2) provides that states may designate a common carrier as an ETC if the conditions set forth in 47 USC 214(e)(1) are met.

484.2316(a);³ and Case Nos. U-17502, U-18490, U-20357, and U-20064, all of which relate to the statutory and/or regulatory requirements for continued designation as an ETC for purposes of offering Lifeline service⁴ to wireless customers.

On June 6, 2014, in Case No. U-17502 (June 6 order), the Commission, pursuant to 47 USC

214(e)(2), approved Blue Jay's application for designation as an ETC for purposes of wireless

Lifeline USF support, subject to Blue Jay's compliance with federal and state requirements that

are set forth in the June 6 order as 26 enumerated conditions and four additional conditions. In

pertinent part, the June 6 order required the following:

Blue Jay shall provide information to the Commission on a quarterly basis, based on the calendar year, on the number of Lifeline customers it is serving and the amounts paid to individual counties and the State of Michigan for 9-1-1 surcharges in this docket.

Blue Jay shall advertise its Lifeline product in media of general distribution including newspaper, radio, its own website, and other direct advertising methods and provide a copy of the advertisement to the Commission. The advertisement shall include information on monthly service plans, the cost of initiating service, and information needed for the forbearance compliance issues.

Blue Jay shall promptly notify the Commission of any future changes to its rates, terms, and conditions regarding its low income offerings in this docket.

June 6 order, pp. 5-6.

The Staff reports that Blue Jay has not filed timely and appropriate quarterly information

regarding the number of Lifeline customers it serves or 9-1-1 surcharges, as required by the June 6

order, since its first quarter filing in February 2018. The Staff notes that Blue Jay untimely filed

³ MCL 484.2316 addresses, among other things, the requirement to notify the public of the availability of Lifeline services. MCL 484.2316(a) addresses the creation of the intrastate Universal Service Fund (USF) and the provision of supported services.

⁴ The Lifeline program is administered by the Universal Service Administrative Company which is responsible for data collection and maintenance, support calculation, and disbursement of funds for the Lifeline program.

2018 second quarter information during the third quarter of 2018 (on July 13, 2018) but the information was filed in an unacceptable format and was unsigned. As of the date of this order, Blue Jay has not filed the required quarterly information in the docket for the second, third, and fourth quarters of 2018; the entirety of 2019; and the first quarter of 2020.

The Staff further reports that, on December 27, 2017, the Commission notified Blue Jay that Case No. U-18490⁵ was opened for the purpose of receiving all required annual filings required by the Federal Communications Commission (FCC) for 2018, i.e., filings pertaining to Lifeline/Tribal Link-Up, High Cost, and Connect America Fund I and II, including FCC Form 481⁶ filings related to the Michigan ETC recertification process; and, on December 17, 2018, the Commission notified Blue Jay that Case No. U-20357⁷ was opened for the purpose of receiving the required 2019 annual filings. As of the date of this order, Blue Jay has not filed the required annual filings for 2018 and 2019, except for having filed FCC Form 555⁸ on February 23, 2018.

In addition, Blue Jay has not filed any notifications or updates of changes to service since September 19, 2017, when it notified the Commission that the company had transferred all its customers to Stand Up Wireless. Despite the transfer of its entire customer base to another telecommunications company, Blue Jay indicated to the Staff that it desired to retain its ETC designation. Even so, the Commission has not recertified Blue Jay's 2018 or 2019 eligibility for the federal USFs that are offered by the FCC as support to the company for the required Lifeline

⁷ See, Case No. U-20357, filing #U-20357-0001.

⁸ FCC Form 555 is the Annual Lifeline Eligible Telecommunications Carrier Certification Page 3 U-20744

⁵ See, Case No. U-18490, filing #U-18490-0001.

⁶ FCC Form 481 is the Carrier Annual Reporting Data Collection form required pursuant to 47 CFR 54.422.

customer discounts because, for more than two years, Blue Jay has not filed the required documentation to qualify, as discussed above.

Further, in the April 18, 2018 order in Case No. U-20064, the Commission ordered Blue Jay to file comments, not later than 5:00 p.m. on June 1, 2018, indicating the company is willing and able to ensure eligible customers served by AT&T Michigan in Blue Jay's service territory will continue to be served with the federal Lifeline discount. As of the date of this order, Blue Jay has not filed the required comments appropriately, having untimely filed an unsigned document from a person not known to be associated with Blue Jay in any capacity. *See*, Case No. U-20064, filing #U-20064-0019.

Accordingly, the Commission finds that it should order Blue Jay to show cause why it should not be found in violation of the above-described statutory and regulatory requirements and Commission orders. Blue Jay is ordered to file a response in this docket by 5:00 p.m., Eastern time (ET), on June 23, 2020. Blue Jay's response shall be accompanied by prefiled direct testimony, exhibits, work papers, and affidavits supporting the veracity of its response prepared by a person or persons with actual knowledge of the circumstances. Blue Jay is also ordered to appear with counsel at a prehearing conference scheduled for 9:30 a.m., ET, on July 1, 2020, before Administrative Law Judge Sharon L. Feldman (ALJ) at the Commission's offices, 7109 W. Saginaw Highway, Lansing, Michigan, 48917. Any interested person may file a petition for leave to intervene by 5:00 p.m., ET, on June 23, 2020. All further proceedings in this matter shall be scheduled by the ALJ. THEREFORE, IT IS ORDERED that:

A. Blue Jay Wireless, LLC, shall file its response to the allegations set forth in this order to show cause accompanied by supporting documentation in this docket by 5:00 p.m., Eastern time, on June 23, 2020.

B. Petitions for leave to intervene in the matter shall be filed by 5:00 p.m., Eastern time, onJune 23, 2020.

C. Blue Jay Wireless, LLC, shall appear with counsel at a prehearing conference scheduled for 9:30 a.m., Eastern time, on July 1, 2020, before Administrative Law Judge Sharon L. Feldman at the Commission's offices, 7109 W. Saginaw Highway, Lansing, Michigan, 48917.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must file a claim of appeal in the Michigan Court of Appeals in the appropriate court within 30 days of this order, pursuant to MCL 484.2203(12). To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at mpscedockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungp1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Sally A. Talberg, Chairman

Daniel C. Scripps, Commissioner

Tremaine L. Phillips, Commissioner

By its action of June 10, 2020.

Lisa Felice, Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)

Case No. U-20744

County of Ingham

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Brianna Brown being duly sworn, deposes and says that on June 10, 2020 A.D. she

electronically notified the attached list of this Commission Order via e-mail transmission,

to the persons as shown on the attached service list (Listserv Distribution List).

Brianna

Subscribed and sworn to before me this 10th day of June 2020.

Angela P. Sanderson Notary Public, Shiawassee County, Michigan As acting in Eaton County My Commission Expires: May 21, 2024

Name

Email Address

Oscar H. Morris Jr.

hmorris@lakecap.com

charles.forst@360.NET carl.billek@CORP.IDT.NET dbronson@BLANCHARDTEL.COM clglover@ATT.COM rg1467@ATT.COM schoen.kevin@ACD.NET David.thomas@ALPHACOMM.NET cg5262@ATT.COM mb@BIRNS.NET ted.hankins@CENTURYLINK.COM scott.ringo@CINBELL.COM cchamp@CMCTELECOM.NET ddragan@CMCTELECOM.NET joel.brewer@ENVERSA.COM Regulatory.affairs@EXCEL.COM pbowman@GLCOM.NET strandtc@LIQUIDWEB.COM pwickstr@PACWEST.COM kscovill@TELECOMSYS.COM compliance@velocity.org dbailey@BULLSEYETELECOM.COM jsa@AMBT.NET toddg@CASAIR.NET ljfreeman@BANDWIDTH.COM tnamy@CLEARRATE.COM pjosephson@STERLINGBUSINESSLAW.COM stacey parker@CABLE.COMCAST.COM pmasters@ERNESTGROUP.COM jmorris@FIRSTCOMM.COM robert.e.stewart@FTR.COM clockett@INTRADO.COM smendez@MCGRAWCOM.NET mark@NOMADINTER.NET rdichy@METTEL.NET sfenker1@EARTHLINK.NET

Global Connection Inc. of America IDT America, Corp. Blanchard Telephone Association, Inc. AT&T Comm of MI, TCG Detroit Hold AT&T Michigan No Name Available Velocity David Bailey American Broadband & Telecom Crystal Auto Sys dba Casair Bandwidth.com CLEC, LLC Clear Rate Comm, Inc. **Trans National Comm Comcast Business Communications, LLC** Ernest Communications, Inc. First Communications, LCC **Frontier Communications** Intrado Communications, Inc. McGraw Communications, Inc. Media Gate Communications, Inc. Metropolitan Communications **Nexus Communications**

jrenneker@NOS.COM sm1024@CYNERGYCOMM.NET JBrown@VCOMSOLUTIONS.COM akubs@800GOQUICK.COM byuille@800GOQUICK.COM info@RELIANT.NET Idellaero@TRINSIC.COM cfoster@CALLONE.NET pwstark@UP.NET teri@CARRINTER.NET chapintel@POWER-NET.NET jburnham@CTSTELECOM.COM lingle@CYTELCOM.COM jbrogan@JAMADOTS.NET byung@TELAVA.COM jcschaefer@KALTELNET.NET rfletcher@LENTEL.COM corie@OGDENTEL.COM ehe@AVCI.NET souders@SANDCREEKTELCO.COM Janet@SPRINGCOM.COM wfh@SPRINGCOM.COM kenneth.schifman@SPRINT.COM jcompton@BLUECASA.COM bboshoven@USSIGNALCOM.COM mark@WALDRONTEL.COM ron.siegel@ALLBAND.ORG pmorse@FAIRPOINT.COM sgibbs@NHCGRP.COM admin@RANGETELE.COM mvitale1@DNSYS.COM jcui@ONECOMMUNICATIONS.COM sb1015@CYNERGYCOMM.NET cjr@DAYSTARR.NET tm5886@ATT.COM rick@RACC2000.COM dave@CASS.NET felicel@MICHIGAN.GOV vmg@ALPENAPOWER.COM

NOS Communications, Inc. Osirus Communications, Inc. Quantum Shift Communications **Quick Communications** Quick Communications, Inc. Reliant Communications, Inc. Trinsic Communications, Inc. United Comm, Inc. dba Call One Baraga Telephone Company Carr Telephone Company Chapin Telephone Company Climax Telephone Company Cypress Comm Oper Company, Hiawatha Telephone Company **IBFA Acquistion Company** Kaleva Telephone Company Lennon Telephone Company Ogden Telephone Company **Pigeon Telephone Company** Sand Creek Telephone Company Springport Telephone Company Springport Telephone Company Sprint Communications Company, L.P. **TNCI Operating Company, LLC** U.S. Signal Company, LLC Waldron Telephone Company **Allband Communications Cooperative** FairPoint Communications Solutions Corp. New Horizons Comm Corp. **Range Corporation TruComm Corporation** Jie Cui CynergyComm.Net, Inc. DayStarr, LLC Bell South Long Dist Inc., dba AT&T **RACC Enterprises, LLC Deerfield Farmers** Lisa Felice Vicki Goodburne

chopkins@GRID4.COM regulatory@BULLSEYETELECOM.COM regulatory@INTRADO.COM gcglodek@TOUCHTONE.NET Gregg.diamond@VERIZON.COM regulatory@primustel.ca jkreucher@HOWARDANDHOWARD.COM krichel@DLIB.INFO deborah.kuhn@VERIZON.COM joe.topel@ORANGE-FTGROUP.COM tjackson@BIRCH.COM Andrew.Labbe@LEVEL3.COM linda.cicco@BT.COM brett.ferenchak@BINGHAM.COM steve@LUCRE.NET regulatory@PIONEERTELEPHONE.COM robert.mccausland@H3NET.COM djc@METRONET.CC aeconomou@METTEL.NET truskowski@ACECOMGROUP.COM cfl.regulatory@CHARTERCOM.COM shamula@WVFIBERNET.NET sbohler@CZN.COM jkk@LECMI.COM pearcec@MICHIGAN.GOV jon brinton@MITEL.COM matt-schultz@COMCAST.NET Marva.Johnson@MYBRIGHTHOUSE.COM sbogdan@BROADVIEWNET.COM dgonos@FLASH.NET Sandra.blade@WINDSTREAM.COM toddg@ISERVGROUP.COM rmillar@NEXTGNETWORKS.NET rsullivan@YGNITION.COM

Grid4 Communications Inc. Bulls Eye Telecom Inc. Intrado Communications Inc. TouchTone Communications Inc. Verizon North Inc. PTGi Intl Carrier Services, Inc. Kreucher, Jon D. **Thomas Krichel** Deborah Kuhn, Verizon France Telecom Corporate Solutions L.L.C. Birch Telecom of the Great Lakes, Inc. Level3 Comm **BT** Communications Sales LLC **Bingham McCutchen LLP** Lucre, Inc. Telecom Management, Inc., dba Pioneer Long **Robert McCausland** MetroNet-Telecom, Inc Metropolitan Telecomm of MI Ace Telephone Company of Michigan, Inc. Charter Fiberlink- Michigan, LLC **Fibernet of Michigan** Frontier Communications of Michigan Local Exchange Carriers of Michigan, Inc. Chrissie Pearce- MPSC **MiTel NetSolutions** ATI Network,s Inc Bright House Network Broadview Networks & A.R.C. Networks, GVC Networks, LLC Intellifiber Networks, Inc. **JAS Networks & EagleNet** NextG Networks Ygnition Networks, Inc.

swarren@tminc.com markj@ACCESSONEINC.COM marv.bulev@ONVOY.COM jason.brown@ACCESSPOINTINC.COM LegalNotices@ACNINC.COM marva.johnson@BHNIS.COM bstewart@EASTONTELECOM.COM cbarton@WCS.COM john.ivanuska@XO.COM cmartin@WIDEOPENWEST.COM gloria.t.silas@VERIZON.COM mark@CSILONGWOOD.COM sales@CREXENDO.COM jkorn@STORESONLINE.COM vanessa.leon@SPECTROTEL.COM Steve@CASAIR.NET jet@T2COMM.NET joe@TC3TELECOM.COM gregl@GOAIT.COM cschneider@CMCTELECOM.NET psc@IBCTELECOM.COM regulatory@MATRIXBT.COM jean.paul@TDSTELECOM.COM butler@EOT.NET isaacs@ISG-TELECOM.COM dstoll@MEI.NET ranthony@JAMADOTS.COM fxm@QTELEPHONE.COM askus@BUCKEYE-TELESYSTEM.COM BRex@BUCKEYE-TELESYSTEM.COM sharonl@ACCUTEL.NET regulatory@TNCII.COM david.vehslage@VERIZON.COM dprather@INDIGITAL.NET james.mackenzie@QUORTECHEQUITIES.COM WiMacTel, Inc. chris@CASTLEWIRE.COM kelly.faul@XO.COM mark.iannuzzi@TELNETWW.COM legal.request@elnk.com

Technologies Management Access One, Inc. Onvoy, Inc. Access Point, Inc. ACN Comm Services, Inc. **Bright House Networks Information Services** Easton Telecom Services, L.L.C. Wholesale Carrier Services, Inc. **XO** Communications Services, Inc. Sigecom, LLC dba WOW! Interent, Cable and P Gloria Silas, Verizon Compliance Solutions, Inc. **Crexendo Business Solutions** Crexendo Bus Solutions. Spectrotel, Inc. **Crystal Automation Systems T2** Communications TC3 Telecom Inc. Advanced Intergrated Technologies, Inc. CMC Telecom, Inc. **IBC** Telecom Matrix Telecom, Inc. & Trinsic Communicatio TDS Telecom, Inc. Empire One Telecommunications, Inc. **Voxbeam Telecommunications Barry County Telephone** Chippewa County Telephone Quality Telephone, Inc. Buckeye Telesystem, Inc. **Buckeye Telesystem** Accutel of Texas, L.P.; Phone Co, L.P. tncii.com (No Name Available) MCIMetro Access Transmission **Communications Venture** Castle Wire, Inc., f/k/a Business Communica Nextlink Wireless, Inc. Telnet Worldwide, Inc., Superior Spectrum T No Name Available

PROOF OF SERVICE

STATE OF MICHIGAN)

Case No. U-20744

County of Ingham

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Brianna Brown being duly sworn, deposes and says that on June 10, 2020 A.D. she served

a copy of the attached Commission order by first class certified mail (7014 0150 0001 0742

7232), postage prepaid, or by inter-departmental mail, to the persons as shown below.

Blue Jay Wireless LLC Attn: Oscar H. Morris Jr. 8120 N central Expy., Ste. 670 Dallas, TX 75206

no Bronn

Subscribed and sworn to before me this 10th day of June 2020.

W DOW

Angela P. Sanderson Notary Public, Shiawassee County, Michigan As acting in Eaton County My Commission Expires: May 21, 2024