

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

IN THE MATTER OF THE Petition of )  
Commnet Wireless, LLC For Designation as )  
an Eligible Telecommunications Carrier ) DOCKET NO.  
)  
)  
)

DIRECT TESTIMONY  
OF  
ROHAN RANARAJA  
ON BEHALF OF  
COMMNET WIRELESS, LLC

1 DIRECT TESTIMONY OF ROHAN RANARAJA

2  
3 PLEASE STATE YOUR NAME, PLACE OF EMPLOYMENT AND BUSINESS ADDRESS.

4  
5 My name is Rohan Ranaraja. I am employed by Commnet Wireless, LLC (“Commnet  
6 Wireless”) as Director of Regulatory Compliance. My business address is 1001 Technology  
7 Drive, Little Rock, Arkansas 72223.

8 WHAT IS THE PURPOSE OF YOUR TESTIMONY?

9 The purpose of my testimony is to discuss the qualifications of Commnet Wireless, LLC  
10 (“Commnet Wireless”) to be designated as an Eligible Telecommunications Carrier (“ETC”) for  
11 purposes of offering Lifeline service (not requesting high cost support) where it is currently not  
12 designated as an ETC on the remainder of the Northern Cheyenne Reservation where it currently  
13 is not designated as an ETC.

14 PLEASE DESCRIBE COMMNET WIRELESS.

15 Commnet, a wholly-owned subsidiary of ATN International, Inc. a publicly traded  
16 corporation headquartered in Beverly, Massachusetts, is licensed by the FCC as a facilities-based  
17 provider of CMRS, including voice and data services, and provides those services in  
18 predominantly rural areas. Commnet focuses primarily on serving areas with a population of  
19 2,500 or less. Commnet’s facilities based coverage footprint includes several Native American  
20 reservations<sup>1</sup> and, in some cases, it is the only wireless communications provider in the areas.

21 HAS COMMNET WIRELESS PREVIOUSLY BEEN DESIGNATED AS AN ETC IN  
22 MONTANA?

23 The Montana Public Service Commission (“Commission”) previously granted a  
24 conditional ETC designation to Commnet through Final Order No. 7319 in Docket No.

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<sup>1</sup> The Navajo Nation, the Hopi Reservation, the Mescalero Apache Reservation, the San Carlos Apache Reservation, the Tohono O’odham Reservation, the Picuris Pueblo and the Northern Cheyenne Reservation

1 D2013.11.80 (“December 2013 Commnet ETC Designation Order”). In the December 2013  
2 Commnet ETC Designation Order, the Commission conditionally granted Commnet as an ETC  
3 on the Northern Cheyenne Reservation. Commnet’s ETC designation was conditioned upon  
4 Commnet winning Tribal Mobility Funds and limited to the two census tracts that make up the  
5 Northern Cheyenne Reservation. One census tract is located in Big Horn County and the other is  
6 located in Rosebud County. Commnet was the winning bidder and successfully secured funds to  
7 build out the census tract in Rosebud County through the Tribal Mobility Fund. With the  
8 assistance of Tribal Mobility Funds, Commnet has since deployed a wireless network consisting  
9 of 4 cell sites in this census tract and recently opened a tribal wireless agent location in Lame  
10 Deer. As a result, Comment is currently operating as an ETC on part of the Northern Cheyenne  
11 Reservation.

12 Despite its efforts, Commnet was not successful in securing funds to build out the census  
13 tract in Big Horn County through the Tribal Mobility Fund. No other carrier submitted a bid  
14 seeking funds to serve this area. After consultation with the Tribe, Commnet made the decision  
15 to invest private capital to extend its network to Big Horn County. As a result, Commnet has  
16 deployed a wireless network consisting of 2 cell towers, utilizing private capital, and currently  
17 offers 3G mobile voice and broadband service in Big Horn County where service did not  
18 previously exist.

19 HAS COMMNET WIRELESS BEEN DESIGNATED AS AN ETC IN ANY OTHER STATE?  
20

21 Yes. In addition to Montana, Commnet is presently designated and operates as an ETC in  
22 certain areas of Arizona, Colorado, Nevada, New Mexico and Utah.

23 PLEASE IDENTIFY THE AREA IN WHICH COMMNET WIRELESS IS SEEKING TO BE  
24 DESIGNATED AN ETC?  
25

26 Commnet Wireless is seeking ETC designation to serve the Tribal areas set forth in

1 **Exhibit A.** According to 2000 Census Data issued by the U.S. Census Bureau, 24.6% of the  
2 residents on the Northern Cheyenne Reservation had no telephone service. Furthermore, as the  
3 2000 census data demonstrates below, the requested areas (1) have low per capita incomes, high  
4 unemployment rates and high poverty levels; and (2) are entirely rural and sparsely populated.

5

<b>Northern Cheyenne Reservation, MT</b>	
Total Population in Proposed Service Area	4,470
Unemployment Rate in Proposed Service Area	19.50%
Population not in labor force	44.10%
Population below Poverty Level	39.30%
Per Capita Income	\$7,736
Area considered Non-farm Rural	100%

6

7 DOES COMMNET WIRELESS MEET ALL OF THE REQUIREMENTS TO BE  
8 DESIGNATED AS AN ETC?

9  
10 Yes.

11  
12 PLEASE DESCRIBE HOW WILL COMMNET WIRELESS WILL SATISFY EACH OF THE  
13 ADDITIONAL ELIGIBILITY CRITERIA.

14  
15 Common Carrier Status

16  
17 Yes. Commnet is a common carrier as defined in 47 U.S.C. § 153(11). Commnet will  
18 provide wireless telecommunications service throughout its requested designated service area  
19 and, as a wireless telecommunications service provider, Commnet is regulated as a common  
20 carrier. Commnet, therefore, meets the ETC requirement of being a common carrier.

21 Service Provided Through Own Facilities

22 Yes. Commnet will provide the supported services specified in 47 C.F.R. 54.101(a)  
23 throughout the proposed service area using its own facilities. Commnet's facilities include its  
24 cellular network infrastructure, which consists of switching, trunking, cellular sites and network

1 equipment. No other carrier is operating a cellular network that is capable of provisioning  
2 service throughout the proposed service area.

3 Service Requirements, Including Minimum Service Standards

4 Commnet certifies that its Lifeline supported wireless service will comply with the  
5 Lifeline program’s minimum service standards. Commnet, under its “Choice Wireless”  
6 trademark, already provides Lifeline supported service plans in areas where it has been  
7 designated an ETC including those portions of the Northern Cheyenne Reservation within  
8 Rosebud County. Further, Commnet understands that it must continue to comply with any future  
9 additions to or amendments of the Lifeline broadband rules and will revise its offerings as  
10 necessary to comply with Part 54 service standards.

11 In addition to providing wireless voice and data service to Lifeline subscribers, Commnet  
12 will provide subscribers with a Wi-Fi-enabled smart phone at no cost to the Lifeline-eligible  
13 consumer.<sup>2</sup> Commnet also will offer hotspot-enabled phones permitting Lifeline-eligible  
14 subscribers to share their service with others in their household. Lifeline-eligible subscribers  
15 will be able to purchase device upgrades providing benefits such as the ability to enjoy high-  
16 quality photos and video, experience faster load-times for on-device apps and services, and  
17 benefit from better storage and memory. However, purchases of additional equipment will not  
18 be required.

19 Ability to Function in Emergency Situations

20 Commnet is a facilities-based wireless telecommunications carrier with its own  
21 switching, transport, cell sites, and associated telecommunications facilities in the proposed ETC  
22 service area. Commnet will be able to function in emergency situations as set forth in

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<sup>2</sup> Commnet is not responsible for replacement costs of lost or stolen phones, or for phones damaged due to a subscriber’s act or omission. See terms and conditions of service on the Commnet website, <https://us.choice-wireless.com/terms-and-conditions.html>.

1 § 54.202(a)(2), which includes a demonstration that it has a reasonable amount of back-up power  
2 to ensure functionality without an external power source, is able to reroute traffic around  
3 damaged facilities, and is capable of managing traffic spikes resulting from emergency  
4 situations. Specifically, Commnet will have the following capabilities to remain functional in  
5 emergency situations:

6 Availability of fixed and portable back-up power generators at various network  
7 locations throughout Commnet's network that can be deployed in emergency  
8 situations.

9  
10 Ability to reroute traffic around damaged or out-of-service facilities through the  
11 deployment of cell-on-wheels ("COWs"), redundant facilities, and dynamic  
12 rerouting of traffic over alternate facilities.

13  
14 A network control center that monitors network traffic and anticipates traffic  
15 spikes, and can then (i) deploy network facilities to accommodate capacity needs,  
16 (ii) change call routing translations, and (iii) deploy COWs to temporarily meet  
17 traffic needs until longer-solutions, such as additional capacity and antenna  
18 towers can be deployed.

19  
20 Sites not equipped with fixed generators typically have battery back-up systems  
21 installed to maintain service in the event of a widespread power outage.

## 22 23 Consumer Protection Requirements

24 47 C.F.R. § 54.202(a)(3) states that a wireless applicant's commitment to comply with  
25 the Cellular Telecommunications and Internet Association's Consumer Code for Wireless  
26 Service ("CTIA Consumer Code") will satisfy this consumer protection and service quality  
27 requirement. Commnet fully complies with applicable consumer protection requirements,  
28 including without limitation the CTIA Consumer Code, and commits to continue to do so.

29 Additionally, Commnet subscribers can reach Commnet in the following ways:

- 30
- 31 • Web: <https://us.choice-wireless.com/contact.html>
  - 32 • Customer Support Hotline: (800) 246-4239
  - 33 • Customer service is available between the hours of 6:00 a.m. - 9:00 p.m. CST,  
Monday-Saturday.

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Financial and Technical Capabilities to Provide Lifeline-Supported Services

Commnet is a wholly-owned subsidiary of ATN International, Inc. (“ATN”), a publicly-traded corporation (symbol ATNI). ATN has a seventeen-year track record of increasing its quarterly dividend. As set forth in its Form 10-K filing with the Securities Exchange Commission for 2016, ATN has available working capital of over \$217 million as of December 31, 2016. Thus, Commnet is more than adequately capitalized.

Commnet is already providing Lifeline supported service in parts of the Northern Cheyenne Reservation in compliance with state and federal requirements. Therefore, Commnet is technically capable of providing Lifeline supported in compliance with state and federal rules throughout the Northern Cheyenne Reservation.

Terms and Conditions of Lifeline Plan

Common carriers seeking designation as an ETC must provide a summary of the Lifeline rate plans and the terms and conditions of such plans. Commnet will offer a Non-Tribal Lifeline Plan and a Tribal Lifeline Plan. The details of these rate plans are as follows:

	<b>Non-Tribal Lifeline Plan</b>	<b>Tribal Lifeline Plan</b>
Data (3G or better)	500 MB	3 GB
Voice Minutes	500 Minutes	Unlimited
Texts	Unlimited	Unlimited
Handset	Free	Free
Cost to Lifeline Subscribers	Free	Free

17

1 The terms and conditions for such plans are available at [https://us.choicewireless.com/terms-and-](https://us.choicewireless.com/terms-and-conditions.html)  
2 [conditions.html](https://us.choicewireless.com/terms-and-conditions.html).

3 Advertisement of Service and Charges

4 Commnet intends to offer Lifeline supported services to all eligible consumers and,  
5 accordingly, will advertise its Lifeline services using media reasonably calculated to reach the  
6 general public. Commnet's advertising includes mobile enrollment events as a means of  
7 reaching those consumers that are likely to qualify for Lifeline services and who may lack  
8 available means to fax or scan and email proof of eligibility documents. Commnet uses media of  
9 general distribution to advertise the availability of its services, as well as the schedule of mobile  
10 enrollment events, to potential Lifeline subscribers, and will expand its advertising efforts if  
11 necessary to ensure that Lifeline-eligible subscribers are aware of the service offerings,  
12 consistent with 47 C.F.R. § 54.405(b).

13 Commnet already ensures, and will continue to ensure, that all of its Lifeline advertising  
14 materials comply with 47 C.F.R. §54.405(c). Commnet's advertising materials state, in easily  
15 understood language, that: (i) the service is a Lifeline service; (ii) Lifeline is a government  
16 assistance program; (iii) the service may not be transferred to someone else; (iv) consumers must  
17 meet certain eligibility requirements before enrolling in the Lifeline program; (v) the Lifeline  
18 program permits only one Lifeline discount per household; (vi) that documentation is necessary  
19 for enrollment; and (vii) Commnet is the provider of the services. In addition, Commnet's  
20 application/certification form states that subscribers who willfully make a false statement in  
21 order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred  
22 from the program.

23



1 Provision of Service In Response to Reasonable Requests

2 Commnet Wireless commits to provide service throughout its designated service area to  
3 all customers making a reasonable request for service. Commnet Wireless commits that it will  
4 process such requests consistent with the provisions of section 54.202(a)(1)(A) of the FCC rules.  
5 Commnet Wireless believes the service provisioning commitments in these rules will ensure that  
6 Commnet Wireless will be responsive to consumers' needs in its ETC area and will enable it to  
7 act as a proper steward of available federal service support.

8 Comparable Local Usage Plans

9 Commnet Wireless is committed to offering local usage plans comparable to those  
10 offered by the incumbent LECs in the service areas for which it seeks ETC designation. While  
11 the FCC has eliminated this requirement in the recent reform of universal service, Commnet  
12 Wireless commits to continue offering a local usage plan comparable to that offered by the  
13 incumbent LECs within its ETC designated area to the extent still applicable in Montana and,  
14 therefore, satisfies this requirement for ETC designation if applicable.

15 Additional ETC Obligations

16 Commnet is aware of the requirements regarding certification and verification of a  
17 customer's qualification for Lifeline service, as set forth in 47 C.F.R. §54.410, and already  
18 employs procedures to ensure those requirements are met, with respect to Commnet's pre-  
19 existing Lifeline offerings.<sup>3</sup> Commnet has detailed and comprehensive procedures in place to  
20 address customer certification and verification requirements as well as those requirements  
21 addressing de-enrollment and duplication of benefits. These procedures comply with customer  
22 certification and verification requirements set forth in 47 C.F.R. §54.410.

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<sup>3</sup> Among other things, Commnet retains copies of documentation demonstrating the applicant's income-based or program-based eligibility determination for Lifeline service as required by Commission rules. *See* 47 C.F.R. § 54.410(b)(1)(ii), (c)(1)(ii).

1 Commnet also checks each applicant against the National Lifeline Accountability  
2 Database prior to initiating service, as well as against Commnet's own duplicate checking  
3 system. Commnet will utilize the National Lifeline Eligibility Verifier once that system is  
4 available. Commnet also complies, and will continue to comply, with the annual certification  
5 and reporting requirements and all measures to prevent waste, fraud and abuse of Lifeline  
6 services. Commnet will not seek Lifeline reimbursement for any subscriber that received  
7 Lifeline-supported mobile broadband service from another provider within the previous twelve  
8 months, except as permitted by 47 C.F.R. § 54.411(a),(c).

9 A Commnet employee will be responsible for overseeing and finalizing every Lifeline  
10 enrollment prior to including that subscriber on an FCC Form 497 for reimbursement. Finally,  
11 Commnet does not charge a number-portability fee for Lifeline accounts. Commnet will timely  
12 pay all applicable federal, state, and local regulatory fees, including universal service and E911  
13 fees.

14 WILL GRANT OF THIS APPLICATION SERVE THE PUBLIC INTEREST?  
15

16 Yes. One of the principal goals of the Communications Act of 1934, as amended by the  
17 Telecommunications Act of 1996, is "to secure lower prices and higher quality services for  
18 American telecommunications consumers and encourage the rapid deployment of new  
19 telecommunications technologies" to all citizens, regardless of geographic location or income.  
20 Designation of Commnet as an ETC will further the public interest by providing Montana  
21 consumers, especially low-income consumers, with low prices and high quality services that  
22 many low-income consumers in Montana, including those on the Northern Cheyenne  
23 Reservation (Big Horn County), have yet to experience.

1 Grant of Commnet's Petition will enable it to provide its services to Lifeline-eligible  
2 consumers throughout the Northern Cheyenne Reservation, rather than only those that reside  
3 within Rosebud County. Commnet, using its private capital, has already constructed two cell  
4 sites to provide 3G voice and broadband services to the residents of Big Horn County.  
5 Therefore, Commnet is willing and able to provide quality wireless services to all Lifeline-  
6 eligible consumers throughout the Northern Cheyenne Reservation soon after being designated  
7 as an ETC. Given the low income levels and high unemployment and poverty rates on the  
8 Northern Cheyenne Reservation, Lifeline discounts are critical for residents to be able to afford  
9 quality wireless services. The grant of this Petition, coupled with the voice and internet services  
10 offered by Commnet, will help to bridge the digital divide within the Northern Cheyenne  
11 Reservation. Further, Commnet's Lifeline-supported service plan is designed with  
12 disadvantaged consumers in mind and, as such, will help meet core Lifeline program goals.

13 Specifically, Commnet will offer to low-income consumers a free handset and a free  
14 prepaid service plan that includes at least 500 voice minutes and 500 MB of data per month on  
15 its 3G network at no cost to the consumer, thereby increasing consumer choice and making  
16 services more affordable and accessible. The monthly allowance of at least 500 MB of data per  
17 month on its 3G network provides speed and capacity for consumers to utilize the Internet to  
18 meet their work, health and school-related needs. When coupled with free Wi-Fi available in  
19 community anchor institutions, local businesses and elsewhere, Commnet's mobile broadband  
20 service will allow subscriber access to multiple gigabytes worth of data each month, enabling  
21 those consumers to use data-hungry apps and services, such as online video courses and real-  
22 time video communications, just like non-Lifeline consumers. Commnet will also offer for  
23 customers at least one handset with hotspot capability for no charge. The hotspot capability

1 enables consumers to use their Commnet data by tethering a variety of different devices,  
2 including laptops and tablets, to complete homework assignments or conduct other activities that  
3 sometimes require a larger screen.

4 Commnet's broadband service will enable Lifeline-eligible subscribers to access the  
5 Internet for tasks such as researching jobs, communicating with their employer, children's  
6 schools or family and friends by email, or completing homework assignments. The mobile  
7 nature of the service will be particularly attractive to Lifeline-eligible consumers who will then  
8 have immediate and convenient Internet access – at home, on a bus commuting to work or school  
9 or during a lunch break at work – thereby eliminating the need to undertake time-consuming or  
10 costly travel to a library or other location for public internet access.

11 Additionally, the expansion of Commnet's Lifeline offering to eligible consumers in Big  
12 Horn County will have a minimal impact on the Federal Universal Service Fund (the "Fund"). It  
13 is estimated that annual receipts from the Fund for consumers in Big Horn County will be less  
14 than \$100,000. All consumers, throughout the country, already contribute to the Fund, not just  
15 those that reside within Montana or the Northern Cheyenne Reservation. Therefore granting this  
16 Petition will not impose a heavy burden on the residents of Montana.

17 Commnet's experience and longevity as a provider of Lifeline services in rural areas  
18 across the West and Southwest demonstrates its commitment and ability to provide quality  
19 facilities based Lifeline services to eligible, low-income consumers in compliance with program  
20 requirements. As of May 2017, Commnet provided Lifeline telecommunications services to over  
21 23,000 Lifeline subscribers (all of them on its own facilities) and has established detailed and  
22 comprehensive procedures to ensure service is provided in compliance with Lifeline  
23 requirements. Nonetheless, the Lifeline program has many accompanying compliance

1 obligations and complying with these obligations becomes difficult when some residents of the  
2 Northern Cheyenne Reservation are eligible and others are not simply because of the county in  
3 which they reside.

4 If granted ETC designation in Big Horn County, Commnet will leverage the network it  
5 has built with private capital, as well as its experience and expertise to ensure its Lifeline-  
6 supported services are offered in compliance with the Commission's rules, thereby eliminating  
7 waste, fraud and abuse of the Lifeline program. This proven track record, combined with an  
8 attractive offering of voice minutes, broadband capacity, the ability to supplement capacity at  
9 affordable rates, and the provision of a Wi-Fi-enabled smartphone at no charge ensures  
10 Commnet will provide more choices and more value for Lifeline eligible consumers.  
11 Accordingly, grant of the Petition is in the public interest.

12 DOES THIS CONCLUDE YOUR TESTIMONY?

13  
14 Yes.