



State of Rhode Island and Providence Plantations

DEPARTMENT OF ATTORNEY GENERAL

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Peter F. Kilmartin, Attorney General

May 2, 2011

Luly Massaro, Clerk
Rhode Island Public Utilities Commission
89 Jefferson Blvd.
Warwick, RI 02888

**IN RE: PETITION OF CINTEX WIRELESS LLC
FOR DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER**

Docket No. 4224

Dear Ms. Massaro,

Enclosed for filing with the Commission is an original and nine (9) copies of the Division's Comments to Cintex's Petition requesting ETC status in the above matter.

Thank you for your attention to this matter.

Very truly yours,

Jon G. Hagopian
Special Assistant Attorney General

cc: Service List (e-mail only)

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

IN RE: PETITION OF CINTEX WIRELESS LLC :
FOR DESIGNATION AS AN ELIGIBLE :
TELECOMMUNICATIONS CARRIER IN THE STATE : **DOCKET NO. 4224**
OF RHODE ISLAND FOR THE LIMITED PURPOSE :
OF OFFERING LIFELINE SERVICE TO QUALIFIED :
HOUSEHOLDS :

**STATE OF RHODE ISLAND DIVISION OF PUBLIC UTILITIES AND CARRIER'S
COMMENTS RELATING TO PETITION OF CINTEX WIRELESS, LLC FOR
DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE
STATE OF RHODE ISLAND FOR THE LIMITED PURPOSE OF OFFERING
LIFELINE SERVICE TO QUALIFIED HOUSEHOLDS**

The Division of Public Utilities and Carriers (“Division”) hereby submits the following comments related to Cintex Wireless, LLC’s (“Cintex”) Petition for Designation as an Eligible Telecommunications Carrier (“ETC”) filed on February 1, 2011 with the Rhode Island Public Utilities Commission (the “Commission”). The Division’s comments are based upon a review of the docket filing including data responses, the Petition of Cintex and the prior filing for ETC designation in Docket No.4153 by Tracfone Wireless, Inc. (“Tracfone”) as well as other recent petitions.

Cintex has filed the within petition seeking ETC status pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the “Act”),¹ Section 54.201 *et seq.* of the rules of the Federal Communications Commission (the “FCC”),² and the Commission’s ETC Rules. Cintex seeks designation as an ETC solely for the purpose of participating in the Lifeline and

¹ 47 U.S.C. § 214(e)(6).

² 47 C.F.R. §§ 54.201 *et seq.*

Link Up programs and it will not seek funds from the Universal Service Fund for provision of service to high-cost areas.³

Cintex views its petition similar to Tracfonex with one claimed “important distinction” that Cintex is supplying the services supported by the Universal Service Fund by way of a combination of its own facilities and resale whereas it claims Tracfone relies solely upon resale.⁴ Cintex asserts that through arrangements it has with underlying carrier Sprint-Nextel, it has the capability to offer all services and functionalities supported by the universal service program as set-forth in 47 C.F.R. § 54.101(a) of the Federal Communications Commission (“FCC”) Rules and Commission ETC Rule § III.

Cintex represents it is a Delaware corporation formed in 2007 currently providing commercial mobile radio services (“CMRS”) to several thousand subscribers throughout the United States Sprint-Nextel wireless service territory under the brand names “Movida” and “Liberty.”⁵ It however is not designated in any state as an ETC.⁶

Cintex intends to supply prepaid wireless services through inner city retailers without long-term contracts or early termination fees.⁷ Cintex will offer its Lifeline service customers a free handset with 90 minutes free anytime local and long distance minutes per month.⁸ It claims it will be a pay as you go service. Service will include caller ID, call waiting, call forwarding, 3-way calling and voicemail.⁹ Cintex represents its customers will have access to emergency calling even after consumption of all their calling minutes.¹⁰ Customers will be charged a \$70.00

³ Cintex Petition at p. 1.

⁴ Cintex Petition at p. 1-2.

⁵ Cintex Petition at p. -2.

⁶ Id.

⁷ Cintex Petition at p. 3.

⁸ Cintex Petition at p. 4.

⁹ Cintex Petition at p. 5.

¹⁰ Id.

dollar activation fee, \$30.00 dollars of which will be subsidized by disbursements from USAC and the remaining \$40.00 Cintex represents will be waived.¹¹

When an entity seeks ETC status in the State of Rhode Island it is required to demonstrate certain elements to the satisfaction of the Commission as provided for in Section III of the Commission's ETC Rules as follows:

- a. That the company is an authorized telecommunications carrier under the laws of the State of Rhode Island;
- b. That the company provides all federally-required and state-required services throughout its service area, and so advertises them in media of general circulation;
- c. That the company offers Lifeline and Linkup services that fully comply with the Federal and State requirements;
- d. That, if the company cannot provide certain required services (notably E911 and toll limitation), it has adopted a plan to provide them by a date certain. This plan will be reviewed as part of the review of the petition, and must be acceptable to this Commission.

Similarly Section IIA of the Commission's ETC Rules provide that to be eligible for designation as an ETC, the common carrier must offer the following:

1. Single-party service
2. Voice grade access to the public switched network
3. Dual-Tone Multi-Frequency Signaling or its functional equivalent
4. Access to emergency services (e.g., 911 and E911)
5. Access to operator services

¹¹ See Cintex response to Commission DR 1-1.

6. Access to interexchange service
7. Access to directory assistance
8. Toll limitation for qualifying low-income consumers
9. Lifeline and Linkup service

Cintex asserts that it will provide the following nine service functions in compliance with 47 C.F.R. § 54.101(a) of the Federal Communications Commission (“FCC”) Rules and Commission ETC Rules §§ IIA and III.

First, Cintex states most importantly, it will provide voice grade access to the public switched telecommunications network (“PTSN”), which allows the customer to transmit voice communications.¹²

Second, it will also as required provide customers the capability to send and receive local calls.¹³

Third, it will offer dual tone multi-frequency (“DTMF”) signaling or its functional equivalent, which allows carriers to supply prompt call set-up and call detail and enables modem usage.¹⁴

Fourth Cintex will offer single-party service or its functional equivalent.¹⁵

Fifth, Cintex will provide access to the 911 system even after calling minutes are completely consumed. It will also comply with the FCC’s E911 requirement applicable to wireless resellers.¹⁶

Sixth, Cintex will offer operator services and seventh, toll calling at no added charge.¹⁷

¹² Cintex Petition at p. 6-7.

¹³ Cintex Petition at p. 7.

¹⁴ Cintex Petition at p. 8.

¹⁵ Cintex Petition at p. 8.

¹⁶ Cintex Petition at p. 8.

¹⁷ Cintex Petition at p. 9.

Eighth, Cintex will offer directory assistance that will be charged off airtime only.¹⁸

Notably, Cintex asserts that it uses its own “physical facilities” to provide directory assistance and operator services.¹⁹

Finally, since Cintex is a prepaid service there is no threat of shut off for failure to pay toll charges, which dispenses with any toll limitation issues.

As the Division noted in Tracfone, it acknowledges and supports the principle that a competitive marketplace is beneficial to ratepayers.²⁰ The Division is of the opinion that a competitive market will drive “better service quality, pricing and other attributes of head to head competition”²¹ thereby benefiting ratepayers. The Division notes that Cintex is associating its business with a well established resale platform in Sprint-Nextel that should provide stable service. Further, Cintex presently provides CMRS to several thousand subscribers throughout the United States Sprint-Nextel service areas under the Movida and Liberty labels. The Division also notes that Cintex has yet to register with the Division to do business. Based upon the Division’s review of the instant Petition and accompanying attachments, the Division believes Cintex has otherwise satisfied its burden of compliance with FCC Rules and the Commission’s ETC Rules. For the foregoing reasons the Division has no objection to the Commission granting Cintex ETC status conditioned upon the representations in its Petition and proper registration with the Division.

¹⁸ Cintex Petition at p. 9.

¹⁹ Cintex Petition at p.13.

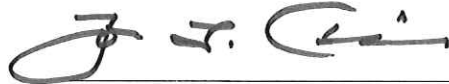
²⁰ See Division Comments Tracfone ETC Petition at p.8.

²¹ Id.

Respectfully submitted,

Thomas Ahern, Administrator
State of Rhode Island
Division of Public Utilities and
Carriers

By his attorney,



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CERTIFICATION OF SERVICE

I hereby certify that on the 2nd day of May, that I transmitted an electronic copy of the within Comments to the attached service list and to Luly Massaro, Commission Clerk via electronic mail and regular mail.

