

**Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In the Matter of)	
)	
VIASAT CARRIER SERVICES, INC.)	Docket No. P-2018-3004983
)	
)	
Petition for Limited Designation as an)	
Eligible Telecommunications Carrier)	
to Receive Connect America)	
Fund Phase II Auction (Auction 903))	
Support for Voice and Broadband Services)	
And Request for Expedited Consideration)	

**VIASAT CARRIER SERVICES, INC. RESPONSES TO STAFF QUESTIONS AND
REQUESTS**

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Viasat Carrier Services, Inc.
Application for Designation as an Eligible Telecommunication Carrier
P-2018-3004983

Jason Sophinos, Associate General Counsel of Viasat, Inc., 349 Inverness Drive South, Englewood, Colorado, provided the information that forms the basis of each response provided.

LIFELINE

1. Viasat petitioned the Pennsylvania PUC for "limited" designation as an ETC. What is meant by "limited"?

"Limited" refers to the geographic area for which Viasat is seeking ETC designation. Viasat is seeking ETC designation only in the census blocks for which it was awarded funding in the CAF II Auction.

2. Upon obtaining designation as an Eligible Telecommunications Carrier (ETC), when does Viasat/VSI anticipate beginning to offer Lifeline?

The availability of Lifeline services will roll out in keeping with the FCC's performance and build-out requirements, set forth in the CAF II Auction rules. The FCC has established performance and build-out standards pertaining to locations within census blocks. The FCC requires, as a condition of receiving CAF II Auction funds, that providers build out to 40 percent of assigned homes and businesses within a state within three years of becoming authorized to receive support. In each state, build-out must increase by 20 percent in each subsequent year, to be complete by the end of the sixth year. See Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 31 FCC Rcd 5949, paras. 40 et. seq (2016).

3. Will Lifeline be available gradually or at once in all of the census blocks identified in its petition?

As noted above, Lifeline will be available gradually.

4. Will Viasat/VSI offer Lifeline at locations that are outside of the census blocks identified in its petition?

No. Providing Lifeline service is a condition of the CAF II Auction. Viasat will provide the supported services, including Lifeline, throughout the designated CAF II Auction awarded service areas, which encompass areas in 20 states, including Pennsylvania. Viasat does not have current plans to offer voice and broadband service outside the awarded service area.

5. Will Viasat outsource to VSI all or some Lifeline eligibility, customer service, recertification, de-enrollment, recordkeeping and other Lifeline-related activities?

Initially, Viasat will be utilizing the assistance of outside counsel for regulatory compliance advice and assistance with reporting obligations. Viasat will also utilize VSI sales, customer service, legal, and other personnel to assist with implementing its CAF II offers, including Lifeline. In the future, Viasat might employ additional assistance in the provision, administration, and/or deployment of Lifeline services, but the company is still in the process

of developing its CAF II team and determining the details of how its Lifeline services will be provided and deployed.

6. At this time, Pennsylvania ETCs determine eligibility for Lifeline and recertify subscribers. When Pennsylvania becomes active with the National Lifeline Accountability Database (NLAD) Viasat/VSI must enroll with NLAD and follow program rules and requirements regarding enrollment, recertification, de-enrollment, reporting, etc. Does Viasat/VSI have dedicated staff for this purpose?

Yes, Viasat/VSI has employees dedicated to regulatory compliance and representatives will participate in USAC's training sessions regarding the NLAD and the National Verifier and follow all program rules and requirements.

7. Please ascertain that Viasat/VSI will comply with 66 P.S. 3019(f).

Yes, Viasat (the entity seeking ETC designation) will comply with 66 P.S. 3019(f), which pertains to the provision of Lifeline services in Pennsylvania.

8. How will Viasat or VSI accept Lifeline applications?

Viasat will comply with applicable FCC and Pennsylvania requirements for verifying subscriber eligibility, including the National Lifeline Database and other available resources. Specifically, Viasat will use a service qualification tool using a customer's address to determine service eligibility for specific locations for the high cost program. For Lifeline customer eligibility, Viasat will comply with all applicable FCC and Pennsylvania requirements for determining that a subscriber meets one or more eligibility criteria.

9. Under what circumstance will Viasat/VSI require a security deposit from Lifeline applicants? Please provide a copy of Viasat's/VSI's written procedures for determining the credit status of an applicant.

VSI does not currently require a security deposit from customers. Viasat has not yet developed written procedures for determining the credit status of applicants for the supported services; however, Viasat does not anticipate requiring a security deposit from CAF II eligible or Lifeline eligible customers. While Viasat does not plan to offer identical services to its parent company's Exede services, for more information and examples of terms and conditions, please visit <https://www.exede.com/documents/master/customer-agreement.pdf> to view a residential service customer agreement.

10. Please submit a copy of Viasat's/VSI's Lifeline compliance plan to the Commission upon approval by the FCC.

Viasat is not required to file a Lifeline compliance plan with the FCC. However, if Viasat files a compliance plan, it will provide it to the Commission upon approval by the FCC.

11. Which fees will Viasat/VSI waive Lifeline subscribers (i.e. porting, installation)?

Viasat will apply the full amount of the Lifeline discount to the customer's invoice as a reduction applied to overall charges.

12. What are the *minimum* voice/data standards that Viasat will make available to Lifeline subscribers?

Lifeline subscribers will have access to the same service offerings made available to all customers in the CAF II areas, but will receive the required Lifeline discount on the price of those offers. Under the CAF II requirements, the price of Viasat's services must be reasonably comparable to the price of similar services in urban areas. The FCC's 2019 average urban monthly rate floor for voice services is \$26.98/month and the reasonable comparability benchmark, two standard deviations above the urban average, is \$51.61.¹ The FCC's 2019 benchmark for broadband services depends upon the speed and usage allowance. For a broadband service that provides 25 Mbps downstream and 3 Mbps upstream and offers a monthly usage allowance of 200 GB per month, the benchmark is \$77.65.²

Viasat will offer one voice plan that provides customers unlimited local and long distance calling within the US and Canada. Viasat's current proposed pricing for stand-alone voice offer will be between \$35-\$55/month. Viasat's current proposed pricing for Voice customers who have both Internet and Voice is \$30/month.

All of VSI's awards are for the Baseline tier. Under the FCC's requirements, the Baseline service tier requires that bidders commit to provide at least one service offering that provides at least 25 Mbps downstream and 3 Mbps upstream (25/3 Mbps) and a minimum usage allowance of 150 GB per month, or that reflects the average usage of a majority of fixed broadband customers, whichever is higher.³ The minimum monthly usage allowance for 2019 is 215 GB.⁴ As permitted by the FCC,⁵ Viasat may offer service plans with different speeds and/or usage caps depending on market and consumer demand.

¹ See *Wireline Competition Bureau Announces Results of 2019 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowances for ETCs Subject to Broadband Public Interest Obligations*, Public Notice, WC Docket No. 10-90, DA 18-1280 (rel. Dec. 20, 2018) (available here <https://docs.fcc.gov/public/attachments/DA-17-1093A1.pdf>).

² *Id.*

³ *Connect America Fund et al.*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket Nos. 10-90, 14-58, 14-259, FCC 16-64, 31 FCC Rcd 5949, paras. 2, 24-25 (2016) (available here <https://docs.fcc.gov/public/attachments/FCC-16-64A1.pdf>). See also *Connect America Fund Phase II Auction Scheduled for July 24, 2018; Notice and Filing Requirements and Other Procedures for Auction 903*, Public Notice, FCC 18-6, 33 FCC Rcd 1428, para. 12 (2018) (available here <https://docs.fcc.gov/public/attachments/FCC-18-6A1.pdf>).

⁴ See *Wireline Competition Bureau Announces Results of 2019 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowances for ETCs Subject to Broadband Public Interest Obligations*, Public Notice, WC Docket No. 10-90, DA 18-1280 (rel. Dec. 20, 2018) (available here <https://docs.fcc.gov/public/attachments/DA-17-1093A1.pdf>).

⁵ *Connect America Fund Phase II Auction Scheduled for July 24, 2018; Notice and Filing Requirements and Other Procedures for Auction 903*, Public Notice, FCC 18-6, 33 FCC Rcd 1428, para. 13 (2018).

- ETCs are required to submit an annual Lifeline Tracking Report to the PUC Bureau of Consumer Services due June 30, reporting for the prior calendar year. The report is submitted via a website portal. Staff from the PUC's Bureau of Consumer Services (BCS) will reach out to establish access to the portal. Please provide contact information for Viasat/VSI staff responsible for preparing and submitting reports to the Commission.

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- Please provide contact information that is to appear on the Commission's publication, *Stay Connected* that is linked here - <http://www.puc.pa.gov/Telecom/pdf/Lifeline%20Brochure-StayConnected.pdf>

Viasat Carrier Services
Attention: Office of the President
349 Inverness Drive South
Englewood, CO 80112
(866) 631-4683

ADVERTISEMENT / MARKETING

- Please provide a mock-up of advertisements/marketing materials for English and non-English speakers that describe the service options and packages with pricing available to Lifeline subscribers. Indicate if and which offerings could be different within or between exchanges.

Representative samples of Viasat's advertising of its Lifeline offerings are not yet available as Viasat is in the process of determining the details of its offerings and designing its advertising and marketing plans. Viasat will make available the same offers in all of its awarded census blocks in Pennsylvania.

- In addition to advertising the availability of supported services and relevant charges using media of general distribution, Viasat/VSI is to provide the Pennsylvania Department of Human Services (PA DHS) with Lifeline service descriptions, marketing material, subscription forms, contact information, and a listing of service areas to the following centralized contact noted here. 3019(f)(5).

Frank Slenker, Human Services Program Specialist Supervisor (HSPSS)
Department of Human Services, OIM Bureau of Policy
1006 Hemlock Drive
Harrisburg, PA 17110
Phone: 717-705-8292

Please ascertain that Viasat/VSI will inform both the BCS and DHS of any changes and/or updates to service offerings at the time such change takes place.

Viasat confirms that it will provide Lifeline service descriptions, marketing material, subscription forms, contact information, and a listing of service areas to the centralized

contact listed above, and that it will inform both the BCS and DHS of any changes or updates to Lifeline service offerings.

3. In addition to media of general distribution, please give an example of outlets that Viasat will publicize Lifeline to reach those likely to qualify for Lifeline service.

Supported services will be actively marketed throughout the designated service areas in Pennsylvania, using a combination of digital and traditional media (e.g., Internet, U.S. mail, radio, newspapers, magazines, outdoor advertising, direct marketing). Viasat will use Viasat, Inc.'s existing and well established independent sales channels as well as its own.

4. Please provide a mock-up of information about the availability of Lifeline services that will be provided to prospective customers who seek to subscribe to local exchange service. 66 P.S. § 3019(f)(3).

Viasat has not yet developed materials that will be provided to prospective customers of Lifeline services. Viasat can provide this information as soon as it is available.

5. Please provide a mock-up of information about the availability of Lifeline services that will be provided as a conspicuous bill insert message to existing customers. 3019(f)(4).

Viasat has not yet developed this material. Viasat can provide this information as soon as it is available.

6. Please include the following statement on all marketing material:
 - *If you have an unresolved question or complaint about Lifeline service, please contact the Pennsylvania Public Utility Commission Bureau of Consumer Services at 1-800-692-7380.*

Viasat will include this statement on all marketing material in Pennsylvania.

EQUIPMENT

1. To achieve full functionality of voice and/or data services, Viasat describes the user terminal in its Petition. Is the indoor unit (IDU) considered customer owned equipment?

The equipment will be owned by Viasat and leased to customers. However, Viasat has not determined whether it will include a separate lease charge for CAF II customers.

2. Is a battery back-up unit provided or available to customers?

Viasat will offer a battery backup power to customers. Viasat also envisions educating its customers regarding the importance of maintaining a constant power supply for utilization of its service as part of the terms and conditions of service. Viasat will provide these to the Commission as they are developed.

3. Does Viasat or VSI respond when a customer contacts Viasat/VIS with a need for service?

Viasat will respond to customer requests for service in the awarded census blocks.

4. What is Viasat's/VSI's response time to customers' need for service?

On average, Viasat, Inc. is able to install a customer's service within 4 days of the customer placing an order anywhere in Pennsylvania. Viasat expects to provide the same response time.

5. What is Viasat's/VSI's response time to when a piece of network equipment fails?

Viasat's average outage restoration time for network equipment is 30 minutes. Viasat operates a 24/7 Network Operations Center to monitor the network so the company can react immediately when any outage or other issue occurs. Note that because much of Viasat's network includes redundancy, even a network failure might not result in a loss of service.

6. What are the compatibility specifications that customer-owned equipment must meet? How will this be disclosed to customers?

Most routers, other than some older models that are no longer commercially available, work well with Viasat's service. Viasat offers information on its website that shows the compatible phones and routers at a wide range of price points that work with the service. In addition, Viasat provides original equipment manufacturer contact information for customer assistance with non-Viasat equipment or software, to the extent that information is available for equipment. Again, some manufacturers might not support older models that are no longer commercially available.

7. Please provide a mockup of Viasat's/VSI's consumer disclosures regarding functionality, warranty, and maintenance of the user terminal that consists of an indoor unit (IDU), inter-facility link (IFL) and outdoor unit (ODU).

Viasat has not yet developed the terms of service for its CAF II offers. Viasat, Inc.'s current terms of service are available here <https://www.exede.com/documents/master/customer-agreement.pdf>. However, because the CAF II offers may not be the same as Viasat, Inc.'s current offers and will be subject to different regulatory obligations, Viasat's terms of service may not be the same as Viasat, Inc.'s current agreement.

8. Are the components of the user terminal wildlife and weather proof?

Yes.

9. How will Viasat's/VSI's *non-ground* based facilities function in the event one satellite is impaired?

If a satellite is impaired, Viasat will try to continue to operate the satellite to get as much capacity and continuity of service that it can while the satellite is impaired.

10. Viasat describes four different satellites in its petition. Is one satellite capable of managing traffic in the event one or more satellites is impaired?

Traffic is not managed by the satellite. Traffic is managed in the core node within the terrestrial portion of the network. Each satellite essentially operates as its own network. Viasat operates multiple satellites in order to have redundancy should one satellite become impaired.

11. Please describe how Viasat/VSI will manage traffic when impairment during both non-emergency and emergency situations.

VSI has been providing high speed internet service to customers on 24 hours x 365 days a year mode for more than thirteen years. As part of providing this commercial service, it is necessary to have in place contingency plans for credible emergency situations for each of the major network facilities that are geographically distributed across the United States. These plans contain activation, required staffing, escalation, and communication procedures to deal with such emergencies. Additionally, all the ground-based facilities are equipped with independent power generators and sufficient fuel to operate for several days so as to mitigate power outages. The design of these facilities contains multiple levels of redundancy and autonomy that also mitigate the need for dedicated human interaction. Viasat plans to apply this successful model to its CAF II Auction services and customers.

12. How will Viasat/VSI provide service – particularly of an emergency nature - when one of these *leased* terrestrial facilities is out of service?

Viasat, Inc.'s ground network is extremely robust and is built with many redundancies to minimize service failures. Each ViaSat-2 spot beam is supported by multiple Satellite Access Nodes ("SANs"). Each SAN is located in a different geographic location spread across the United States. As a result, if a single SAN is out-of-service for any reason (due to a storm, cut fiber, technical failure, etc.) the remaining SANs can continue to provide service to the affected spot beam. Viasat, Inc. also has backup generators to provide power to gateways and SANs in the event of a power outage. Viasat's leased terrestrial facilities also have redundancies designed to maintain service in the event of an outage on one facility.

13. Regarding the ability of ground-based facilities to remain functional in emergency situations, please define "credible emergency situation."

As Viasat stated in its application, Viasat, Inc., has been providing high speed internet service to customers for more than thirteen years, and as part of this service, it has in place contingency plans for "credible emergency situations" for its major network facilities across the country. A "credible emergency situation" in emergency response plans generally means that upon receipt of reliable information about an emergency, an entity, such as Viasat, must enact its emergency response procedures.

GENERAL

1. According to the Results Data linked at FCC Public Notice DA 18-887, Viasat is assigned \$1,994,511.99 total support for 45,100 locations. According to Viasat's petition, Viasat is eligible to receive approximately \$5.4 million in federal funding over the next ten years. Why do these differ?

Viasat is assigned to receive \$19,945,119.90 in total support for 45,100 locations in the State of Pennsylvania. See Connect America Fund Phase II Auction (Auction 903) Closes; Winning Bidders Announced, Public Notice, DA 18-887, Att. A, page 10. The reference to \$5.4 million in funding, which pertains to another state, was included in error.

2. Will Viasat/VSI offer voice telephony as a standalone service?

Yes.

3. Is basic local service offered on a pre-paid or post-paid basis?

Viasat's VoIP service will be offered on a pre-paid basis; voice customers will be charged a monthly fee in advance of the month.

4. Please provide a list of Viasat's/VSI's local calling exchanges throughout the CAF II census blocks identified its petition.

Viasat's voice services will be unlimited and not distinguish between local and long distance calling.

5. Are the local calling area exchanges different from the ILECs local calling area exchanges? If so, how will customers know their local calling area?

Viasat's VoIP service will provide unlimited local and interstate calling within the US and Canada for a flat monthly fee. Viasat will charge for international usage, but will not include usage or toll charges for local, intrastate or interstate calls. Therefore, a customer's local calling area will not be relevant.

6. Which public utility is the incumbent local exchange carrier (ILEC) in the listed census blocks?

See **Exhibit A** showing Viasat awarded census blocks. While this map does not show ILEC service areas, it does provide a more clear geographic representation of the awarded census block groups.

7. When did or will Viasat contact which municipalities in its service areas to arrange for the provision of 911 emergency telecommunications service?

Viasat, Inc., has already contacted municipalities in its service areas to arrange for the provision of 911 emergency telecommunications services. And, through the company with which Viasat will partner to provide VoIP service, the company has already arranged for the provision of 911 emergency service in the areas it has been awarded CAF II funds.

8. In the event a customer experiences a service impairment, what is Viasat's/VSI's anticipated response time to remedy?

This depends on the type of impairment the customer receives, whether it is within the network, can be resolved remotely, or requires a truck roll. Network impairments are mentioned above. Remote resolution can occur as soon as the customer contacts Viasat about the problem. Truck rolls may take longer.

9. In the event of an individual or group service impairment, will Viasat/VSI credit customer accounts on a prorated basis for the time service is impaired?

While Viasat is still determining the details regarding supported services to be offered, for an example of Viasat's policies in the event of impairment, see Exede residential customer

agreement, available at <https://www.exede.com/documents/master/customer-agreement.pdf>.

10. Please provide a copy of each of Viasat's/VIS's price lists, terms and conditions, and consumer disclosures for a plain language review.

These materials are not yet available for the supported services.

11. The Commission's Bureau of Consumer Services handles consumer complaints and inquiries informally – primarily, but not limited to 52 Pa. Code Chapters 63 and 64. Please provide details about Viasat's/VSI's procedure for managing billing disputes and service complaints, i.e. telephone number, intake practices, steps to resolution, when a customer will be referred to the BCS.

Viasat will set up a website for voice and broadband services, which is currently under development and slated to be completed in the next few months. As the parent company currently has in place, Viasat will establish a customer care center dedicated to resolving any customer complaints or service issues, including a toll free number with which customers will be able to access a 24/7 customer support center. Customers will be able to seek assistance by emailing Viasat or engaging with a customer support representative through an online chat session.

12. In the event BCS receives a consumer complaint from a Viasat/VSI customer, please provide a telephone number and resource email account that BCS is to use to work directly with Viasat/VSI to resolve the complaint.

Viasat has a dedicated Executive Escalations team to resolve customer complaints that may be received from the FCC, state Attorney General offices, any regulatory body or the Better Business Bureau. Complaints from these sources related to Viasat's Internet service have typically been handled at ViaSat's office in Englewood, Colorado. ViaSat's Executive Escalations team also actively monitors and responds to customer complaints, as appropriate, through the FCC and Better Business Bureau's service portals. The telephone number for the Executive Escalations team is (866) 631-4683, and the email address is Executive.Escalations@Viasat.com.

13. As an Eligible Telecommunications Carrier, please confirm that Viasat/VSI agrees to satisfy the standards outlined at 52 Pa. Code § 69.2501. *Standards applicable for designation and annual certification as an eligible telecommunications carrier, for purpose of obtaining Federal universal service support.* The section linked here - <https://www.pacode.com/secure/data/052/chapter69/s69.2501.html>. Annually, the Commission's Secretary provides docket numbers that ETCs are to use when filing relevant quarterly, annual, and other materials with the Commission. One docket number applies to low-income/Lifeline support. The second docket number applies to high-cost support. Both remain effective for a calendar year. Please confirm that Viasat will satisfy all required filings.

Viasat confirms that it will comply with 52 Pa. Code § 69.2501 and the Pennsylvania Commission's Lifeline and High Cost reporting and filing requirements.

Exhibit A

