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November 21, 2014



Mr. Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 East Boulevard Avenue, Dept. 408
Bismarck, ND 58505-0480

*Re: In the Matter of the Application of Blue Jay Wireless, LLC
for Designation as an Eligible Telecommunications Carrier
Case No. PU-14-720
Our File No. 15-693-001*

Dear Mr. Nitschke:

Enclosed for filing are the following two Applications:

1. Application to Protect Information (training materials); and
2. Application to Protect Information (financial documents).

On November 21, 2014, Blue Jay Wireless, LLC ("Blue Jay") submitted financial documents and training materials in a sealed envelope with its Applications to Protect Information. Blue Jay requests that the protected information be incorporated into the record, and that the protected information is used when evaluating Blue Jay's Application for Designation as an Eligible Telecommunications Carrier.

Also enclosed for filing are Blue Jay's Responses to The North Dakota Public Service Commission's Questions One through Six in Letter dated October 13, 2014; with Certification from David Wareikis.

If you have any questions or need any additional information, please contact me at your earliest convenience. Thank you.

Sincerely,

CROWLEY FLECK PLLP

A handwritten signature in blue ink that reads "Stephanie Dassinger". The signature is written in a cursive style with a long horizontal flourish at the end.

Stephanie Dassinger

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Enc.

**Blue Jay Wireless, LLC's Responses to Questions One through Six of the North Dakota
Public Service Commission Letter dated October 13, 2014
Case No. PU-14-720**

1. Provide all Lifeline audits and reviews the Federal Communications Commission (FCC), the Universal Service Administrative Company (USAC) and any other state commission, Lifeline administrator or any other government agency has conducted on Blue Jay's Lifeline program, since the beginning of 2011. The requested documents should include formal audits and limited reviews such as in-depth data validations and Payment Quality Assurance (PQA) reviews.

Response: Blue Jay is in the process of responding to its first USAC audit. There is no audit report or findings to provide to the Commission at this time. Further, Blue Jay has not been subject to any in-depth data validations or PQA reviews. Blue Jay has not been subject to any state audits.

2. Provide Blue Jay's 2014 recertification report provided to the FCC and USAC. If the Company has not yet prepared a 2014 recertification report, please provide the 2013 report and the date the Company expects to submit the 2014 report.

Response: Blue Jay will be filing its first FCC Form 555 regarding recertification results on or before January 31, 2015 regarding its 2014 recertification efforts. Blue Jay began providing Lifeline service in 2013 and so its first annual recertification is being conducted in 2014.

3. If the FCC has issued any citations to individuals receiving duplicate lifeline support from Blue Jay and other Lifeline providers, what processes and procedures has Blue Jay undertaken to prevent duplicate lifeline support going forward? If applicable, please also provide copies of these processes and procedures as well as the number of citations issued.

Response: Blue Jay has not been made aware of any citations issued to individuals receiving duplicate Lifeline support from Blue Jay and other Lifeline providers. However, with respect to determining whether the consumer is already receiving Lifeline-supported service, Blue Jay utilizes the National Lifeline Accountability Database ("NLAD"), which is the primary method of duplicate checks for all ETCs. Blue Jay utilizes a CGM, LLC electronic Lifeline enrollment application for almost all Lifeline enrollments. The CGM Lifeline enrollment application connects directly into the NLAD through a real-time Application Program Interface ("API"). Applicants are enrolled using a Blue Jay iPad that is connected to the CGM electronic enrollment application and Blue Jay's home office for real-time review of all applications prior to enrollment.

Blue Jay also applies several duplicates checks in addition to utilizing the NLAD. Blue Jay checks its own customer database for intra-company duplicates. All

applicants enrolled through the CGM Lifeline enrollment application (which is virtually every applicant) undergo a CGM intra-company duplicate check, both at the time of enrollment and prior to submission of any subscriber on an FCC Form 497 for reimbursement. For any applicant that is not enrolled through the CGM Lifeline enrollment application (such as those submitting an application by mail or fax), the CGM intra-company duplicate check will be done prior to submission of the subscriber on an FCC Form 497.

Prior to the implementation of the NLAD, Blue Jay joined with two dozen other ETCs to voluntarily utilize an interim inter-company duplicates database developed by CGM to prevent over 375,000 duplicate enrollment attempts. This equates to savings to the Lifeline program of over \$4 million per month or \$50 million annually. This was done on a voluntary, self-regulatory basis while the NLAD was being developed, but it included only the subscriber lists for those ETCs that voluntarily participated. Blue Jay utilized the interim database for all enrollments using the CGM Lifeline enrollment application since it began Lifeline enrollments in June 2013 until it was discontinued in March 2014 after the NLAD was in place.

4. Please describe the specific procedures Blue Jay has in place to prevent waste, fraud and abuse in the Lifeline program. Include in this response copies of employee training manuals, processes and procedures as well as a discussion of the data bases that Blue Jay uses. In describing the data bases, please specifically identify what data Blue Jay believes specifically helps prevent waste, fraud and abuse.

Response: Blue Jay's established enrollment process prevents waste, fraud and abuse in the Lifeline program. As stated in Blue Jay's FCC Compliance Plan, approved by the FCC's Wireline Competition Bureau on December 26, 2012 (DA 12-2063), Blue Jay routes all enrollment documentation through a common validation backbone that performs five relevant verification checks in real-time before approving qualifying subscribers for Lifeline service. These five checks are: (1) Service Availability Verification (validates the availability of service to qualifying subscribers through a database of approved Blue Jay service areas); (2) Service Address Verification (validates the service address of qualifying subscribers through USPS and/or Melissa databases); (3) Non-Duplicate Subscriber Verification (confirms internal non-duplicate status of qualifying subscribers by a combination of name, address, telephone number, date of birth and last four digits of Social Security number); (4) Identity Verification (validates the identity of qualifying subscribers through viewing government-issued identification or Lexis Nexis); and 5) Eligibility Verification (where available, validates the eligibility of qualifying subscribers through state-specific and program-specific databases¹). Blue Jay also validates the eligibility and non-duplication of qualifying subscribers through the NLAD in all states that have not opted out of the NLAD.

¹ Blue Jay utilizes state eligibility databases in Texas and Wisconsin.

If Blue Jay cannot determine a prospective subscriber's eligibility for Lifeline by accessing eligibility databases, Blue Jay personnel review documentation establishing eligibility pursuant to the Lifeline rules. All subscribers are required to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines for a household of that size (with the limited exception for states where the threshold is 150% of FPG); or (2) the household's participation in one of the federal assistance programs listed in section 54.409(a)(2) or state programs referenced in section 54.409(a)(3) of the FCC's rules.

All personnel who interact with current or prospective customers are trained to assist Lifeline applicants in determining whether they are eligible to participate based on the federal and state-specific income-based and/or program-based criteria. These personnel are trained to answer questions about Lifeline eligibility, and review required documentation to determine whether it satisfies the Lifeline rules and state-specific eligibility requirements using state-specific checklists. A copy of Blue Jay's training materials were provided with an Application to Protect the Information.

Company personnel are trained on acceptable documentation required to establish income-based and program-based eligibility as defined by the FCC's rules. Since Blue Jay began providing Lifeline service, field agents and Blue Jay corporate staff (internal auditors) have been responsible for verifying consumer eligibility—with Blue Jay employee internal auditors making the final determination as to whether proof of eligibility is acceptable and compliant and the applicant is eligible to receive Lifeline service from Blue Jay. Further, the acceptable forms of eligibility documentation have remained unchanged.

The CGM application process allows agents to take pictures of the actual proof of eligibility documentation provided by the subscriber at the time of enrollment. These images are captured in the electronic application and transmitted to the corporate staff for review and final determination. An auditor can either deny or approve an order based on whether the documentation provided by the agent, on the subscriber's behalf, is acceptable. All images of applicant proof of eligibility are then deleted.

5. Would Blue Jay be willing to request Lifeline participants waive any right to privacy in order that Blue Jay could periodically provide a list of customers to the Commission?

Response: Blue Jay would be willing to request that Lifeline participants waive any right to privacy in order that Blue Jay could periodically provide a list of customers to the Commission if required by state law or rule and not preempted by federal law or rule.

6. If Blue Jay's lifeline program has been the subject of any state or federal investigations, please provide information on the outcome of these investigations. Did any of the

investigations result in Blue Jay paying fines and implementing any changes in its processes and procedures to ensure the mistakes that led to the investigation would not reoccur? If so, please specifically discuss the changes and the amount of any fines.

Response: Blue Jay has not been the subject of any state or federal investigations that resulted in Blue Jay paying fines and implementing any changes in its processes and procedures.

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Blue Jay Wireless, LLC
Eligible Telecommunications Carrier
Application

Case No. PU-14-720

CERTIFICATION

I am David Wareikis, a representative of Blue Jay Wireless, LLC (Blue Jay) with authority to bind Blue Jay and I certify that:

1. Blue Jay understands and agrees to the conditions and criteria set forth in Chapter 49-21 of the North Dakota Century Code and Chapter 69-09-05 of the North Dakota Administrative Code that pertain to Wireless Lifeline Only Eligible Telecommunications Carriers (ETC), and that Blue Jay will be responsible for compliance with this Certification, the Public Service Commission's order designating Blue Jay as an ETC, and conditions and criteria set forth in the applicable federal and state laws and rules pertaining to Eligible Telecommunications Carriers offering Lifeline Only services.
2. Blue Jay agrees to comply with all statements, processes and procedures set forth in its Application for designation as an ETC in the non-rural and rural wire centers in North Dakota identified in its Application. Blue Jay agrees that all statements made and matters set forth in its Application are true and correct to the best of Blue Jay's knowledge, information, and belief.
3. Blue Jay will use the federal low-income universal service support it receives only for the provision of services for which the support is intended.
4. Blue Jay meets all of the prerequisites to be designated as an ETC throughout its proposed ETC Designated Area in the state of North Dakota.
5. Blue Jay provides each of the services supported by federal universal service support mechanisms, specified in Federal Communications Commission's (FCC's) rules, 47 C.F.R. § 54.101, and will offer these supported services in North Dakota upon designation as an ETC, including voice grade access, minutes of use for local service at no additional charge, access to emergency services and toll limitation services.
6. Blue Jay will provide the supported services on a timely basis to requesting customers within Blue Jay's designated service area where Blue Jay's underlying carriers' network exists.

7. Blue Jay will provide service within a reasonable period of time, if the potential customer is within the applicant's proposed designated service area but outside its existing network coverage, if service can be provided at reasonable cost by:
 - (a) Modifying or replacing the requesting customer's equipment;
 - (d) Adjusting network or customer facilities; or
 - (e) Reselling services from another carrier's facilities to provide service.
8. Blue Jay is not seeking Universal Service Fund high-cost support as part of its Application.
9. Blue Jay will use all available means to ensure customers are eligible for the Lifeline program at the time of sign-up and recertification in accordance with the federal default eligibility criteria in 47 C.F.R. § 54.409(2) and the relevant proof documentation specified in 47 C. F. R. § 54.410. Blue Jay will check all available data bases including the FCC's National Accountability Database and the National Lifeline Eligibility Database when fully functional to prevent duplication and determine eligibility.
10. Blue Jay has taken, and will continue to take, steps to work with its underlying carriers to remain functional in emergency situations by: (1) maintaining a reasonable amount of backup power to ensure functionality without an external power source; (2) maintaining the ability to re-route traffic around damaged facilities and to manage traffic spikes resulting from emergency situations; and (3) establishing procedures for employees to follow in an emergency to prevent or minimize interruption or impairment of telecommunications services.
11. Blue Jay will meet or exceed applicable consumer protection and quality standards and will comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service.
12. Blue Jay will advertise the availability of the supported services detailed in its Application, and the corresponding rates and charges, in a manner designed to inform the general public within North Dakota. This advertising will occur through a combination of media channels, such as television and radio, newspaper, magazine and other print advertisements, outdoor advertising, direct marketing, and the Internet.
13. Blue Jay will offer the services described in its Application.
14. Blue Jay understands and agrees that if Blue Jay has not advertised its Lifeline services or signed up any North Dakota customers within 12 months

of the effective date of Blue Jay's designation as a Lifeline-only ETC, the Public Service Commission may revoke Blue Jay's ETC designation and Blue Jay may reapply to be designated as a Lifeline-only ETC in North Dakota.

15. Blue Jay understands and agrees that it may be required by the FCC to provide equal access to long distance carriers in the event that no other ETC provides equal access within Blue Jay's designated ETC service area.
16. Blue Jay will comply with all applicable annual reporting requirements associated with being an ETC in North Dakota including filing with the Public Service Commission a copy of each report filed with the FCC, within 30 days of filing with the FCC.
17. Blue Jay will file at least annually or more often if requested by the Public Service Commission, a complete list of its customers and waivers, including North Dakota Department of Human Services' Form SFN 1059, Authorization for Release of Information 449-55-05, for each customer on the list.
18. Blue Jay understands and agrees that its ability to offer service is subject to suspension or revocation for failure to comply with the Public Service Commission's orders, or applicable statutes, rules, regulations, standards, and other authorizations.
19. Blue Jay agrees to maintain the records to demonstrate that Blue Jay has complied with the requirements of the Public Service Commission's order(s) and that Blue Jay will preserve records demonstrating compliance for Public Service Commission inspection at any reasonable time upon reasonable notice.
20. Blue Jay understands and agrees that, to the extent there are any conflicts or inconsistencies between Blue Jay's Application and the provisions in this Certification, the Certification provisions control.

Dated this 21st day of November 2014 ~~October, 2014~~.

BLUE JAY WIRELESS, LLC

By David Waneke

Its CEO