

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF T-MOBILE CENTRAL LLC AND)	
POWERTEL/MEMPHIS, INC. FOR CONDITIONAL)	CASE NO.
DESIGNATION AS ELIGIBLE TELECOMMUNICATIONS)	2012-00135
CARRIERS FOR THE PURPOSE OF ESTABLISHING)	
ELIGIBILITY TO PARTICIPATE IN THE MOBILITY)	
FUND PHASE I AUCTION ON SEPTEMBER 27, 2012)	
AT THE FEDERAL COMMUNICATIONS COMMISSION)	

ORDER

T-Mobile Central LLC and Powertel/Memphis, Inc., wholly-owned subsidiaries of T-Mobile USA, Inc. and doing business as T-Mobile (collectively "T-Mobile"), are Commercial Mobile Radio Service ("CMRS") providers. T-Mobile provides CMRS using its own facilities. On February 9, 2010, T-Mobile petitioned the Commission to designate T-Mobile as an Eligible Telecommunications Carrier ("ETC") pursuant to 47 U.S.C. § 214(e) and 47 C.F.R. §54.201-207 in certain exchanges in the service territories of BellSouth Telecommunications, LLC d/b/a AT&T Kentucky; Windstream Kentucky East, LLC; Ballard Rural Telephone Cooperative Corporation, Inc.; Brandenburg Telephone Company, Inc.; Duo County Telephone Cooperative Corporation, Inc.; Logan Telephone Cooperative, Inc.; North Central Telephone Cooperative, Inc.; South Central Rural Telephone Cooperative Corporation, Inc.; Windstream Kentucky West, LLC; and West Kentucky Rural Telephone Cooperative Corporation, Inc. The Commission granted the request on July 14, 2010.¹ T-Mobile

¹ Case No. 2010-00050, Petition of T-Mobile Central LLC and Powertel/Memphis, Inc. for Designation as Eligible Telecommunications Carriers Pursuant to Section 214(e)(2) of the Communications Act of 1934. (Ky. PSC July 14, 2010).

holds radio licenses from the Federal Communications Commission (“FCC”) that serve the entire state of Kentucky. T-Mobile now seeks conditional designation as an ETC in areas outside T-Mobile’s existing ETC area for the purpose of establishing eligibility to participate in the Mobility Fund Phase I Auction at the FCC that is scheduled to be held on September 27, 2012.²

The FCC, in its USF/ICC Transformation Order,³ established for the first time a universal service support mechanism dedicated exclusively to mobile services—the Mobility Fund. Phase I of the Mobility Fund will provide up to \$300 million in one-time support to “immediately accelerate deployment of networks for mobile voice and broadband services in unserved areas.”⁴

There are numerous unserved census block groups in Kentucky where carriers may bid to receive Mobility Fund support to build infrastructure over which to deliver 3G or better broadband and voice service. However, to participate in Auction 901, a carrier must be designated as an ETC in all census blocks for which it desires to submit a bid. Furthermore, a carrier must be designated as an ETC at the time it files its short-form application for participation in the auction. Short-form applications for Auction 901 are

² Petition at 1.

³ Connect America Fund, WC Docket No. 10-90, A National Broadband Plan for Our Future, GN Docket No. 09-51, Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135, High-Cost Universal Service Support, WC Docket No. 05-337, Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92, Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Lifeline and Link-Up, WC Docket No. 03-109, Universal Service Reform - Mobility, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, rel. November 18, 2011 (“USF/ICC Transformation Order”).

⁴ Id. at Paragraph 28.

due between June 27, 2012 and July 11, 2012.⁵ T-Mobile desires to participate in the FCC's Mobility Fund Phase I Auction to bring voice and mobile broadband services to unserved areas in Kentucky, thereby giving Kentucky consumers increased access to basic and advanced telecommunications services.

T-Mobile is a facilities-based wireless telecommunications carrier that is seeking the additional approval necessary to be eligible to participate in the Mobility Fund Phase I Auction for census blocks outside its existing ETC Area. T-Mobile seeks ETC designation for census blocks outside its existing ETC Area that is conditioned upon T-Mobile winning support from the Mobility Fund Phase I Auction, which is permitted by FCC Rule 54.1003, as adopted by the FCC's USF/ICC Transformation Order. Such areas will, by definition, include areas where T-Mobile does not currently provide 3G or 4G data services (and where voice and 2G data services may or may not be provided).

The FCC has published a list of census blocks that are potentially eligible for Mobility Fund Phase I support. The list includes census blocks that the FCC considers unserved today by mobile broadband services, based on a centroid analysis of whether there is service at the center of the census block. T-Mobile seeks conditional designation as an ETC in all census blocks in Kentucky outside of its existing ETC Area that are designated as eligible for bidding in the Mobility Fund Phase I Auction.

⁵ AU Docket No. 12-25, Mobility Fund Phase I Auction Scheduled for September 27, 2012, Notice and Filing Requirements and Other Procedures for Auction 901, Paragraph 40, DA 12-641 (rel. May 2, 2012).

To receive ETC status, Federal regulations require a common carrier to: (1) offer services that are designated for support⁶ throughout its designated service area;⁷ (2) provide these services using its own facilities (including unbundled network elements) or a combination of its own facilities and resale of another carrier's facilities;⁸ (3) advertise the availability of these services through media of general distribution;⁹ and (4) make Lifeline service available to qualifying low-income consumers.¹⁰

In addition, the following requirements must also be met: (1) the ETC must certify that it will comply with the service requirements applicable to the support that it receives;¹¹ (2) submit a five-year service improvement plan;¹² (3) be able to remain functional in emergency situations;¹³ and (4) satisfy consumer protection and service quality standards.¹⁴

⁶ Eligible voice telephone services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers. 47 C.F.R. § 54.101(a).

⁷ 47 C.F.R. § 54.201(d).

⁸ 47 C.F.R. § 54.201(d)(1).

⁹ 47 C.F.R. § 54.201(d)(2).

¹⁰ 47 C.F.R. § 54.405

¹¹ 47 C.F.R. § 54.202(a)(1)(i).

¹² 47 C.F.R. § 54.202(a)(1)(ii).

¹³ 47 C.F.R. § 54.202(a)(2).

¹⁴ 47 C.F.R. § 54.202(a)(3).

The Commission finds that T-Mobile has demonstrated that it has met the standards established by the FCC. T-Mobile currently provides services supported by the Federal Universal Service mechanisms.¹⁵ In its petition requesting ETC designation, T-Mobile affirmed that it offers these services using its own facilities.¹⁶ T-Mobile also states that it advertises the availability and price of these services using media of general distribution.¹⁷ T-Mobile states it will submit a comprehensive service improvement plan upon completion of the Mobility Phase I Auction.¹⁸ T-Mobile states that it has the ability to remain functional in emergency situations.¹⁹ T-Mobile states that it has been certified by the CTIA–The Wireless Association’s Consumer Code for Wireless service—and therefore meets the requirements for consumer protection and service quality standards.²⁰ T-Mobile has complied fully with FCC guidelines regarding ETC designation.

T-Mobile has provided sufficient evidence for this Commission to grant conditional ETC status in the remaining area of the state of Kentucky. This designation will benefit consumers in Kentucky by expanding the range of competitive choices and by providing an incentive for incumbent telephone companies to improve their existing

¹⁵ Petition at 8.

¹⁶ Id.

¹⁷ Id.

¹⁸ Id. at 11.

¹⁹ Id. and Exhibit 2.

²⁰ Id. at 11-12 and Exhibit 3.

networks. Therefore, the Commission finds it is in the public interest to designate T-Mobile as an ETC in additional areas of the State.

The Commission, having reviewed the evidence of record and having been otherwise sufficiently advised, HEREBY ORDERS that:

1. T-Mobile is conditionally designated as an ETC for any wire centers in the state of Kentucky not previously designated by this Commission. Accordingly, T-Mobile is eligible to participate in the Mobility Phase I Auction in order to submit a bid.

2. T-Mobile shall offer universal supported services to consumers in its service area.

3. T-Mobile shall offer these services 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.

4. T-Mobile shall advertise the availability of and charges for these services using media of general distribution.

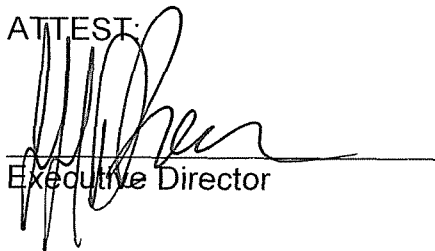
5. T-Mobile has certified to the Commission that it will comply with the FCC's criteria, in accordance with 47 U.S.C. § 254(e), and is therefore eligible to receive Universal Service Fund support for the current certification period.

6. The Executive Director shall serve a copy of this Order upon the FCC and the Universal Service Administrative Company.

By the Commission

ENTERED *PA*
MAY 18 2012
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

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