

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BLUEGRASS WIRELESS LLC'S PETITION)
FOR DESIGNATION AS AN ELIGIBLE)
TELECOMMUNICATIONS CARRIER IN THE) CASE NO. 2005-00017
COMMONWEALTH OF KENTUCKY)
)

O R D E R

On March 7, 2005, the applicant submitted a motion to certify the division of the rural study area of Kentucky ALLTEL, Inc. – London (“Kentucky ALLTEL”) and to vacate the procedural order and cause the case to be submitted as ripe for decision. It states in its motion that the Commission and the Federal Communications Commission (“FCC”) may redefine the service area of Kentucky ALLTEL so that as a competitive eligible telecommunications carrier (“ETC”) it may serve those areas that are identical to its service area. It also states in the motion that it has met the requirements to be designated as an ETC and that BellSouth Telecommunications, Inc., the only intervener, does not oppose the motion. It also states that it would be in the best interest of consumers for the applicant to begin immediately receiving funding from the Universal Service Fund (“USF”).

The Commission denies the motions. The Commission has the ultimate responsibility to determine which carriers should be designated as ETCs and in doing so has the responsibility to collect and assess all information available to it to make that determination. The Commission finds that the record is not sufficient at this time upon which the Commission may base a decision.

IT IS THEREFORE ORDERED that:

1. The Applicant's motion is denied.
2. The Applicant shall file with the Commission responses to the data requests and interrogatories, attached as Appendix A, according to the procedural schedule established in this case.

Done at Frankfort, Kentucky, this 17th day of March, 2005

By the Commission

Commissioner W. Gregory Coker did not participate in the deliberations or decision concerning this case.

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00017 DATED March 17, 2005

1. Describe in detail the relationship between Bluegrass Wireless, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership. Include information about common ownership, operating management, and operating name.
2. Identify areas in which the application seeks designation as an ETC where there is more than one carrier designated as an ETC.
3. Of those areas in which there is more than one ETC already designated, provide an explanation of the additional benefits that will accrue to customers in those areas.
4. Identify those facilities that the applicant will use that are leased from other carriers. (Application at 5.)
5. Provide a list of and description of the service offerings of the applicant, including number of minutes of use, rates and calling scope.
6. Provide a service coverage map (39 dbu contours) for the applicant's serving area.
7. Identify any gaps (areas where wireless phone service is unavailable) in any of the areas in which the applicant seeks ETC designation.
8. How does the applicant intend to provide toll limitation service for Lifeline customers?
9. How does the applicant intend to provide Lifeline and Link-up services?

10. For each rural telephone company serving area in which the applicant seeks ETC designation, identify the number of customers currently served by the applicant.

11. Are there any areas in which the applicant serves in which the applicant does not provide 911 Service? If yes, identify the areas and the reason(s) why.

12. Are there any areas in which the applicant serves in which the applicant does not provide E911 Service? If yes, identify the areas and the reason(s) why.

13. On February 28, 2005, the FCC issued a press release summarizing the FCC's adoption of additional requirements for ETCs proceedings. (See Appendix B.) The FCC has encouraged states to adopt these same requirements. As described in the press release, provide the information described in (1) Eligibility Requirements.

14. With regard to Item (2), Public Interest Determinations, describe how the applicant will meet the public interest standards.

15. Describe the steps the applicant will take when a customer requests service and the request cannot be served by existing network facilities.

16. Describe and estimate the amount of USF support that the applicant expects to receive on an annual basis.

17. Describe how those funds will be used to maintain or upgrade the applicant's network.

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00017 DATED March 17, 2005

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Federal Communications Commission
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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 616 F.2d 385 (D.C. Cir. 1974).

FOR IMMEDIATE RELEASE:
February 28, 2005

NEWS MEDIA CONTACT:
Mark Wigfield, 202-418-0253
Email: mark.wigfield@fcc.gov

FCC ADOPTS ADDITIONAL REQUIREMENTS FOR ELIGIBLE TELECOMMUNICATIONS CARRIER PROCEEDINGS

Action Creates a More Rigorous Eligible Telecommunications Carrier Designation Process for Receiving Federal Universal Service Support

Washington, D.C. – The Federal Communications Commission (Commission), on February 25, 2005, adopted measures addressing the minimum requirements for a telecommunications carrier to be designated as an “eligible telecommunications carrier” or “ETC,” and thus eligible to receive federal universal service support. Consistent with the recommendations of the Federal-State Joint Board on Universal Service (Joint Board), the Commission adopted additional mandatory requirements for ETC designation proceedings in which the Commission acts pursuant to section 214(e)(6) of the Communications Act of 1934, as amended (the Act). In addition, as recommended by the Joint Board, states that exercise jurisdiction over ETC designations pursuant to section 214(e)(2) of the Act, are encouraged to adopt these requirements when deciding whether a common carrier should be designated as an ETC. Following is a brief summary of the decision:

- (1) **Eligibility Requirements** – In satisfying its burden of proof necessary to obtain ETC designation, an ETC applicant must now: 1) provide a five-year plan demonstrating how high-cost universal service support will be used to improve its coverage, service quality or capacity throughout the service area for which it seeks designation; 2) demonstrate its ability to remain functional in emergency situations; 3) demonstrate that it will satisfy consumer protection and service quality standards; 4) offer local usage plans comparable to those offered by the incumbent local exchange carrier (LEC) in the areas for which it seeks designation; and 5) acknowledge that it may be required to provide equal access if all other ETCs in the designated service area relinquish their designations. In addition, these requirements are made applicable on a prospective basis to all ETCs previously designated by the Commission, and such ETCs are required to submit evidence demonstrating how they comply with this new ETC designation framework by October 1, 2006.
- (2) **Public Interest Determinations** – The Commission clarifies that its public interest examination for ETC designations will review many of the same factors for ETC designations in areas served by non-rural and rural incumbent LECs,

including the benefits of increased consumer choice and the unique advantages and disadvantages of the competitor's service offering. In addition, as part of its public interest analysis, the Commission will examine the potential for creamskimming effects in instances where an ETC applicant seeks designation below the study area level of a rural incumbent LEC.

- (3) **Annual Certification and Reporting Requirements** – Each ETC designated by the Commission, including those designated prior to this decision, must submit on an annual basis: 1) progress updates on its five-year service quality improvement plan; 2) detailed information on outages in the ETC's network; 3) how many requests for service from potential customers were unfulfilled for the past year and the number of complaints per 1,000 handsets or lines; and 4) certifications that the ETC is complying with applicable service quality standards and consumer protection rules, is able to function in emergency situations, is offering a local usage plan comparable to that offered by the incumbent LEC in the relevant service areas, and acknowledge that the Commission may require it to provide equal access to long distance carriers.
- (4) **Other Issues** – The Commission also: 1) agrees with the Joint Board's recommendation that the Commission's procedures for redefinition proceedings do not warrant a change at this time; 2) grants certain pending petitions for redefinition of rural incumbent LEC study areas; 3) modifies the Commission's annual high-cost certification and line count filing deadlines so that newly designated ETCs are permitted to file these data within sixty days of their ETC designation date, and modifies the quarterly interstate access support certification filing schedule; and 5) delegates authority to the Universal Service Administrative Company, in accordance with direction from the Wireline Competition Bureau, to develop standards for the submission of any maps that ETCs are required to submit under Commission rules.

Action by the Commission, February 25, 2005, by Report and Order (FCC 05-46).
Chairman Powell, Commissioners Abernathy, Copps, and Adelstein with Commissioner Martin approving in part and dissenting in part.

-FCC-

Docket No.: CC 96-45

Wireline Competition Bureau Staff Contact: Thomas Buckley at 202-418-7400.

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on the Commission's web site www.fcc.gov.