



STOLL  
KEENON  
OGDEN  
PLLC

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MAY 27 2016

Public Service  
Commission

2000 PNC PLAZA  
500 WEST JEFFERSON STREET  
LOUISVILLE, KY 40202-2828  
MAIN: (502) 333-6000  
FAX: (502) 333-6099

**DOUGLAS F. BRENT**  
DIRECT DIAL: (502) 568-5734  
Douglas.Brent@skofirm.com

May 25, 2016

Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40601

Case No. 2016-00184

**RE: Case No. 2016-00\_\_\_ - Application of Budget Prepay, Inc. for Designation  
as a Non-Rural Eligible Telecommunications Carrier**

Dear Sir or Madam:

Enclosed please find an original and ten copies of Budget Prepay, Inc.'s Request to Relinquish its Wireline Lifeline Only ETC Designation. Please indicate receipt of this filing by your office by placing a file stamp on the extra copy and returning to me via the enclosed, self-addressed postage paid envelope.

Very truly yours,

STOLL KEENON OGDEN, PLLC

Douglas F. Brent

Enclosure

## RECEIVED

Public Service  
Commission

REQUEST OF BUDGET PREPAY, INC. )  
TO RELINQUISH ITS WIRELINE LIFELINE- ) Case No. 2016-00 184  
ONLY ELIGIBLE TELECOMMUNICATIONS )  
CARRIER DESIGNATION )

Budget PrePay, Inc. (“Budget” or the “Company”), by counsel, hereby gives notice to the Kentucky Public Service Commission (“Commission”) that it wishes to relinquish its designation as an eligible telecommunications carrier (“ETC”) solely for the provision of its competitive, wireline Lifeline-supported services.<sup>1</sup> Budget currently does not have any wireline customers receiving Lifeline benefits. Relinquishment is therefore appropriate following the recent FCC-approved transfer of all of Budget’s wireline subscribers in Kentucky to Global Connection Inc. of America (“Global Connection”).

## I. REQUEST TO RELINQUISH ETC DESIGNATION

On December 28, 2009, the Commission designated Budget as a Lifeline-only ETC for its provision of competitive, wireline services in Case No. 2009-00269. Budget hereby seeks

<sup>1</sup> Budget has also been designated an ETC for wireless services and will continue to provide USF-supported wireless services to Lifeline-eligible customers. *See Petition of Budget Prepay for Designation as a Non-Rural Wireless Eligible Telecommunications Carrier*, Order, Case No. 2011-00169 (December 8, 2011). Granting this request to relinquish will have no effect on Budget's status as a wireless ETC.

Commission authority to relinquish solely its competitive, wireline ETC designation status in Kentucky.<sup>2</sup>

Federal law specifies that the Commission “shall permit an eligible telecommunications carrier to relinquish its designation as such a carrier in any area served by more than one eligible telecommunications carrier.”<sup>3</sup> The federal requirements for relinquishment of ETC designation can be summarized as the following: (1) there must be more than one ETC serving in the area of the ETC seeking relinquishment; (2) the ETC seeking relinquishment must provide advance notice to the relevant public service commission; (3) the subscribers served by the relinquishing ETC must continue to be served by a remaining eligible telecommunications carrier or carriers; and (4) to the extent that additional facilities are required to serve any of the relinquishing ETC’s customers, sufficient notice shall be provided to ensure that the construction or purchase can be timely completed.<sup>4</sup>

As detailed below, Budget’s proposed wireline ETC relinquishment request complies with each of these requirements.

**A. Other ETCs Serve Budget’s Wireline ETC Designated Service Area**

Budget’s ETC service area is served by more than one ETC, including more than a dozen wireless ETCs.<sup>5</sup> Because at least one other ETC also serves Budget’s wireline ETC service area in Kentucky, federal law provides that the Commission should permit Budget to relinquish its ETC designation.

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<sup>2</sup> The Universal Service Administrative Company (“USAC”) has assigned Budget PrePay Study Area Code (“SAC”) 269020 for its provision of competitive, wireline services in Kentucky. Budget will ask USAC to cancel this SAC upon approval of this request by the Commission.

<sup>3</sup> 47 U.S.C. § 214(e)(4).

<sup>4</sup> See 47 U.S.C. § 214(e)(4) and 47 C.F.R. § 54.205(a).

<sup>5</sup> See <http://www.lifelinesupport.org/lis/companies/CompanyListing.aspx?state=KY&stateName=Kentucky>

**B. Budget Is Providing Advance Notice to the Commission**

Consistent with 47 U.S.C. § 214(e)(4) and 47 C.F.R § 54.205(a), Budget is filing this notice more than a month in advance of the requested effective date of relinquishment of its ETC designation.

In addition, on September 25, 2015, Budget and Global Connection jointly sent written notice by first-class mail to all affected Budget subscribers, notifying them that beginning on or after October 25, 2015, their telecommunications service would be provided by Global Connection. Budget and Global also notified the Commission on November 4, 2015 and included the customer notice letter as an exhibit.<sup>7</sup>

The FCC granted the assignment of customers from Budget PrePay to Global Connection on November 30, 2015.<sup>8</sup>

**C. The Remaining ETCs Will Serve Future Service Requests**

As noted earlier, to the best of the Company's knowledge, Lifeline subscribers in Kentucky will have a variety of alternative ETCs, including both wireline and wireless providers, from which to choose to receive Lifeline services. Thus, all low income consumers residing in Budget's ETC service area will continue to be served by multiple ETCs in accordance with 47 U.S.C. § 214(e).

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<sup>7</sup> [http://psc.ky.gov/telecomm\\_informational\\_letters/Global%20Connection,%20Inc%20of%20America%202015-11-04.pdf](http://psc.ky.gov/telecomm_informational_letters/Global%20Connection,%20Inc%20of%20America%202015-11-04.pdf)

<sup>8</sup> See Notice of Domestic Section 214 Authorization Granted, WC Docket No. 15-258, DA 15-1370, 30 FCC Rcd 13628 (Nov. 30, 2015).

**D. No Additional Facilities Must Be Purchased or Constructed by the Remaining ETCs**

To the best of Budget's knowledge, none of the remaining Kentucky ETCs serving Budget's ETC service area will be required to purchase or construct additional facilities to continue to serve consumers within the applicable service area.

**II. PUBLIC INTEREST CONSIDERATIONS**

Budget's proposed ETC relinquishment is consistent with the public interest. As noted earlier, a variety of other wireless and wireline providers in Kentucky provide USF-supported services within the service area. Consequently, Lifeline-eligible subscribers in Kentucky will not be harmed by the requested ETC relinquishment since they will be able to choose from an array of alternative providers in order to obtain Lifeline service.

**CONCLUSION**

Wherefore, Budget respectfully requests that the Commission permit the Company to relinquish solely its designation as a Lifeline-only ETC for competitive, wireline services.

Respectfully submitted,



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Douglas F. Brent  
STOLL KEENON OGDEN PLLC  
500 West Jefferson Street  
2000 PNC Plaza  
Louisville, KY 40202-2828  
Phone: (502) 568-5734  
*Counsel to Budget PrePay, Inc.*

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