COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF VIASAT CARRIER SERVICES,) INC. FOR DESIGNATION AS AN ELIGIBLE) TELECOMMUNICATIONS CARRIER TO) RECEIVE CONNECT AMERICA FUND) PHASE II AUCTION SUPPORT FOR VOICE) AND BROADBAND SERVICES)

CASE NO. 2018-00330

<u>COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION TO VIASAT</u> <u>CARRIER SERVICES, INC.</u>

Viasat Carrier Services, Inc. (Viasat), pursuant to 807 KAR 5:001, is to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due within 17 days of the date of this Request. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Viasat shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Viasat fails or refuses to furnish all or part of the requested information, it shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, Viasat shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the Application, Section V, paragraph 5, in which Viasat commits to advertise the availability of Lifeline service. Describe in further detail Viasat's marketing plan and the inclusion of print, radio, television, magazines, outdoor advertising, direct marketing, and internet advertisements. Provide all examples of marketing materials.

2. Describe the training, education, and qualifications of the persons who will market Viasat's Lifeline service and state whether they will be employees or subcontractors.

3. Refer to the Application, Section V, paragraph 8, in which Viasat states that it meets all the requirements for designation as an Eligible Telecommunications Carrier (ETC) under 47 C.F.R. §54.202.

a. Provide evidence demonstrating that Viasat has the financial and technical capabilities of providing the supported Lifeline service pursuant to 47 C.F.R. §54.202(h).

b. Provide the most recent audited financial statements of Viasat and Viasat, Inc. (VSI).

c. Provide the construction cost estimates and timelines for construction of the network.

d. Describe in detail the persons who will be responsible for the design, construction, engineering, and operation of the network. Include any previous experience these persons have in telecommunications or in designing networks.

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Provide a map in suitable scale depicting the service area shown in Exhibit
A to the Application. Include on the map the Incumbent Local Exchange Carriers (ILECs)
that provide service in the same area.

5. Refer to the Application, Section V, paragraph 4, in which Viasat states that it will offer voice telephony at rates that are reasonably comparable to urban rates. Provide a chart or list of the actual rates that will be charged in the designated service areas.

6. Refer to the Application, pages 2 and 3, in which Viasat stated that it "will outsource technical, billing, installation, and customer service matters to VSI" and that it "will also rely on the significant managerial and technical expertise of VSI," and in which Viasat indicated that VSI owns the satellites and other equipment that will be providing the service.

a. Describe how Viasat will compensate VSI for services and for the use of equipment.

b. State whether Viasat is expected to have any employees.

c. State whether Viasat owns, or anticipates owning, any of the equipment that will be used to provide service to customers in Kentucky.

d. Identify the portion of the CAF II Auction funding for Kentucky that Viasat would expect to pay to VSI.

e. Explain why the winning bid was transferred to Viasat instead of being exercised by VSI directly.

7. Refer to the Application, page 7, in which Viasat generally describes how the network will function.

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a. State whether any portion of the "terrestrial network," as that term is used in the Application, will be located in Kentucky.

b. Identify generally where the terrestrial network is located, including where the satellite access nodes interconnect with "the Internet" and any publicly switched telephone network.

c. Describe how the network identifies the location of a customer's phone and directs 911 calls to the correct 911 dispatcher based on the location of the phone.

d. Describe in detail the types of user equipment Viasat would expect to be installed or used in Kentucky in connection with the service it intends to provide.

8. State whether and explain why Viasat contends that the structure of its network, in which most or all of the components are located out of state, affects the Commission's jurisdiction over Viasat as compared to a traditional wireless provider with towers and other infrastructure located within the state.

 Refer to the Application, page 6, in which Viasat indicated that VSI currently serves almost 600,000 residential customers and millions of personal electronic devices per month on aircraft.

a. State whether those customers are served using ViaSat-1 and/or ViaSat-2.

b. Provide the average available capacity and the average capacity in use on ViaSat-1 and ViaSat-2 during the six months preceding December 1, 2018.

c. Identify the peak demand on each satellite in terms of Gbit/s for each month from June 2018 through November 2018.

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d. Describe the typical download and upload speeds received by customers on ViaSat-1 and ViaSat-2 during periods of high demand, moderate demand and low demand.

10. State whether customers currently served by VSI using ViaSat-1 or ViaSat-2 have experienced issues with latency on voice calls, and if so, describe those issues and explain in detail why Viasat contends that they will not prevent it from offering voicegrade calls as required by 47 C.F.R. § 54.101, *et. seq*.

11. Explain whether customers will be limited or prevented from contacting 911 or E-911 during periods of high demand on the satellites. State whether any portion of capacity is reserved solely for use in calling 911 and E-911 when necessary.

12. Identify each state or territory in which VSI, Viasat, or an affiliate that will provide service using ViaSat-1 and ViaSat-2 was selected as the winning bidder under the FCC's Connect America Fund Phase II Auction. For each such state identify the number of additional customers expected to be served in 2019, 2020, and 2021 as a result of those winning bids.

13. Refer to the Application, pages 7 and 8, in which Viasat indicated that ViaSat-1 provides at least 140 Gbit/s of total capacity and ViaSat-2 provides a maximum potential capacity of approximately 260 Gbit/s.

a. State whether Viasat contends that it will be able to offer 2 gigabytes per month in data usage to all projected customers in 2019, 2020, and 2021, given the historical demand on the satellites.

 If the response to part a. is in the affirmative, explain every basis for your response.

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c. If the response to part a. is in the negative, explain how Viasat contends that it will be able to meet the minimum standards as set forth in 47 C.F.R. § 54.408.

14. Describe generally how Viasat intends to spend funds awarded under the FCC's Connect America Fund Phase II Auction for areas in Kentucky, including whether Viasat intends to use amounts awarded to fund ViaSat-3 in any manner.

15. State whether Viasat has begun negotiations for or plans to enter into any interconnection agreements with ILECs, and explain the basis for this response.

16. State whether Viasat is seeking to be designated an ETC in Kentucky for the purpose of receiving Lifeline reimbursement from the Kentucky Universal Service Fund.

17. Provide the date by which Viasat will file the FCC Form 683 application or provide a copy of the same if completed.

18. Confirm that Viasat will collect fees or otherwise contribute to the appropriate 911 emergency service authority in its service area.

19. Confirm that Viasat will comply with the annual assessment and gross earnings reports requirements pursuant to KRS 278.130-150.

20. Confirm that Viasat will collect or otherwise contribute the Kentucky Telecommunications Relay Service / Telecommunications Access Program surcharge, currently \$.03 per line per month, for each Viasat Kentucky customer for both Lifeline and non-Lifeline service.

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21. Confirm that Viasat will collect or otherwise contribute the Kentucky Universal Service Fund per-line surcharge, currently \$0.09 per line per month, for each Viasat Kentucky customer for both Lifeline and non-Lifeline service.

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Gwen R. Pinson Executive Director Public Service Commission P.O. Box 615 Frankfort, KY 40602

DATED DEC 2 0 2018

cc: Parties of Record

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