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March 18, 2019

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MAR 18 2019

PUBLIC SERVICE
COMMISSION

Ms. Gwen R. Pinson, Esq.
Executive Director
Kentucky Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

**Re: *Petition of Gibson Connect, LLC For Designation As An Eligible
Telecommunications Carrier
Case No. 2018-00333***

Dear Ms. Pinson:

Enclosed for filing in the above-referenced matter are the original and ten copies of Gibson Connect, LLC's Motion for Clarification. Please confirm receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copy and return to me via the enclosed, self-addressed, stamped envelope.

Very truly yours,

Stoll Keenon Ogden PLLC

A handwritten signature in blue ink that reads "Gerald Wuetcher".

Gerald Wuetcher

GEW
Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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COMMISSION

In the Matter of:

PETITION OF GIBSON CONNECT, LLC FOR)
DESIGNATION AS AN ELIGIBLE) CASE NO. 2018-00333
TELECOMMUNICATIONS CARRIER)

MOTION FOR CLARIFICATION

Pursuant to KRS 278.400, Gibson Connect, LLC (“Gibson Connect”) moves for clarification of the Order of February 25, 2019 regarding Gibson Connect’s low income voice customers’ eligibility for support from the Kentucky Universal Service Fund (“KUSF”). In support of its Motion, Gibson Connect states:

1. On February 25, 2019, the Public Service Commission entered an Order in this proceeding in which it found that Gibson Connect met all of the regulatory requirements for designation as an Eligible Telecommunications Carrier (“ETC”) and was eligible to receive Federal High-Cost and Low-Income support from the federal Universal Service Fund.

2. In its Application, Gibson Connect expressly noted that the Public Service Commission’s designation of Gibson Connect as “a high-cost and low-income ETC in the winning areas of the Auction 903 Census Block Groups, as well as a low-income-only ETC in the Remaining Service Areas will allow Gibson Connect to receive CAF Phase II support, as well as federal and **Kentucky Lifeline support for income-eligible voice customers . . .**”¹

¹ Application at 3 (emphasis added). See also Order of Feb. 25, 2019 at 1-2 (“Gibson Connect seeks to be designated as an ETC to provide high-speed broadband internet access and interconnected Voice over Internet Protocol (VoIP) as well as Lifeline service to qualifying customers in Kentucky”).

3. In its Order of February 25, 2019, the Public Service Commission was silent as Gibson Connect's eligibility for support funds from the KUSF. This appears to have been an oversight.

4. For over twenty years the Commission has anticipated broad carrier participation in the Kentucky Lifeline program.² Implicitly, that broad participation includes KUSF support for all ETCs providing voice telecommunications service. Indeed, the Commission has engaged in a significant public outreach program to inform low income Kentuckians about changes to the Lifeline program, emphasizing the federal and state subsidies that support voice telecommunications within the state.³ The Commission's media releases and online video have announced the state subsidies that are generally available. As these messages make clear, the KUSF was created for the benefit of all low income customers who enroll in Lifeline, as long as they are served by an ETC. Gibson Connect is an ETC so its qualified Lifeline consumers are eligible Kentucky households. As such, Gibson Connect is entitled to KUSF reimbursement when it serves such households in the census blocks listed in the Application.⁴

5. Confirming that Gibson Connect is eligible for support payments from the KUSF does not require additional fact-finding. The Public Service Commission has already found that Gibson Connect meets the federal eligibility requirements and designated Gibson Connect as an ETC. The Public Service Commission has previously acknowledged Kentucky's state Lifeline program mirrors the federal eligibility qualifications.⁵ While it has noted that it is not prohibited

² *An Inquiry into Local Competition, Universal Service, and the Non-Traffic Sensitive Access Rate*, Adm. Case No. 355 (November 26, 1997) (requiring Lifeline participation by all incumbent local exchange carriers).

³ See, e.g., *Lifeline Program Changes Take Effect Today*, Ky. PSC news release (December 2, 2016), available at http://psc.ky.gov/agencies/psc/press/122016/1202_r01.pdf.

⁴ *Id.* at 1 (explaining the Kentucky contribution of \$3.50 applies "for eligible Kentucky households").

⁵ *Inquiry into the State Universal Service Fund*, Case No. 2016-00059 (Ky. PSC Oct. 19, 2016) at 2 ("The Commission has mirrored the federal eligibility qualifications in the past. There is no reason to deviate from such requirements at this moment.").

from establishing different eligibility requirements for Kentucky's state Lifeline program,⁶ the Public Service Commission has not done so. Accordingly, the Public Service Commission has already made the necessary findings to determine Gibson Connect's eligibility for KUSF and need only clarify that, as a matter of law, Gibson Connect may begin seeking state reimbursement when it files its Lifeline reports.

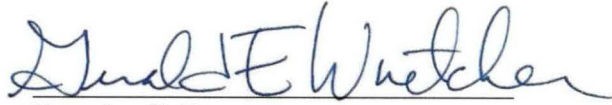
6. In 1997, the Public Service Commission found "evidence of record of the demonstrated need in Kentucky for a Lifeline program" and said it would "embrace the full amount of credit available for Lifeline assistance." Since then, it has never wavered in support of universal service. Programs like the KUSF are clearly in the public interest insofar as they increase telephone penetration among the poor. In its *Lifeline Reform FNPRM*, the Federal Communications Commission noted that combined state and federal contributions to Lifeline have long been a critical part of the Lifeline program and expressed interest on ways to further encourage states to provide additional subsidies for Lifeline.⁷ By clarifying that Gibson Connect is eligible for state low income fund support as an ETC, the Commission will be advancing the Communications Act of 1934's goal of ensuring universal access to quality telecommunications services at affordable rates.

WHEREFORE, Gibson Connect respectfully requests that the Public Service Commission clarify its Order of February 25, 2019 to confirm that Gibson Connect may seek KUSF reimbursement for Lifeline voice services that it provides in Kentucky on and after February 25, 2019.

⁶ —*Id.* at 2, n. 6.

⁷ *In the Matter of Lifeline and Link Up Reform and Modernization et al.* FCC 15-71, 30 FCC Rcd 7818, Further Notice of Proposed Rulemaking, ¶ 128 (June 22, 2015) ("*Lifeline Reform FNPRM*").

Respectfully submitted,

A handwritten signature in blue ink that reads "Douglas F. Brent". The signature is written in a cursive style with a horizontal line underneath the name.

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Counsel for Gibson Connect LLC

Dated: March 20, 2019