

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF CINCINNATI BELL WIRELESS,)	
LLC FOR DESIGNATION AS A NONRURAL)	CASE NO.
ELIGIBLE TELECOMMUNICATIONS CARRIER)	2011-00059
FOR THE LIMITED PURPOSE OF OFFERING)	
LIFELINE SERVICE TO QUALIFIED)	
HOUSEHOLDS)	

O R D E R

On February 18, 2011, Cincinnati Bell Wireless, LLC ("CBW"), a commercial mobile radio service ("CMRS") provider, filed a petition under 47 U.S.C. § 214(e)(2) seeking designation as an Eligible Telecommunications Carrier ("ETC"). CBW seeks ETC designation solely for the purpose of participation in the federal universal service funds Lifeline program. CBW does not seek high-cost support. CBW requests designation for service offered throughout its service area in the state of Kentucky.¹

The petition states that: (1) CBW meets all the requirements for designation as an ETC to serve the designated areas in the state of Kentucky;² (2) CBW requests designation throughout each of the designated areas within its service coverage;³ (3) in accordance with 47 U.S.C. § 214(e)(2), CBW seeks to be designated as an ETC in non-

¹ CBW requests ETC designation throughout its entire licensed service territory. Petition at 1 and Exhibit A.

² Id. at 5 - 9.

³ Id. at 3 - 4.

rural wirecenters;⁴ and (4) designation of CBW as an ETC for the designated areas served in Kentucky will serve the public interest.⁵

CBW is a wholly-owned subsidiary of Cincinnati Bell Inc., an Ohio corporation with headquarters in Cincinnati, Ohio. CBW is a facilities-based wireless provider that holds licenses covering the Greater Cincinnati and Dayton metropolitan areas, several counties in Northern Kentucky, and portions of Indiana. CBW offers both postpaid and prepaid wireless plans. CBW's prepaid plans are marketed under the brand name of i-wireless.⁶

CBW has also petitioned the Public Utilities Commission of Ohio for ETC designation. The application was conditionally granted on December 29, 2010.⁷ CBW seeks designation as an ETC within its Kentucky service area so that it can offer three prepaid wireless Lifeline plans to qualifying low-income consumers. As with all of CBW's prepaid plans, there will be no credit checks and no contracts.

The Connect Plan will provide a Lifeline customer 250 monthly domestic anytime minutes originating within CBW's local prepaid network free of charge. Any unused free minutes remaining at the end of the month expire. Roaming minutes and additional domestic minutes will be 10 cents per minute. Text messages can be sent for 20 cents per message, but there will be no charge to receive text messages. No data usage will

⁴ Id.

⁵ Id.

⁶ See Footnote 1 of the petition.

⁷ Case No. 10-2449-TP-UNC, In the matter of the petition of Cincinnati Bell Wireless LLC for Designation as a Nonrural Eligible Telecommunications Carrier for the Limited Purpose of Offering Lifeline Service to Qualified Households.

be allowed. There is no charge for these calls and they do not count against the 250 free local minutes allowance. Customers may also check their dollar balance and usage on-line at www.i-ontheweb.com. Handsets do not display the account dollar balance or minutes.

Lifeline customers will be able to subscribe to CBW's Unlimited Talk and Text Plan for \$22.75 per month. The non-Lifeline price for this plan is \$35. Lifeline customers will receive the exact same features and functions as non-Lifeline customers of the plan but will pay \$12.25 less for the service. This plan provides subscribers with unlimited domestic anytime minutes originating from within CBW's local prepaid network plus 100 roaming minutes each month. Additional roaming minutes are 10 cents per minute. This plan also includes unlimited text messaging. Data (i.e., Internet) usage is available at 5 cents per kilobyte.

Lifeline subscribers can also subscribe to the Mega Monthly Plan. This plan, which is normally priced at \$45 per month, will be available to Lifeline customers for \$32.75 per month. This plan provides unlimited domestic anytime minutes originating from within CBW's local prepaid network plus 1000 roaming minutes. Additional roaming minutes are 10 cents per minute. Furthermore, this plan includes unlimited text messaging and 100 megabytes of data usage. Additional data usage is available at 5 cents per kilobyte.

Subscribers may add money to their accounts to obtain additional voice minutes, send text messages, data access, and access roaming. They can do so by purchasing i-wireless cards, which are widely available at retail outlets throughout CBW's local operating area. They can also add money to their account via credit card by calling

611 or CBW's toll free customer care number from their wireless phone or by accessing their account on-line at www.i-ontheweb.com. Purchased dollar balances roll over from month to month as long as additional funds are added to the account prior to the expiration period for the purchased amount.

Customers who want to keep track of their usage and available minutes may do so by calling designated numbers from their wireless phone. Specifically, customers may dial #BAL or call 877-231-2401 to hear their account dollar balance, or dial #MIN or 866-589-2644 to hear their minute usage during their monthly service period.

CBW requests designation as an ETC throughout its Northern Kentucky service area. The Appendix identifies the specific wire centers that correspond to CBW's Kentucky service area where CBW seeks ETC designation. Cincinnati Bell Telephone Company LLC ("CBT") is the Incumbent Local Exchange Carrier ("ILEC") for all of these wire centers, and all of these wire centers are considered non-rural.

DISCUSSION

Pursuant to 47 U.S.C. § 254(e), "only an eligible telecommunications carrier designated under 47 U.S.C. § 214(e) shall be eligible to receive specific Federal universal service support." Pursuant to 47 U.S.C. § 214(e)(1), a common carrier designated as an ETC must offer and advertise the services supported by the federal universal service mechanisms throughout the designated service area.

Pursuant to 47 U.S.C. § 214(e)(2), state commissions bear the primary responsibility for performing ETC designations. Under the same section, the Commission may, with respect to an area served by a rural telephone company, and shall, in all other cases, designate more than one common carrier as an ETC for a

designated service area, consistent with the public interest, convenience, and necessity, as long as the requesting carrier meets the requirements of 47 U.S.C. § 214(e)(1). Also, before designating an additional ETC for an area served by a rural telephone company, the Commission must determine that the designation is in the public interest.

As outlined in 47 C.F.R. § 54.201(d), an ETC petition must contain the following: (1) a certification that the petitioner offers or intends to offer all services designated for support by the Commission pursuant to 47 U.S.C. § 254(c); (2) a certification that the petitioner offers or intends to offer the supported services “either using its own facilities or a combination of its own facilities and resale of another carrier’s services;” (3) a description of how the petitioner “advertise[s] the availability of [supported] services and the charges therefore using media of general distribution;” and (4) if the petitioner meets the definition of a “rural telephone company” pursuant to 47 U.S.C. § 153(37), the petitioner must identify its study area; or, if the petitioner is not a rural telephone company, it must include a detailed description of the geographic service area for which it requests an ETC designation from the Commission.

OFFERING THE SERVICES DESIGNATED FOR SUPPORT

CBW has demonstrated through the required certifications and related filings that it now offers, or will offer upon designation as an ETC, the services supported by the federal universal service mechanism. CBW certifies that it now provides or will provide throughout its designated service area the services and functionalities enumerated in 47 C.F.R. § 54.101(a). CBW has also certified that, in compliance with 47 C.F.R § 54.405, it will make available and advertise Lifeline service to qualifying low-income consumers.

OFFERING THE SUPPORTED SERVICES
USING A CARRIER'S OWN FACILITIES

CBW is a facilities based wireless telecommunications carrier with its own switching, transport, cell sites, and associated telecommunications facilities in its proposed designated ETC service area. CBW states that it intends to provide the supported services using its existing network infrastructure. As discussed previously in this Order, 47 C.F.R. § 54.201(d) defines the requirements that a carrier must fulfill in order to be granted ETC status. Under section (d), the carrier must provide the supported services by “either using its own facilities or a combination of its own facilities and resale of another carrier’s services (including the services offered by another eligible telecommunications carrier).” The next section, 47 C.F.R. § 54.201(e), defines the term “facilities” to mean “any physical components of the telecommunications network that are used in the transmission or routing of the service that are designated for support pursuant to subpart B of this part.” 47 C.F.R. § 54.201(f) provides that “the term ‘own facilities’ includes, but is not limited to, facilities obtained as unbundled network elements pursuant to part 51 of this chapter, provided that such facilities meet the definition of the term ‘facilities’ under this subpart.”⁸ The Commission finds that CBW has demonstrated that it satisfies the requirement of Section 214(e)(1)(A) that it offer the supported services using either its own facilities or a combination of its own facilities and resale of another carrier’s services.

⁸ See, e.g., 47 C.F.R. §§ 51.307–51.318, which outline the requirements for carrier access to and use of unbundled network elements.

ADVERTISING SUPPORTED SERVICES

CBW states in its application that it widely advertises the availability of its services via television, radio, and newspapers to reach consumers throughout CBW's service area. In addition, information about CBW's postpaid and prepaid services is available on CBW's website www.cincinnatiatbell.com. Information about CBW's i-wireless prepaid offerings is also available directly at www.i-ontheweb.com and is advertised via point-of-sale signage, billboards, bus wraps, and direct mailings. Upon designation as an ETC, CBW will update its website to include the details of its Lifeline program. In addition, CBW will advertise the availability of Lifeline through various channels designed to reach those most likely to qualify for the service.

Specifically, CBW proposes to build awareness and promote its Lifeline program via:

- Point of sale signage and brochures within corporately owned retail stores and authorized i-wireless distribution locations;
- Promotional signage and brochures at supporting local social service agencies;
- Direct mailers to public housing complexes and other low income areas;
- Public service announcements on local radio stations; and
- Providing information about the CBW program on the Universal Service Administrative Company ("USAC") website at www.lifelinesupport.org.

CBW also intends to reach out to social service agencies within its area to promote the service and to assist customers with the enrollment process. As mentioned above, CBW will provide promotional signage and brochures to supporting local social service agencies for display and distribution. In addition, CBW will submit advertising for such agencies to include in monthly newsletters at their discretion and work with

supporting organizations regarding mailings to their clients. CBW will also institute a referral program for participating social service agencies. The agencies will assist customers in filling out the CBW Lifeline Application/Referral form and then direct them to a Cincinnati Bell i-wireless store to complete the enrollment and activation process. The Application/Referral form will contain a section for the agency's five-digit agency code to ensure that the agency receives credit for the referral. Social service agencies that choose not to participate in the referral program will still be provided with promotional signage and brochures about CBW's Lifeline program.

CBW has demonstrated that it satisfies the requirement of 47 U.S.C. § 214(e)(1)(b) to advertise the availability of the supported services and the charges therefor using media of general distribution. In its petition, CBW states that it will publicize the availability of Lifeline and Link-Up in a manner reasonably designed to reach those likely to qualify for those services, as required by 47 C.F.R. §§ 54.405(b) and 54.411(d). CBW shall also be required to advertise each of the supported services on a regular basis in newspapers, magazines, television, and radio, in accordance with 47 C.F.R. § 54.201(d)(2).

RURAL AND NON-RURAL STUDY AREAS

The Federal Communications Commission ("FCC") has previously found designation of additional ETCs in areas served by non-rural telephone companies to be in the public interest based upon a demonstration that the requesting carrier complies

with the statutory eligibility obligations of 47 U.S.C. § 214(e)(1).⁹ CBW is not seeking designation in any rural areas.

DESIGNATED SERVICE AREAS

The Commission finds that CBW should be certified as an ETC in the requested service areas served by the non-rural telephone company, as listed in the Appendix.

ANNUAL CERTIFICATION AND VERIFICATION

Each year, CBW will require each Lifeline subscriber to recertify his or her head of household status, certify that only one Lifeline discount is received at that household, and document his or her continued program eligibility for Lifeline in accordance with the annual Lifeline Certification and Verification for USAC that is due annually at the end of August and in accordance with Kentucky Public Service Commission Administrative Case No. 360. The Commission finds that CBW's plan to meet the annual certification and verification requirements is in accordance with the Commission's requirements.

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

1. CBW is designated as an ETC for the exchanges of the Non-rural Telephone Company identified in the Appendix to this Order.
2. During the current certification period, CBW shall be eligible to receive Federal and State Universal Service Fund support for Lifeline only.

⁹ See, e.g., Cellco Partnership d/b/a Bell Atlantic Mobile Petition for Designation as an Eligible Telecommunications Carrier, Memorandum Opinion and Order, CC Docket No. 96-45, 16 FCC Rcd 39 (2000).

3. CBW shall offer low-income universal support services to consumers in its service area.

4. CBW 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.

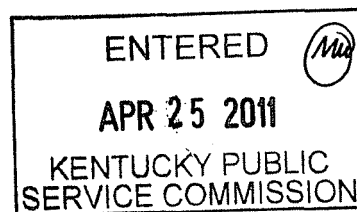
5. Pursuant to 47 C.F.R. § 54.201(i), CBW shall be precluded from offering universal service support exclusively through the resale of another carrier's services.

6. CBW shall advertise the availability of and charges for these services using media of general distribution.

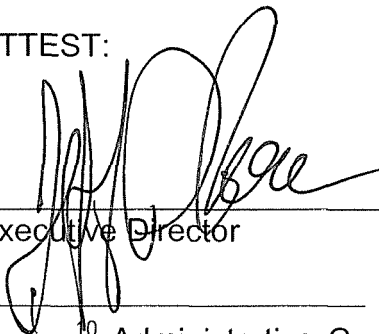
7. CBW must comply with the Commission's annual certification process for Lifeline customers in accordance with the requirements of Administrative Case No. 360.¹⁰

8. A copy of this Order shall be served upon the FCC and the Universal Service Administrative Company.

By the Commission



ATTEST:



Executive Director

¹⁰ Administrative Case No. 360, An Inquiry Into Universal Service and Funding Issues (Ky. PSC May 24, 2007).

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00059 DATED **APR 25 2011**

Designated Areas for which CBW is Granted ETC Designation

1. Non-Rural ILEC Wire Centers

265061 Cincinnati Bell Telephone – KY

ALXNKYAL	BURLKYBN	FLRNKYFL	UNINKYAC	BTLRKYBR
CVTNKYCN	FLRNKYFL	FTTHKYFT	LKPKKYL	FLMOKYUA
GLCOKYGC	INDPKYIN	WLTNKYWL	CRTDKYCT	WLTWKYWT

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