

DOUGLAS F. BRENT

DIRECT DIAL: (502) 568-5734 DIRECT FAX: (502) 562-0934 Douglas.Brent@skofirm.com

> 2000 PNC PLAZA 500 WEST JEFFERSON STREET

LOUISVILLE, KY 40202-2828 MAIN: (502) 333-6000 FAX: (502) 333-6099

April 7, 2017

RECEIVED

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

APR 0 7 2017

PUBLIC SERVICE COMMISSION

RE:

Petition of Budget Prepay, Inc. for Additional Designation as an

**Eligible Telecommunications Carrier in Kentucky** 

Case No. 2017-<u>00166</u> Case No. 2011-000169

Dear Dr. Mathews:

Enclosed please find an original and ten copies of Budget Prepay, Inc.'s Petition for Additional Designation as an Eligible Telecommunications Carrier in Kentucky. Please indicate receipt of this filing by your office by placing a file stamp on the extra copy and returning to me via our runner.

Sincerely yours,

C. Kent Hatfield

CKH Enclosures

RECEIVED

# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

APR 0 7 2017

PUBLIC SERVICE

COMMISSION

In the Matter of

PETITION OF BUDGET PREPAY, INC. FOR ADDITIONAL DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN KENTUCKY Case No. 2017-00166 Case No. 2011-00169

## Request of Budget Prepay, Inc. to Relinquish ETC Designation

Budget PrePay, Inc. ("Budget"), by counsel, hereby gives notice to the Kentucky Public Service Commission ("Commission") that it intends to relinquish its designation as an eligible telecommunications carrier ("ETC") for the provision of wireless Lifeline-supported services. Budget's decision to relinquish its ETC designation is the result of changes in the industry and recent modifications to the Lifeline program. The impact of this relinquishment will be minimal because Budget currently provides service to a limited amount of subscribers, and those consumers have options for alternative service providers in Kentucky and will have ample time to transition service to another provider.

## I. REQUEST TO RELINQUISH ETC DESIGNATION

On December 8, 2011, the Commission designated Budget as a Lifeline-only ETC for wireless services in Case No. 2011-00169. Budget hereby asks to relinquish this authority. 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

<sup>&</sup>lt;sup>1</sup> The Universal Service Administrative Company ("USAC") has assigned Budget study area code ("'SAC") 269033 for wireless services. Budget will ask USAC to cancel this SAC upon approval of this request by the Commission.

telecommunications carrier."<sup>2</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 an ETC; 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>3</sup> As detailed below, Budget's request complies with each of these requirements.

#### Other ETCs Serve Budget's ETC Service Area A.

Budget's ETC service area is served by more than one ETC, including multiple wireless ETCs. Because at least one other ETC serves Budget's ETC service area, federal law provides that the Commission should permit Budget to relinquish its ETC designation.

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

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.

<sup>&</sup>lt;sup>2</sup> 47 U.S.C.§ 214(e)(4). <sup>3</sup> See 47 U.S.C.§ 214(e)(4) and 47 C.F.R.§ 54.205(a).

# C. The Remaining ETCs Will Serve Consumers

To the best of Budget's knowledge, Budget's Lifeline subscribers will have at least one alternative ETC from which to choose. Thus, all low income consumers residing in Budget's ETC service area will continue to be served by an ETC consistent with 47 U.S.C. § 214(e).

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

To the best of Budget's knowledge, none of the remaining ETCs 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. The services offered by Budget are available from other wireline and wireless providers in the Commonwealth. Consequently, Budget's subscribers will not be unduly harmed as they will be able to transition to new providers and continue to receive Lifeline discounts.

No later than April 7, 2017, Budget will send written notice by text message (which is the customary and, in Budget's experience, the most effective form of customer communication) to affected customers, notifying them that Budget will cease providing the services they currently receive, effective April 30, 2017.

Important notice regarding a change to your wireless service, visit http://www.budgetmobile.com/BMnotice/ All subscribers will receive written notice thirty (30) days in advance of April 30, 2017, which provides the subscribers ample time to find a new service provider in a thoughtful and informed manner. The notice clearly underscores that the subscriber must make arrangements with another carrier to avoid loss of service and provides a toll-free telephone number that customers may call to reach Budget's customer service representatives for assistance with this transition.

### III. CONCLUSION

Wherefore, Budget respectfully requests that the Commission permit Budget to relinquish its designation as a wireless, Lifeline-only ETC.

Respectfully submitted,

C. Kent Hatfield

Douglas F. Brent

STOLL KEENON OGDEN PLLC

2000 PNC Plaza

500 West Jefferson Street

Louisville, Kentucky 40202

Phone: (502) 333-6000

E-mail: douglas.brent@skofirm.com

Counsel to Budget PrePay, Inc.

April 7, 2017