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September 20, 2019

Executive Director Gwen R. Pinson Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40601

RE: Cellular Services, LLC – Application for Eligible Telecommunications Carrier Designation

Dear Director Pinson:

Enclosed please find the original and ten copies of Cellular Services, LLC's Application for Eligible Telecommunications Carrier ("ETC") status. The company is requesting ETC designation so that it may provide lifeline services.

Please call or email me with any questions.

Sincerely,

Steel Bodemer

Eileen M Bodamer Consultant to Cellular Services, LLC

Enc. Cc (email): Joe

Joe Patton Ruth Conley

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In the matter of:

PETITION OF CELLULAR SERVICES, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE COMMONWEALTH OF KENTUCKY

Case No. 2019-00362

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PETITION FOR DESGINATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE COMMONWEALTH OF KENTUCKY

I. REQUEST FOR ETC DESIGNATION

1. Cellular Services, LLC ("CSL") by counsel, and pursuant to the Communications Act of 1934, as amended (the "Act"), hereby submits to the Public Service Commission of Kentucky (the "Commission") its request for Eligible Telecommunications Carrier ("ETC") status in the Commonwealth of Kentucky throughout its service area in LATA 466 in the exchanges served by AT&T of Kentucky and Windstream. Neither provider is a rural carrier. Grant of this Petition is in the public interest because it will allow CSL to bring high quality competitive services to subscribers, including those eligible for Lifeline services, in the communities in which it seeks ETC designation. CSL requests ETC authority in the LATA 466 exchanges of Ashland, Catlettsburg, Grayson, Greenup, Inez, Meads, Olive Hill, Paintsville, and Prestonsburg¹. An affidavit attesting to the Applicant's use of funds is included in **Exhibit A**.

2. CSL provides service pursuant to its Tariff PSC No. 1 – Local Exchange on file with the Commission as well as through contracts for bundled, non-tariffed services.

¹ At this time, the company has deployed services in the Paintsville, KY and intends to deploy facilities to support lifeline services in the requested exchanges as its business case proves in.

3. CSL is incorporated in the state of Kentucky and is wholly owned by Foothills Rural Telephone Cooperative, Inc. 1621 KY Rte. 40 W. / P.O. Box 240, Staffordsville, KY 41256.

4. CSL has been operating as a competitive local exchange carrier via its own facilities since 2017. The company has deployed or will deploy its own facilities to the exchanges in which it seeks ETC designation and will serve customers in those exchanges that are on its network.

5. CSL is one of the few, if not only, facilities-based providers of voice and broadband services in several of the exchanges in which it is seeking ETC designation. Several of its exchanges are among the poorest in the country and residents are more likely to be Lifeline eligible. Accordingly, CSL's lack of state and federal Lifeline support is a barrier to selecting CSL as a service provider.

6. CSL will have sufficient facilities and capacity to provide supported services throughout its service area in Kentucky.

II. CSL QUALIFIES FOR DESIGNATION AS AN ETC

1. CSL will provide each of the services supported by the Federal High Cost Universal Service Program, as set forth in Section 214(e) of the Act and Section 54.101(a) of the Federal Communications Commission's rules. In order to be designated as an ETC, a carrier must be a common carrier and both offer and advertise the supported services throughout the designated service area. The Federal Communications Commission has identified the following services as the core services to be offered by an ETC and supported by federal USF mechanisms. CSL will advertise and make available a "universal service" offering that includes all of the supported services for consumers in the designated service areas in Kentucky.

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2. Pursuant to §54.101(a)(1), CSL will provide voice services that meet the following requirements:

- a. <u>Voice-Grade Access to the Public Switched Network</u> CSL will provide voicegrade access, or its functional equivalent, to the public switched network. CSL will have the capability to originate and terminate local and long distance telephone service for all of its subscribers.
- b. <u>Local Usage</u> CSL offers unlimited local calling to all of its subscribers.
- c. <u>Access to Emergency Service</u> CSL will offer access to emergency service throughout its service area by dialing 911. Enhanced 911[•] ("E911"), which includes the capability of providing both automatic numbering information ("ANI") and automatic location information ("ALI"), is required if a public emergency service provider makes arrangements for the delivery of such information. Therefore, CSL meets the requirement to provide access to emergency service.
- d. <u>Toll Limitation Services to Qualifying Low-income Consumers</u> Once designated as an ETC, CSL will participate in the Lifeline program for low-income subscribers as required, and will offer toll blocking to meet the FCC's requirement.

3. Pursuant to §54.101(a)(2), CSL will provide broadband services² with the capability to transmit data to and receive data by wire or radio from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up service. Company broadband speeds will meet or exceed FCC required speed and usage allowances for fixed broadband offering.

IV. ADDITIONAL REQUIREMENTS

1. Pursuant to §54.202(a)(1)(i) an affidavit supporting that CSL will comply with the service requirements applicable to the support that it receives in provided in Exhibit A of this Application.

² CLEC recognizes that because the KY Public Service Commission does not regulate broadband, state lifeline support is not available for broadband-only service in Kentucky.

2. Pursuant to §54.202(a)(2) CSL states that it is capable of remaining functional in an emergency. CSL shares its ownership with Foothills Rural Telephone Cooperative, Inc., an incumbent local service provider in the LATA in which it seeks designation. It utilizes the same disaster recovery plan for its competitive network as it does for its incumbent provider. Its equipment operates on a redundant basis and its network is, and will be, deployed on as diverse a route as financially practical. CSL states that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged ringed facilities, and is capable of managing traffic spikes resulting from emergency situations.

3. Pursuant to §54.202(a)(3) CSL will satisfy consumer protection and service quality standards. CSL anticipates that its service quality and variety of offerings will be its primary sales advantage in its market. Accordingly, the company intends to meet or exceed service quality standards. CSL will adhere to all applicable state and federal laws regarding, but not limited to, consumer protection. As previously noted, CSL will share the same employees and procedures with its parent company, Foothills Rural Telephone Cooperative, Inc., and accordingly brings a level of experience to meeting or exceeding consumer standards.

4. Pursuant to §54.202(a)(4) CSL has the financial and technical capability to provide lifeline services. CSL shares employees with Foothills Rural Telephone Cooperative, Inc. and as such has a proven track record of meeting the technical requirements, including onerous verification and certification requirements now imposed on participants of the program. As evidence of its financial capability, CSL points to the financial report of its parent company filed annually with the Kentucky Public Service Commission.

5. Pursuant to §54.202(a)(5) the company provides any of its residential services to lifeline subscribers. All plans included unmetered local calling with additional metered and

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unmetered plans available for calling outside the local calling scope. Its plans may be found at <u>http://www.foothills.net/phone/</u>. CSL will comply with the terms of lifeline offerings and provides as Exhibit B its draft revision of its Tariff PSC No. 1 that it will submit to the Commission following its receipt of its ETC designation.

6. Pursuant to §54.202(a)(6) CSL offers all of its FCC-compliant broadband services to Lifeline subscribers. Information about the company's broadband offerings are available at http://www.foothills.net/internet/.

V. CSL CERTIFICATION OF THE DISPOSITION OF FEDERAL UNIVERSAL SERVICE FUNDING.

CSL certifies that it will use federal universal support "only for the provision, maintenance and upgrading of facilities and service for which the support is necessary" consistent with Section 254(e) of the Telecommunications Act of 1996. The Affidavit (attached hereto as Exhibit A from Ruth Conley, certifies such and fully describes the telecommunications services CSL will offer.

VI. ANTI-DRUG ABUSE CERTIFICATION.

CSL certifies that no party to this Petition is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862, and Sections 1.2001-1.2003 of the Federal Communications Commission's rules, 47 C.F.R. §§ 1.2001-1.2003. *See* Exhibit A.

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VII. CONCLUSION.

WHEREFORE, for the reasons set forth above, CSL respectfully requests that the Commission issue an order as soon as is practicable designating CSL as an Eligible Telecommunications Carrier throughout the service areas identified in this Application.

Respectfully submitted,

Robert J. Patton Attorney to Cellular Services, LLC

Kinner & Patton 328 E. Court Street Prestonsburg, KY 41653 Office:(606) 886-1343 Facsimile: (606) 886-1349 rjpatton@bellsouth.net

EXHIBIT A

Declaration of Ruth Conley

Declaration of Ruth Conley

Pursuant to 47 C.F.R. § 1.16, I, Ruth Conley, do declare under penalty of perjury the following is true and correct.

- I am Ruth Conley, CEO / General Manager of Cellular Services, LLC ("CSL"). The foregoing "Petition of Cellular Services, LLC for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky" has been prepared under my direction, supervision and control. The factual statements and representations contained therein are true and accurate to the best of my knowledge and belief.
- CSL intends to obtain low income universal service support funding upon receipt of ETC designation and will use federal universal support only for the provision, maintenance and upgrading of facilities and services for which the support is necessary consistent with Section 254 (e) of the Telecommunications Act of 1996. As an ETC, CSL will offer a reduced-rate universal service package to subscribers who are eligible for Lifeline support. CSL's service offerings will be competitive with the ILECs.
- 3. CSL will be capable of providing all of the service offerings required by and set forth in Section 214 (e) of the Communications Act of 1934, as amended, for "eligible telecommunications carriers."
- 4. Anti-Drug Abuse Certification: To the best of my knowledge, the applicant referred to in the foregoing Petition, including all officers, directors, or persons holding 5% or more of the outstanding stock or shares (voting and/or non-voting) of the applicant as specified by Section 1.2002 (b) of the Federal Communications Commission's rules, are not subject to a denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

Ruth Conley, CEO / General Manager Cellular Services, LLC

COUNTY OF

Subscribed and sworn to before me by Ruth Conley on this 194 day of 500, 2019.

NOTARY PUBLIC Name Signature Commission expiration

EXHIBIT B

Local Tariff Revision

CELLULAR SERVICES, LLC

LOCAL EXCHANGE TARIFF

LIFELINE

(N)

C.1 Description of Service

- 1. The Lifeline program is designed to increase the availability of telecommunications services to low income subscribers by providing a credit to monthly recurring local service for qualifying residential subscribers. Basic terms and conditions are in compliance with the FCC's Order on Universal Service in CC Docket 97-157, which adopts the Federal-State joint Board recommendation in CC Docket 96-45, which complies with the Telecommunications Act of 1996. Specific terms and conditions are as prescribed by the Kentucky Public Service Commission and are as set forth in this tariff.
- 2. Lifeline is supported by the federal and state universal service support mechanisms.
- 3. Federal baseline support is available for each Lifeline service and is passed through to the subscriber. In addition state support is available for each Lifeline service and is passed through to the subscriber. The total amount of the eligible credit will not exceed the sum of the state and federal subscriber support or the charge for local service, which includes the access line, the Subscriber Line Charge and local usage.

C.2 <u>Regulations</u>

- 1. One low- income credit is available per household and is applicable to the primary residential connection only.
- 2. A Lifeline customer may subscribe to any local service offering available to other residence customers.
- 3. Full Toll blocking, if elected, will be provided at no charge to the Lifeline subscriber.
- 4. The deposit requirement is not applicable to a Lifeline customer who subscribes to full toll blocking. If a Lifeline customer removes full toll blocking prior to establishing an acceptable credit history, a deposit may be required. When applicable, advance payments will not exceed the connection and local service charges for one month.

Issued by the Authority of the Order of the Public Service Commission of the Commonwealth of Kentucky in Case No. 19-_____, dated _____.

(N)

Issued: IDATE Effective: EDATE

Issued By: <u>/s/ Ruth Conley</u> Ruth Conley, General Manager

CELLULAR SERVICES, LLC

LOCAL EXCHANGE TARIFF

LIFELINE (Cont'd)

(N)

C.2 <u>Regulations (cont'd)</u>

- 5. A Lifeline subscriber's local service will not be disconnected for non-payment of regulated toll charges. Local service may be denied for non-payment of local and miscellaneous service in accordance with Section 2 of this Tariff. Access to toll service may be denied for non-payment of regulated tolls. A Lifeline subscriber's request for reconnection of local service will not be denied if the service was previously denied for non-payment of toll charges.
- 6. Lifeline is not available for resale.
- C.3 <u>Eligibility</u>

To be eligible for a Lifeline credit, a customer must be a current recipient of any one of the following programs or have income at or below 135 percent of the Federal Poverty Guidelines.

- 1. Supplemental Security Income (SSI)
- 2. Supplemental Nutrition Assistance Program
- 3. Medicaid
- 4. Federal public housing / Section 8
- 5. Veterans Pension Benefits
- 6. Survivor Pension Benefits

All applications for service are subject to verification with the state agency responsible for administration of the qualifying program.

- C.4 Certification
 - 1. Proof of eligibility in any of the qualifying low-income programs should be provided to the company at the time of application for service. The Lifeline credit will not be established until the Company has received proof of eligibility. If the customer requests installation prior to the company's receipt of proof of eligibility, the requested service will be provided without the Lifeline credit. When eligibility documentation is provided subsequent to installation, the Lifeline credit will be provided on a going forward basis.

Issued by the Authority of the Order of the Public Service Commission of the Commonwealth of Kentucky in Case No. 19-_____, dated _____.

(N)

Issued: IDATE Effective: EDATE Issued By: <u>/s/ Ruth Conley</u> Ruth Conley, General Manager

CELLULAR SERVICES, LLC

LOCAL EXCHANGE TARIFF

LIFELINE (Cont'd)

C.4 <u>Certification</u> (Cont'd)

- 2. Proof of eligibility shall be in the form of an affidavit, certifying under penalty of perjury, that the subscriber is receiving benefits under one of the qualifying programs. It is the customer's responsibility to notify the company when the customer is no longer participating in any of the qualifying programs.
- 3. The company reserves the right to periodically audit its records, working in conjunction with the appropriate state agencies, for the purpose of determining continuing eligibility. Information obtained during such audit will be treated as confidential information to the extent required under State and Federal law. The use or disclosure of information concerning enrollees will be limited to purposes directly connected with the administration of the Lifeline plan.
- 4. When a customer is determined to be ineligible as a result of an audit, the company will contact the customer. If the customer cannot provide eligibility documentation, the Lifeline credit will be discontinued.

C.5 Application of Rates and Charges

- 1. Lifeline is provided as a monthly credit on the eligible residential subscriber's access line bill for local service.
- 2. Service charges may be applicable for installing or changing Lifeline service.
- 3. Service charges do not apply for converting existing service to Lifeline.

C.6 Credit Amount

The Lifeline credit passed through to the customer consists of:

Credit, one per Lifeline per Household, limited to the total amount of charges.

The State and Federal Credit, one per Lifeline.FederalStateLifeline Credit*\$3.50

* The Federal component of the Lifeline Credit will be pursuant to the FCC's 2016 Lifeline Modernization Order, FCC 16-38, Released April 27, 2016.

Issued by the Authority of the Order of the Public Service Commission of the Commonwealth of Kentucky in Case No. 19-_____, dated _____.

Issued: IDATE Effective: EDATE Issued By: <u>/s/ Ruth Conley</u> Ruth Conley, General Manager (N)