

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF SOUTHEAST TELEPHONE,)
INC. FOR DESIGNATION AS AN ELIGIBLE) CASE NO. 2002-00080
TELECOMMUNICATIONS CARRIER)

O R D E R

On March 11, 2002, SouthEast Telephone Company, Inc. (SouthEast) petitioned the Commission to designate SouthEast as an eligible telecommunications carrier (ETC) pursuant to 47 U.S.C. § 214(e) and 47 C.F.R. 54.201-207.

PROCEDURE

On April 12, 2002, Commission Staff issued its first data request in this proceeding, and SouthEast responded on May 10, 2002. On May 29, 2002, the Commission granted the motion of BellSouth Telecommunications, Inc. (BellSouth) to intervene in this proceeding. On July 19, 2002, the Commission granted full intervention to Kentucky ALLTEL and ALLTEL Kentucky. On June 24, 2002, the Commission issued an Order requesting written comments from the parties and other interested persons. SouthEast submitted comments in support of its petition on July 25, 2002.

SOUTHEAST

SouthEast is a competitive local exchange carrier (CLEC) with its principal location at Post Office Box 1001, Pikeville, Kentucky 41502. SouthEast provides local exchange service using resold services and unbundled network elements (UNEs)

to approximately 5,000 customers in the Appalachian region of eastern Kentucky. SouthEast also provides Internet service to approximately 13,000 customers. If granted ETC status, SouthEast's proposed service area will include study areas currently served by BellSouth and Kentucky ALLTEL.

STATUTORY PROVISIONS

To receive ETC status, the Federal Communications Commission (FCC) requires a common carrier to: (1) offer services that are supported by federal universal support mechanisms¹ throughout its designated service area; (2) provide these services using its own facilities (including UNEs) or a combination of its own facilities and resale of another carrier's facilities; and (3) advertise the availability of these services through media of general distribution.

The Commission finds that SouthEast has met the standards established by the FCC. SouthEast currently provides supported services to 100 percent of the lines in the service area for which it seeks ETC designation.² In its letter to the Commission dated March 11, 2002, SouthEast reported that it offers these services through purchase of UNEs from BellSouth and through resale of BellSouth services. SouthEast advertises the availability and price of these services using media of general distribution.³ SouthEast has fully complied with FCC guidelines regarding ETC designation.

¹ These services are: (1) Voice grade access to the public switched network; (2) Local usage; (3) Dual tone multi-frequency signaling or its functional equivalent; (4) Single-party service or its functional equivalent; (5) Access to emergency services; (6) Access to operator services; (7) Access to interexchange services; (8) Access to directory assistance services; and (9) Toll limitation for qualifying low-income consumers. 47 C.F.R. Section 54.101(a).

² SouthEast's response to Commission Staff's first data request at 1.

³ SouthEast's response to Commission Staff's first data request, Attachment A.

CONCLUSION

SouthEast has provided sufficient evidence for this Commission to grant ETC status. This designation will benefit consumers in rural areas of eastern Kentucky by expanding the range of competitive choices and by providing an incentive for incumbent telephone companies to improve their existing networks.

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

1. SouthEast is designated as an ETC for the current service territory of BellSouth and Kentucky ALLTEL. Accordingly, SouthEast is eligible to receive federal Universal Service Fund support.

2. SouthEast shall offer universal support services to consumers in its service area.

3. SouthEast 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.

4. SouthEast shall advertise the availability of and charges for these services using media of general distribution.

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

Done at Frankfort, Kentucky, this 17th day of September, 2002.

By the Commission

ATTEST:


Executive Director