

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

In the matter of:

AN INQUIRY INTO THE STATE	)	CASE NO.
UNIVERSAL SERVICE FUND	)	2016-00059

**EAST KENTUCKY NETWORK, LLC D/B/A APPALACHIAN WIRELESS'S  
RESPONSES TO COMMISSION STAFF'S SECOND REQUEST FOR INFORMATION  
TO ALL PARTIES OF RECORD**

East Kentucky Network, LLC d/b/a Appalachian Wireless (“Appalachian Wireless”) hereby submits its responses to the second set of information requests of the Public Service Commission Staff, dated June 22, 2016. W.A. Gillum is the witness responsible for responding to the questions related to the information provided in each of the responses.

In the matter of:

AN INQUIRY INTO THE STATE  
UNIVERSAL SERVICE FUND

) CASE NO.  
) 2016-00059

VERIFICATION

STATE OF KENTUCKY

COUNTY OF FLOYD

Michael Huffman, Financial Operations Director of East Kentucky Network, LLC d/b/a Appalachian Wireless, being duly sworn, states that he has supervised the preparation of *East Kentucky Network, LLC d/b/a Appalachian Wireless's Responses to Commission Staff's Second Request for Information to All Parties of Record* in the above-referenced matter, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.

  
\_\_\_\_\_  
Michael Huffman, Financial Operations Director

Subscribed and sworn to before me on this 13<sup>th</sup> day of July, 2016.

  
\_\_\_\_\_  
Notary Public  
My Commission Expires: Feb 6, 2020

**REQUEST NO. 1.** If not already provided in a previous response to a Commission Staff request for information, respond to the following:

a. Provide the monthly Kentucky Universal Service Fund (“KUSF”) forms (“KUSF form”) submitted to the Commission and the Department of Finance and Administration from January 2014 to the present.

**RESPONSE:** The KUSF forms for January 2014 through March 2016 were previously submitted. The KUSF forms for April 2016 and May 2016 are attached hereto collectively as **Exhibit A.**

b. Explain how the total number of subscriber lines is calculated for the KUSF form when a new customer receives service in the middle of the month.

**RESPONSE:** This was previously answered. See, Appalachian Wireless’s Response to Request for Information to All Parties No. 2, submitted on April 27, 2016. For convenience sake, Appalachian Wireless again states that Appalachian Wireless does not prorate the Lifeline subsidy. The customer’s credit for the KUSF Lifeline subsidy applies on the customer’s first full billing cycle. The number of subscriber lines reported on the KUSF reimbursement form is equal to the number of customers who received a Lifeline credit on their bills in the prior month.

c. Explain how the total number of subscriber lines is calculated for the KUSF form when a customer leaves in the middle of the month.

**RESPONSE:** This was previously answered. See, Appalachian Wireless's Response to Request for Information to All Parties No. 3, submitted on April 27, 2016. For convenience sake, Appalachian Wireless again states that if the customer's last bill issued in the one-month period prior to the report date had a credit for Lifeline support, they would be reported on the reimbursement form. There is no proration of the subsidy on the customer's final bill. The entire subsidy amount would be applied to reduce the customer's prorated balance on the customer's final bill.

d. Explain how the KUSF surcharge remittance is calculated when you experience a bad debt. Explain whether none of the surcharge amount or the full surcharge amount billed to, but not paid by, the customer is remitted.

**RESPONSE:** This was previously answered. See, Appalachian Wireless's Response to Request for Information to All Parties No. 4, submitted on April 27, 2016. For convenience sake, Appalachian Wireless again states that the full amount of surcharge billed is remitted, regardless of whether or not it is paid by the customer.

e. State whether the KUSF surcharge amount billed to a customer is prorated if the customer has service for less than a full month.

**RESPONSE:** No.

**REQUEST NO. 2.** If no KUSF forms have been submitted to the Commission and the Kentucky Department of Finance and Administration from January 2014, to the present, explain why the KUSF forms have not been submitted.

**RESPONSE: Not applicable. The KUSF forms have been submitted.**

a. If no KUSF forms have been submitted, state whether you collect the KUSF surcharge from your customers.

**RESPONSE: Not applicable. The KUSF forms have been submitted.**

b. If you do not collect the KUSF surcharge from your customers, explain why the KUSF surcharge has not been collected.

**RESPONSE: Not applicable. The KUSF forms have been submitted.**

c. If no KUSF forms have been submitted, state whether you remit the KUSF surcharge to the Kentucky Department of Finance and Administration.

**RESPONSE: Not applicable. The KUSF forms have been submitted.**

d. If you do not remit the KUSF surcharge to the Kentucky Department of Finance and Administration, explain why the KUSF surcharge has not been remitted.

**RESPONSE: Not applicable. The KUSF forms have been submitted.**


**REQUEST NO. 3.** Explain the anticipated impact, if any, that the FCC's recent *Lifeline Reform Order* will have on the provision of Lifeline service in Kentucky, including, but not limited to, verifying eligibility of Lifeline customers; the potential provision of broadband service; and, the impact of the reduction of Federal Universal Service funding for voice service.

**RESPONSE:** With respect to Appalachian Wireless, it is not not anticipated at this time that the recent *Lifeline Reform Order* will have a material impact on the provision of Lifeline service. Appalachian Wireless cannot speculate on the impact that the recent *Lifeline Reform Order* may have with respect to other providers' provision of Lifeline service.

**REQUEST NO. 4.** In light of the *Lifeline Reform Order*, explain how a reduction in the amount of, or elimination of, KUSF support would impact the provision of Lifeline service in Kentucky.

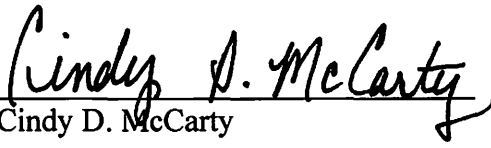
**RESPONSE:** With respect to Appalachian Wireless, it is not not anticipated at this time that the reduction or elimination of KUSF support would have a material impact on Appalachian Wireless's provision of Lifeline service. Appalachian Wireless cannot predict whether existing or potential Lifeline customers would continue to subscribe to this service plan if the KUSF subsidy is reduced or eliminated. Appalachian Wireless cannot speculate on the impact that the reduction or elimination of KUSF support would have with respect to other providers' provision of Lifeline service.

Respectfully submitted on July 13, 2016.

  
Cindy D. McCarty  
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**CERTIFICATE OF SERVICE**

This is to certify that the foregoing electronic filing, *East Kentucky Network, LLC d/b/a Appalachian Wireless's Responses to Commission Staff's Second Request for Information to All Parties of Record*, is a true and accurate copy of the document being filed in paper medium; that the electronic filing was transmitted to the Commission on July 13, 2016; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that a copy of the filing in paper medium is being mailed to the Commission via U.S. mail on this 13<sup>th</sup> day of July, 2016.

  
Cindy D. McCarty