

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

**Bluegrass Cellular's Responses to the Commission  
Staff's Initial Requests for Information Upon All Parties  
dated April 6, 2016**

**August 5, 2016**

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

*In the Matter of:*

<b>AN INQUIRY INTO THE STATE</b>	)	<b>CASE NO.</b>
<b>UNIVERSAL SERVICE FUND</b>	)	<b>2016-00059</b>

**Bluegrass Cellular's<sup>1</sup> Responses to the Commission  
Staff's Initial Requests for Information  
Upon All Parties dated April 6, 2016**

**FILED: August 5, 2016**

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<sup>1</sup> Bluegrass Wireless, LLC; Cumberland Cellular Partnership; Kentucky RSA #3 Cellular General Partnership; Kentucky RSA #4 Cellular General Partnership (collectively, "Bluegrass Cellular").

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1                    **BLUEGRASS CELLULAR'S RESPONSES TO THE COMMISSION'S**  
2                    **REQUESTS FOR INFORMATION TO ALL PARTIES**  
3

4    **Item 1)**        *Provide the KUSF reimbursement forms submitted to the Commission and the*  
5    *Department of Finance and Administration from January 2014 to the present.*

6  
7    **Response)**    Please see the KUSF reimbursement forms submitted to the Commission and the  
8    Department of Finance and Administration by Bluegrass Cellular attached as Exhibits 1-4 to  
9    Bluegrass Cellular's Responses to the Commission Staff's Initial Requests for Information Upon  
10   those Parties Receiving Support from the KUSF.

11            Bluegrass Wireless, LLC ceased providing wireless service in March 2015. Thus,  
12    Bluegrass Wireless, LLC did not file KUSF reimbursement forms after March 2015.  
13    Accordingly, Bluegrass Wireless, LLC has provided its KUSF reimbursement forms from  
14    January 2014 to March 2015.

15  
16    **Witness)**      Elizabeth Love

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1 **Item 2)** *Explain how the total number of subscriber lines is calculated for the KUSF*  
2 *reimbursement form when a new customer receives service in the middle of a month.*

3  
4 **Response)** Bluegrass Cellular states that the total number of subscriber lines reported on the  
5 KUSF reimbursement form is calculated using the number of customers receiving Lifeline  
6 support on the last day of each month.

7  
8 **Witness)** Elizabeth Love

9

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1 **Item 3)** *Explain how the total number of subscriber lines is calculated for the KUSF*  
2 *reimbursement form when a customer leaves in the middle of a month.*

3

4 **Response)** Please see the Response to Request No. 2 of the Commission Staff's Initial  
5 Requests for Information Upon All Parties.

6

7 **Witness)** Elizabeth Love

8

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1 **Item 4)** *Explain how the KUSF surcharge remittance is calculated when you*  
2 *experience a bad debt. Explain whether none of the surcharge amount or the full surcharge*  
3 *amount billed to, but not paid by, the customer is remitted.*

4  
5 **Response)** Bluegrass Cellular states that when a bad debt is experienced it remits the full  
6 amount of the KUSF surcharge billed to the customer.

7  
8 **Witness)** Elizabeth Love

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1 **Item 5)** *State whether you believe the Commission should wait until the FCC's*  
2 *investigation of Lifeline Reform is concluded before rendering a decision in this proceeding,*  
3 *and explain the basis for your response.*

4  
5 **Response)** Bluegrass Cellular believes the Commission should wait until the FCC's  
6 investigation of Lifeline Reform is concluded before it renders its decision in this proceeding  
7 because the eventual reforms made by the FCC may impact how the Commission decides to  
8 administer the KUSF. Waiting to ensure that the KUSF reforms comport with and work with the  
9 reforms to the federal Lifeline program could avoid the Commission having to again reform the  
10 KUSF after the Lifeline Reform is concluded. While the Commission may have valid concerns  
11 about possible fraud or mismanagement of the Lifeline program, introducing a state-specific plan  
12 that may contradict the reforms to the federal Lifeline program or add to the work required in  
13 administering the plan would prove a hardship on the companies that are not in violation of the  
14 Lifeline rules.

15

16 **Witness)** Elizabeth Love

17

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1 **Item 6)** *State how soon upon the issuance of an Order by the Commission changing the*  
2 *KUSF surcharge that you are or anticipate being able to implement the changes on customer*  
3 *bills. If it differs by type of account, provide the information for each type of account, along*  
4 *with the number of access lines for each account type.*

5  
6 **Response)** Subject to any applicable regulatory requirements, Bluegrass Cellular anticipates  
7 it could implement the changes on its customer bills within sixty (60) days.

8

9 **Witness)** Elizabeth Love

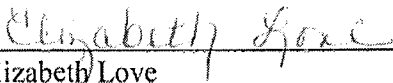
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**CERTIFICATION**

I hereby certify that I have supervised the preparation of the responses on behalf of Bluegrass Wireless, LLC, Cumberland Cellular Partnership, Kentucky RSA #3 Cellular General Partnership, and Kentucky RSA #4 Cellular General Partnership to the Initial Requests for Information of the Commission Staff upon All Parties, and that the responses contained herein are true and accurate to the best of my knowledge, information, and belief formed after reasonable inquiry.

  
\_\_\_\_\_  
Elizabeth Love  
Controller  
Bluegrass Wireless, LLC; Cumberland Cellular  
Partnership; Kentucky RSA #3 Cellular General  
Partnership; Kentucky RSA #4 Cellular General  
Partnership

Date: 8.4.16

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