

**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 Parties that
Received Payment from the KUSF
dated April 6, 2016**

August 5, 2016

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

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

In the Matter of:

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

**Bluegrass Cellular's¹ Responses to the Commission
Staff's Initial Requests for Information upon Parties that
Received Payment from the KUSF dated April 6, 2016**

FILED: August 5, 2016

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

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 Parties that
Received Payment from the KUSF
dated April 6, 2016

August 5, 2016

1 BLUEGRASS CELLULAR'S RESPONSES TO THE COMMISSION'S REQUESTS FOR
2 INFORMATION TO PARTIES THAT RECEIVED PAYMENT FROM THE
3 KENTUCKY UNIVERSAL SERVICE FUND ("KUSF")
4

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

7
8 **Response)** Please see the KUSF reimbursement forms submitted to the Commission and the
9 Department of Finance and Administration by Cumberland Cellular Partnership, Kentucky RSA
10 #3 Cellular General Partnership, and Kentucky RSA #4 Cellular General Partnership from
11 January 2014 to the present, attached hereto as Exhibits 1-3.

12 Bluegrass Wireless, LLC ceased providing wireless service in March 2015. Thus,
13 Bluegrass Wireless, LLC did not file KUSF reimbursement forms after March 2015. The KUSF
14 reimbursement forms submitted to the Commission and the Department of Finance and
15 Administration by Bluegrass Wireless, LLC from January 2014 to March 2015 are attached
16 hereto as Exhibit 4.

17

18 **Witness)** Elizabeth Love

19

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 Parties that
Received Payment from the KUSF
dated April 6, 2016

August 5, 2016

1 **Item 2)** *Provide the Federal Communication Commission ("FCC") Form 497 submitted*
2 *to the FCC from January 2014 to the present.*

3

4 **Response)** Please see the FCC Form 497s submitted to the FCC by Bluegrass Cellular from
5 January 2014 to the present, attached hereto as Exhibit 5.

6 Bluegrass Cellular files a single FCC Form 497 with the FCC on behalf of all Bluegrass
7 Cellular entities, rather than individual forms for each entity as it does when submitting the
8 KUSF reimbursement form, notwithstanding the fact that Bluegrass Wireless, LLC is no longer
9 providing wireless service. Accordingly, the single FCC Form 497 attached as Exhibit 5
10 represents the FCC Form 497s filed on behalf of all Bluegrass Cellular entities.

11

12 **Witness)** Elizabeth Love

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 Parties that
Received Payment from the KUSF
dated April 6, 2016

August 5, 2016

1 **Item 3)** *Refer to the Lifeline plans you filed with the Commission with your Application*
2 *for Designation as an Eligible Telecommunications Carrier ("ETC"). State whether there*
3 *have been changes to these Lifeline plans since the Commission entered an Order designating*
4 *you as an ETC for the purpose of offering Lifeline service in Kentucky. If there have been*
5 *changes to the Lifeline plans, provide:*

6 *a. Copies of all Lifeline plans currently offered to Kentucky subscribers.*

7 *b. For each new or modified Lifeline plan, explain in detail:*

8 *(1) How the current Lifeline plan modifies the Lifeline plan in effect when*
9 *you were designated as an ETC;*

10 *(2) Whether the current Lifeline plan was offered in addition to Lifeline*
11 *plans in effect when you were designated as an ETC.*

12 *c. An explanation for why existing Lifeline plans were changed or additional*
13 *Lifeline plans were added.*

14

15 **Response)** Bluegrass Cellular states that there have been no changes to the Lifeline plans it
16 filed with the Commission when it applied for designation as an ETC, and Bluegrass Cellular
17 continues to provide Lifeline services consistently with those plans.

**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 Parties that
Received Payment from the KUSF
dated April 6, 2016**

August 5, 2016

1 a. Bluegrass Cellular has not made any changes to the Lifeline plans it currently
2 offers to Kentucky subscribers.

3 b.(1) Bluegrass Cellular has not made any changes to the Lifeline plans it currently
4 offers to Kentucky subscribers.

5 b.(2) Bluegrass Cellular has not made any changes to the Lifeline plans it currently
6 offers to Kentucky subscribers.

7 c. Bluegrass Cellular has not made any changes to the Lifeline plans it currently
8 offers to Kentucky subscribers.

9

10 **Witness)** Elizabeth Love

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 Parties that
Received Payment from the KUSF
dated April 6, 2016

August 5, 2016

1 **Item 4)** *If the Commission's decision is to maintain state Lifeline support for only voice*
2 *service, describe how that decision would affect whether and how you provide Lifeline service*
3 *in Kentucky.*

4
5 **Response)** Bluegrass Cellular states that if the Commission's decision is to maintain Lifeline
6 support for only voice support, it would likely continue to provide Lifeline service, and this
7 change would likely not affect how it provides Lifeline service. However, as is explained fully in
8 response to Request No. 5 issued to all parties below, Bluegrass Cellular believes it would be
9 prudent for the Commission to wait until the FCC has completed its investigation into Lifeline
10 Reform before the Commission makes any decisions in this proceeding.

11

12 **Witness)** Elizabeth Love

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 Parties that
Received Payment from the KUSF
dated April 6, 2016

August 5, 2016

1 **Item 5)** *Identify any cost-effective procedures that you believe should be implemented*
2 *by the Commission to increase oversight of the Lifeline program.*

3
4 **Response)** Bluegrass Cellular states that it would be prudent for the Commission to wait until
5 the FCC has completed its investigation into Lifeline reform before it considers or implements
6 any procedural or other changes to the KUSF.

7
8 **Witness)** Elizabeth Love

9

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 Parties that
Received Payment from the KUSF
dated April 6, 2016

August 5, 2016

1 **Item 6)** *If the Commission's decision is to change the amount of Lifeline support, state*
2 *how soon upon the issuance of an Order by the Commission changing the Lifeline support*
3 *amount that you are or anticipate being able to implement the changes on customer bills.*

4
5 **Response)** Subject to any applicable regulatory requirements, Bluegrass Cellular anticipates
6 it could implement the changes on its customer bills within sixty (60) days.

7
8 **Witness)** Elizabeth Love

**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 Parties that
Received Payment from the KUSF
dated April 6, 2016**

August 5, 2016

1 **Item 7)** *Provide, in detail, the methods employed to verify the eligibility of customers*
2 *who participate in the Lifeline program.*

3
4 **Response)** Bluegrass Cellular states that it verifies, as described in detail below, the
5 eligibility of customers to participate in the Lifeline program at the time of enrollment and
6 annually thereafter.

7 At the time of enrollment, the customer completes an application that follows the format
8 laid out by the FCC in its Lifeline rules, which requires the customer to certify under penalty of
9 perjury her current and ongoing compliance with Lifeline eligibility. Additionally, the customer
10 provides documentation of enrollment in an eligible plan for Lifeline participation, and, pursuant
11 to FCC rules, Bluegrass Cellular retains the evidence of eligibility in a secure location. Finally,
12 the customer is verified against the National Lifeline Accountability Database ("NLAD") for
13 confirmation of non-duplicative service.

14 Annually, all customers enrolled in Lifeline service in February of the audit year are
15 audited to ensure their continued eligibility to participate in the Lifeline program. All customers'
16 eligibility for the Lifeline program is verified using information from the Kentucky Department
17 of Social Services. For customers whose eligibility cannot be verified through information
18 provided by the Kentucky Department of Social Services, a letter is sent to that customer

**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 Parties that
Received Payment from the KUSF
dated April 6, 2016**

August 5, 2016

1 notifying them that they must provide proof of eligibility for Lifeline services to continue to be
2 enrolled in the program. Customers that fail to provide verification of eligibility are removed
3 from the Lifeline program.

4

5 **Witness)** Elizabeth Love

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 Parties that
Received Payment from the KUSF
dated April 6, 2016

August 5, 2016

1 **Item 8)** *State whether you have been subjected to FCC investigation, action and/or*
2 *penalties relating to participation in the Lifeline program. If you have been so subjected,*
3 *provide in detail, including citations to the FCC action, the investigation, action, and/or*
4 *penalties to which you were subjected.*

5
6 **Response)** Bluegrass Cellular states that it has not been subject to an FCC investigation
7 relating to its participation in the Lifeline program.

8
9 **Witness)** Elizabeth Love

10

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 Parties that
Received Payment from the KUSF
dated April 6, 2016

August 5, 2016

1 **Item 9)** *Describe, in detail, your current marketing programs for Lifeline service in*
2 *Kentucky, including, but not limited to, person-to-person sales.*

3
4 **Response)** Bluegrass Cellular uses general public outreach to contact Lifeline eligible
5 subscribers. Bluegrass Cellular's public outreach efforts include: phone book advertisements,
6 newspaper advertisements, brochures, in-store notification, radio advertisements, internet
7 advertisements on its website, and notice on customers' bills. Bluegrass Cellular does not engage
8 in person-to-person sales, with the limited exception of those customers that contact Bluegrass
9 Cellular requesting service and who are determined to be Lifeline eligible.

10

11 **Witness)** Elizabeth Love


**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 Parties that
Received Payment from the KUSF
dated April 6, 2016**

August 5, 2016

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 Parties that Received Payment from the KUSF, 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