

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

Bluegrass Cellular's Responses to the Commission
Staff's Supplemental Requests for Information to All Parties
dated June 22, 2016

August 5, 2016

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

4 **Item 1)** *If not already provided in a previous response to a Commission Staff request for*
5 *information, respond to the following:*

6 a. *Provide the monthly Kentucky Universal Service Fund ("KUSF") forms*
7 *("KUSF form") submitted to the Commission and the Department of Finance and*
8 *Administration from January 2014 to the present.*

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

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

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

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

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1 **Response)**

2 a. Please see Bluegrass Cellular's Response to the Commission Staff's Initial
3 Requests for Information to Parties that Received Payment from the KUSF No. 1.

4 b. Please see Bluegrass Cellular's Response to the Commission Staff's Initial
5 Request for Information to All Parties No. 2.

6 c. Please see Bluegrass Cellular's Response to the Commission Staff's Initial
7 Request for Information to All Parties No. 3.

8 d. Please see Bluegrass Cellular's Response to the Commission Staff's Initial
9 Request for Information to All Parties No. 4.

10 e. Bluegrass Cellular states that if a customer has service for less than a month it
11 does not prorate the KUSF surcharge billed to a customer.

12

13 **Witness)** Elizabeth Love

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

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

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

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

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

12
13 **Response)** This request is not applicable to Bluegrass Cellular because it submits the KUSF
14 form.

15 a. This request is not applicable to Bluegrass Cellular because it submits the KUSF
16 form as required, and it collects the KUSF surcharge from its customers.

17 b. This request is not applicable to Bluegrass Cellular because it collects the
18 surcharge from its customers.

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2 c. This request is not applicable to Bluegrass Cellular because it submits the KUSF
3 form and remits the KUSF surcharge.

4 d. This request is not applicable to Bluegrass Cellular because it remits the KUSF
5 surcharge.

6

7 **Witness)** Elizabeth Love

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1 **Item 3)** *Explain the anticipated impact, if any, that the FCC's recent Lifeline Reform*
2 *Order will have on the provision of Lifeline service in Kentucky, including, but not limited to,*
3 *verifying eligibility of Lifeline customers; the potential provision of broadband service; and,*
4 *the impact of the reduction of Federal Universal Service funding for voice service.*

5
6 **Response)** Bluegrass Cellular does not believe the FCC's recent *Lifeline Reform Order* is
7 likely to have material impact on its provision of Lifeline service in Kentucky. Providing
8 Lifeline services is not the primary business objective of Bluegrass Cellular. Therefore,
9 Bluegrass Cellular does not make major business decisions based upon changes to the Lifeline
10 rules. Rather, Bluegrass Cellular applies the Lifeline credit to applicable services and complies
11 with the then-effective rules, including rules related to verifying the eligibility of Lifeline
12 customers. Bluegrass Cellular does not have a position as to what is likely to occur if there is a
13 shift in support from voice service to broadband service because Bluegrass Cellular does not
14 provide broadband service. Therefore, it cannot anticipate how customers would react to support
15 for broadband service.

16 Bluegrass Cellular cannot speak to what decisions other Lifeline providers may make.
17 Thus, it cannot anticipate the overall impact the *Lifeline Reform Order* will have on voice service
18 in Kentucky.

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1 **Witness)** Elizabeth Love

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1 **Item 4)** *In light of the Lifeline Reform Order, explain how a reduction in the amount*
2 *of, or elimination of, KUSF support would impact the provision of Lifeline service in*
3 *Kentucky.*

4
5 **Response)** Bluegrass Cellular states that a reduction in KUSF support is not likely to
6 materially impact its provision of Lifeline service in Kentucky. Providing Lifeline services is not
7 the primary business objective of Bluegrass Cellular. Therefore, it does not make major business
8 decisions based upon changes to Lifeline service.

9 Bluegrass Cellular cannot speak as to how other providers of Lifeline service would react
10 to a reduction in the amount of, or elimination of, KUSF support. Accordingly, Bluegrass
11 Cellular cannot provide an opinion as to the overall impact a reduction of, or elimination of,
12 KUSF support would have on the provision of Lifeline service in Kentucky.

13 Please also see Bluegrass Cellular's Response to Supplemental Request No. 3 Issued to
14 All Parties.

15

16 **Witness)** Elizabeth Love

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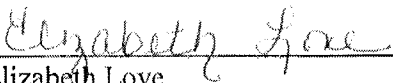
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CERTIFICATION

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 Supplemental 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