

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

*In the Matter of:*

PETITION OF BLUEGRASS WIRELESS LLC,	)	
KENTUCKY RSA #3 CELLULAR GENERAL	)	
PARTNERSHIP, KENTUCKY RSA #4	)	
CELLULAR GENERAL PARTNERSHIP,	)	CASE NO.
AND CUMBERLAND CELLULAR	)	2020-00359
PARTNERSHIP TO RELINQUISH ELIGIBLE	)	
TELECOMMUNICATIONS CARRIER	)	
DESIGNATIONS	)	

**PETITION OF BLUEGRASS WIRELESS LLC, KENTUCKY RSA #3 CELLULAR  
GENERAL PARTNERSHIP, KENTUCKY RSA #4 CELLULAR GENERAL  
PARTNERSHIP, AND CUMBERLAND CELLULAR PARTNERSHIP TO RELINQUISH  
ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATIONS**

Pursuant to 47 U.S.C. § 214(e)(4), Bluegrass Wireless LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership (collectively, “Bluegrass Cellular”) hereby petition the Public Service Commission of the Commonwealth of Kentucky (the “Commission”) for authorization to relinquish designations as eligible telecommunications carriers (“ETC”) in all Kentucky markets served by Bluegrass Cellular (the “Markets”). Bluegrass Cellular now respectfully requests that the Commission grant Bluegrass Cellular a relinquishment of its ETC designations for the Markets.

**I. Background**

Bluegrass Cellular Inc. is a Kentucky corporation with a principal place of business at 2902 Ring Road, Elizabethtown, Kentucky 42702. The Commission granted ETC designations to each of the Bluegrass Cellular entities in a consolidated Order on July 8, 2005.<sup>1</sup> The Commission also

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<sup>1</sup> See *In the Matter of Bluegrass Wireless LLC’s Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky*, Case No. 2005-00017, Order (Ky. PSC July 8, 2005).

granted the partial relinquishment of Bluegrass Wireless LLC's ETC designation on March 19, 2015.<sup>2</sup>

On October 19, 2020, Bluegrass Cellular entered into an agreement to be acquired by Verizon Communications Inc. ("Verizon").<sup>3</sup> Bluegrass Cellular anticipates that this transaction will close later this year or in early 2021.<sup>4</sup> In connection therewith and prior to the closing, Bluegrass Cellular intends to wind down its Lifeline services in Kentucky effective December 21, 2020. Bluegrass Cellular has approximately 213,579 customers in the Markets, of which only 38 are Lifeline customers. The Markets are currently served in their entirety by numerous wireline and wireless telecommunications services, including various alternative ETCs.

## **II. Legal Authority and Discussion**

47 U.S.C. § 214(e)(4) requires that a state commission permit an ETC to "relinquish its designation as such a carrier in any area served by more than one [ETC]." <sup>5</sup> The statute also requires that the ETC provide "advance notice to the State commission."<sup>6</sup> The statute further requires that the remaining ETCs in the area possess adequate facilities to accommodate the new Lifeline customers.<sup>7</sup> Finally, the relinquishing carrier must provide sufficient notice to its Lifeline customers to enable those customers to seek alternative Lifeline service providers.<sup>8</sup>

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<sup>2</sup> See *In the Matter of Petition of Bluegrass Wireless LLC for a Partial Relinquishment of its Eligible Telecommunications Carrier Designation*, Case No. 2015-00055, Order (Ky. PSC Mar. 19, 2015).

<sup>3</sup> Kim Ancin, *Verizon agrees to purchase Bluegrass Cellular*, VERIZON (Oct. 19, 2020), <https://www.verizon.com/about/news/verizon-agrees-purchase-bluegrass-cellular>.

<sup>4</sup> The Commission has ruled that CLECs and wireless telecommunications providers are exempt from requirements to seek prior approval for authority to transfer their operations through a sale of assets or transfer of stock. See, e.g., Admin. Case No. 370, *Exemptions for Providers of Local Exchange Service Other than Incumbent Local Exchange Carriers*, Order (Ky. PSC Jan. 8, 1998).

<sup>5</sup> 47 U.S.C. § 214(e)(4).

<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

<sup>8</sup> See *In the Matter of Application of SI Wireless, LLC to Relinquish its (High Cost) Eligible Telecommunication Carrier Designation*, Case No. 2019-00385, Order (Ky. PSC Dec. 11, 2019).

In the present instance, and as discussed in more detail below, there are multiple wireline and wireless ETCs in the Markets. These ETCs possess sufficient facilities to accommodate Bluegrass Cellular's 38 Lifeline customers in the Markets. Finally, Bluegrass Cellular has provided and will continue to provide sufficient notice to the affected Lifeline customers. Therefore, the Commission should grant Bluegrass Cellular's petition for relinquishment of its ETC designations.

**A. The Commission should grant the relinquishment of Bluegrass Cellular's ETC designations because there are alternative ETCs in the Markets.**

Under 47 U.S.C. § 214(e)(4), a state commission shall permit a carrier to relinquish its ETC designation in any area served by more than one ETC.<sup>9</sup> The Markets where Bluegrass Cellular is relinquishing its ETC designations are covered in their entirety by numerous wireline and wireless service providers that qualify as ETCs, and are well-served by ETCs other than Bluegrass Cellular, including (depending on the specific Market) AT&T, Access Wireless, Assurant Wireless, and Q Link Wireless.<sup>10</sup> Bluegrass Cellular's exit from the Markets will not leave its existing 38 Lifeline customers without alternative Lifeline service providers. In fact, the affected Lifeline customers will still have more than one alternative ETC to choose from for continued Lifeline services. Therefore, pursuant to 47 U.S.C. § 214(e)(4), Bluegrass Cellular respectfully requests that the Commission grant relinquishment of Bluegrass Cellular's ETC designations over the Markets.

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<sup>9</sup> 47 U.S.C. § 214(e)(4); *see also In the Matter of Application of SI Wireless, LLC to Relinquish its (High Cost) Eligible Telecommunication Carrier Designation*, Case No. 2019-00385, Order (Ky. PSC Dec. 11, 2019).

<sup>10</sup> To review qualified alternative ETCs in the Markets, see *Companies Near Me*, UNIVERSAL SERVICES ADMINISTRATIVE CO., <https://data.usac.org/publicreports/CompaniesNearMe/Download/Report>.

**B. The Commission need not require Bluegrass Cellular to provide notice to alternative ETCs in the Markets because the other ETCs already sufficiently cover and provide for the Markets.**

47 U.S.C. § 214(e)(4) requires that prior to a state commission granting relinquishment of an ETC designation, the state commission:

[S]hall require the remaining eligible telecommunications carrier or carriers to ensure that all customers served by the relinquishing carrier will continue to be served, and shall require sufficient notice to permit the purchase or construction of adequate facilities by any remaining eligible telecommunications carrier.<sup>11</sup>

Furthermore, the Commission has held that:

Because other ETCs currently serve the entire area in which [relinquishing carrier] is designated an ETC in Kentucky, notice does not need to be provided to those carriers to permit them to purchase or construct facilities to ensure that [relinquishing carrier's] customers will continue to receive service.<sup>12</sup>

Because the Markets are sufficiently served by alternative ETCs and will not require the purchase or construction of additional facilities, the Commission need not require notice to the alternative ETCs in the Markets in the present instance.

In addition, because only 38 Bluegrass Cellular customers may need to subscribe with alternative ETCs, the potential burden on alternative ETCs is nominal given the various alternative ETCs in the Markets. Notably, the Commission has previously granted relinquishment of ETC designations to carriers servicing significantly more Lifeline customers. For example, the Commission granted SI Wireless, LLC's application for relinquishment of its ETC designation

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<sup>11</sup> *Id.*

<sup>12</sup> See *In the Matter of Application of SI Wireless, LLC to Relinquish its (High Cost) Eligible Telecommunication Carrier Designation*, Case No. 2019-00385, Order (Ky. PSC Dec. 11, 2019). See also *In the Matter of Electronic Application of Global Connection, Inc. of America for Authority to Discontinue its Regulated Wirelines Services in Kentucky and to Relinquish its Wireline Eligible Telecommunications Carrier Designation*, Case No. 2019-00405, Order (Ky. PSC Dec. 18, 2019); *In the Matter of Petition of AT&T Kentucky for Order Confirming Relinquishment of Eligible Telecommunications Carrier Designation in Specified Areas*, Case No. 2017-00416, Order (Ky. PSC Mar. 23, 2018); *In the Matter of Request of Budget Prepay, Inc. to Relinquish Eligible Telecommunications Carrier Designation*, Case No. 2017-00166, Order (Ky. PSC Apr. 25, 2017).

where 413 Lifeline customers were affected.<sup>13</sup> Bluegrass Cellular has no reason to believe that the alternative ETCs in the Markets would be unable to accommodate 38 additional Lifeline customers.

Therefore, since alternative ETCs currently serve the Markets in which Bluegrass Cellular is designated as an ETC, notice is not necessary to alternative ETCs to ensure that Lifeline customers will continue to receive services.

**C. Bluegrass Cellular has provided, and will continue to provide, sufficient notice to its Lifeline customers so that they may make alternative service arrangements.**

The Commission requires that a relinquishing ETC provide sufficient notice to its Lifeline customers to enable those customers to seek alternative service providers.<sup>14</sup> Bluegrass Cellular has taken reasonable steps to ensure its Lifeline customers receive advance notice of service discontinuation and has implemented additional measures to avoid adverse financial impacts to and service disruptions for its Lifeline customers. No later than November 5, 2020, Bluegrass Cellular will send notices to all existing Lifeline customers that it plans to discontinue its Lifeline Program effective December 21, 2020. This notice will be sent by both U.S. mail and free SMS text message (consistent with the Telephone Consumer Protection Act). A copy of the notice letter to Lifeline customers is attached as Exhibit A. A copy of the SMS text message is attached as Exhibit B. This action will provide Lifeline customers with over forty-five (45) days' notice of discontinuation of Bluegrass Cellular's Lifeline Program, which equals or exceeds the amount of

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<sup>13</sup> *In the Matter of Application of SI Wireless, LLC to Relinquish its (High Cost) Eligible Telecommunication Carrier Designation*, Case No. 2019-00385, Order (Ky. PSC Dec. 11, 2019).

<sup>14</sup> *Id.*

notice that other carriers in Kentucky relinquishing their ETC designations have provided to their customers.<sup>15</sup>

In addition, to avoid adverse financial impacts and service disruptions for Bluegrass Cellular's 38 Lifeline customers, Verizon will offer a service plan comparable to customers' current plan with Bluegrass Cellular under the Lifeline Program (the "New Service Plan"). Although the New Service Plan will not be part of the Lifeline Program, it will have comparable service features and Verizon will discount the New Service Plan to keep customer costs the same as under Bluegrass Cellular's Lifeline services. Absent any action from customers, Bluegrass Cellular will automatically transition Lifeline customers to the New Service Plan to prevent service disruption. Additional information about the New Service Plan will be sent to Lifeline customers by Verizon in the near term. If a Lifeline customer prefers to stay in the Lifeline Program, they have the option to enroll with one of the many alternative ETCs available in the Markets.

Finally, a second set of notices will be sent to Lifeline customers when the Commission grants this Petition. Once again, the notice will be sent by both U.S. mail and free SMS text message (consistent with the Telephone Consumer Protection Act) to affected Lifeline customers. The preliminary and secondary notices will clearly indicate that the Lifeline customer must make arrangements with another carrier to avoid loss of service and will provide a toll-free telephone number to contact Bluegrass Cellular's customer service representatives for assistance with this transition. Finally, Bluegrass Cellular will cease activating any new Lifeline customers in the Markets and will cease all Lifeline advertising activities as of November 5, 2020.

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<sup>15</sup> *Petition of Cincinnati Bell Wireless, LLC for Relinquishment of Eligible Telecommunications Carrier Designation*, Case No. 2014-00140, Order (Ky. PSC May 16, 2014) (45 days); *In the Matter of Request of Budget Prepay, Inc. to Relinquish Eligible Telecommunications Carrier Designation*, Case No. 2017-00166, Order (Ky. PSC Apr. 25, 2017) (30 days).

### III. Conclusion

As demonstrated above, Bluegrass Cellular satisfies the requirements to relinquish its ETC designations for the Markets. Affected Lifeline customers have various alternative ETC options in the Markets to prevent any disruption in Lifeline services. The alternative ETCs have adequate facilities to support the affected Lifeline customers without requiring additional purchase or construction of facilities. In addition, Bluegrass Cellular has provided sufficient advance notice to its Lifeline customers, enabling those customers to seek alternative ETCs in a thoughtful and informed manner. Finally, this Petition is consistent with the public interest because Bluegrass Cellular's Lifeline customers will not be unduly harmed; they will have received advance notice of the discontinuation of services, been offered services comparable to their existing Lifeline services, and have access to various alternative wireline and wireless ETCs in the Markets. For these reasons, Bluegrass Cellular respectfully requests that the Commission grant Bluegrass Cellular relinquishment of its ETC designations for the Markets.

Respectfully submitted this 5th day of November 2020.

/s/ **Edward T. Depp**

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**EXHIBIT A**  
**NOTICE LETTER**

[BLUEGRASS CELLULAR LETTERHEAD]

November 5, 2020

[Customer Name]

[Address]

[City, State & Zip Code]

RE: Your Lifeline Benefits through Bluegrass Cellular

Dear Valued Customer,

On October 19, 2020, Verizon Communications Inc. (“Verizon”) announced that it was acquiring certain assets of Bluegrass Wireless LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership (collectively, “Bluegrass Cellular”). We anticipate that the acquisition will finalize later this year or in early 2021. In connection with the acquisition, Bluegrass Cellular will no longer offer the Lifeline Program in Kentucky effective December 21, 2020.

To help avoid service disruptions, Verizon will offer Lifeline customers a service plan that will not be part of the Lifeline Program, but will be comparable to your current Lifeline plan with us. Absent any action from you, this transition to Verizon services will be automatic. The Verizon service plan will include unlimited talk and text and 3GB of data, subject to Verizon's terms of service, and it will be offered to you at the same price as your current Lifeline plan. Verizon will send you further service details at a later date.

Alternatively, if you prefer to maintain your Lifeline benefits, you must make arrangements with another service provider prior to December 21, 2020. To find service providers in your area and learn additional information about Lifeline, please visit <https://www.lifelinesupport.org/> or contact the Universal Service Administrative Company (“USAC”) at 1-800-234-9473.

Should you have any questions or need further assistance with this transition, please call a member of our Customer Service team at 1-800-928-2355. We truly thank you for being a customer of Bluegrass Cellular, and we wish you nothing but health and happiness in the days to come.

Sincerely,

Bluegrass Cellular Lifeline Support

## **EXHIBIT B**

### **NOTICE SMS TEXT MESSAGE**

“As a result of Verizon's planned acquisition of Bluegrass Wireless LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership (collectively, “Bluegrass Cellular”), Bluegrass Cellular will no longer offer the Lifeline Program in Kentucky effective 12/21/2020. Verizon will automatically enroll you in a comparable, non-Lifeline service plan. Verizon will send you further service details at a later date. If you prefer to remain in the Lifeline Program beyond 12/21/2020, you must contact another Lifeline service provider—visit <https://www.lifelinesupport.org/> to search for providers and learn more about the Lifeline program. Questions? Call us at 1-800-928-2355.”