

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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

ORDER

On July 8, 2005, the Commission granted the request of Bluegrass Wireless LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership (collectively, Bluegrass Cellular) for designation as an Eligible Telecommunications Carrier (ETC).¹ Bluegrass Cellular was authorized to receive Federal high-cost and low-income support for the purpose of providing Lifeline; in addition, Bluegrass Cellular was eligible to receive low-income support from the State Universal Service Fund. On November 5, 2020, Bluegrass Cellular petitioned the Commission, pursuant to 47 U.S.C. § 214(e)(4), for relinquishment of its ETC status in Kentucky. The Commission also granted a partial relinquishment of Bluegrass Wireless LLC's ETC designation on March 19, 2015.²

¹ Case No. 2005-00017, *Petition of Bluegrass Wireless, LLC for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky* (Ky. PSC July 8, 2005).

² Case No. 2015-00055, *Petition of Bluegrass Wireless, LLC for a Partial Relinquishment of Its Eligible Telecommunications Carrier Designation* (Ky. PSC Mar. 19, 2015).

Bluegrass Cellular is a facilities-based wireless provider serving customers in Central Kentucky. On October 19, 2020, Bluegrass Cellular entered into an agreement to be acquired by Verizon Communications Inc. (Verizon). Bluegrass Cellular anticipates that this transaction will close late 2020 or in early 2021.³ Bluegrass Cellular intends to wind down its Lifeline services in Kentucky effective December 21, 2020. Bluegrass Cellular has approximately 213,579 customers in its service area, including 38 Lifeline customers.⁴ The service area is currently served by numerous wireline and other wireless telecommunications services, including various alternative ETCs.⁵

Under 47 U.S.C. § 214(e)(4) of the Act, a State commission shall permit a carrier to relinquish its ETC designation in any area served by more than one ETC. Following relinquishment of Bluegrass Cellular's ETC designation, there will continue to be several ETCs in the study area that provide Lifeline. Because other ETCs currently serve the entire area in which Bluegrass Cellular is designated an ETC in Kentucky, notice need not be provided to those carriers to permit them to purchase or construct facilities to ensure that Bluegrass Cellular customers will continue to receive service.

Bluegrass Cellular states in the application that no later than November 5, 2020, it will provide written notice by U.S. mail and SMS text message to each of their then current Lifeline customers in Kentucky advising that they will no longer provide Lifeline service discounts. The notices will inform these customers that the monthly Lifeline credit will be discontinued December 21, 2020. The notices will further inform each customer that

³ Application at 2.

⁴ *Id.*

⁵ *Id.* at 3.

Lifeline discounted service may be obtained from one of the remaining ETCs in the area. Further, Bluegrass Cellular and subsequently, Verizon will offer each Lifeline customer the option to remain a customer at the same rates and receive the same service plan. Bluegrass Cellular is not activating any new Lifeline subscribers in Kentucky as of the date of its application.⁶

On December 17, 2020, Bluegrass Cellular filed a status update to supplement its petition.⁷ Bluegrass Cellular stated that it had in fact given notice to its Lifeline customers as it had outlined in the petition.⁸ Bluegrass Cellular had anticipated that the transaction would close on December 31, 2020; however, in this status update, it now expects the transaction to close in the first quarter 2021.⁹ Bluegrass Cellular requested that the Commission refrain from approving its request to relinquish its ETC status pending further notification from Bluegrass Cellular.¹⁰ Bluegrass Cellular committed to continue to serve Lifeline customers and provide adequate notice to those customers upon which it will discontinue providing Lifeline service.¹¹

On January 19, 2021, Bluegrass Cellular filed with the Commission its first supplemental status update.¹² In this update, Bluegrass Cellular stated that the

⁶ *Id.* at 6.

⁷ Status Update (filed Dec. 17, 2020).

⁸ *Id.*, paragraph 2.

⁹ *Id.*, paragraph 1.

¹⁰ *Id.*, paragraph 3.

¹¹ *Id.*, paragraph 5.

¹² First Supplemental Status Update (filed Jan. 19, 2021).

transaction is now expected to close on or about March 5, 2021.¹³ Bluegrass Cellular intends to again notice customers no later than February 3, 2021, that it will no longer provide Lifeline discounts and the options available to them.¹⁴ Bluegrass Wireless requests that the Commission grant the requested relinquishment of its ETC status effective March 5, 2021.¹⁵

47 U.S.C. § 214(e)(4) states in part:

A State commission shall permit an eligible telecommunications carrier to relinquish its designation as such a carrier in any area served by more than one eligible telecommunications carrier. An eligible telecommunications carrier that seeks to relinquish its eligible telecommunications carrier designation for an area served by more than one eligible telecommunications carrier shall give advance notice to the State commission of such relinquishment. Prior to permitting a telecommunications carrier designated as an eligible telecommunications carrier to cease providing universal service in an area served by more than one eligible telecommunications carrier, the State commission shall 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. The State commission shall establish a time, not to exceed one year after the State commission approves such relinquishment under this paragraph, within which such purchase or construction shall be completed.

The Commission, being sufficiently advised, finds that, pursuant to 47 U.S.C. § 214(e)(4) above, there is more than one ETC in the area of relinquishment and those carriers have sufficient facilities for the provision of service. The Commission also finds

¹³ *Id.*, paragraph 1.

¹⁴ *Id.*, paragraph 3.

¹⁵ *Id.*, paragraph 4

that Bluegrass Cellular has provided sufficient notice to its customers to enable those customers to seek alternative service providers.

IT IS HEREBY ORDERED that:

1. Bluegrass Cellular's request to withdraw as an ETC is granted effective March 5, 2021.
2. This case is closed and removed from the Commission's docket.

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By the Commission



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