



**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE REQUEST OF
CLARITY TELECOM, LLC dba VAST
BROADBAND STUDY AREA: ILEC-391652
AND CLEC-399006 FOR CERTIFICATION
REGARDING ITS USE OF FEDERAL
UNIVERSAL SERVICE SUPPORT**


**SUPPLEMENTAL PETITION
TC17-044**

Clarity Telecom, LLC, dba Vast Broadband (“Clarity” or the “Company”), by and through its attorney, supplements the Annual ETC Certification Filing filed on June 30, 2017 with the South Dakota Public Utilities Commission (Commission).

As the Commission is aware, Clarity elected to receive A-CAM funding under the Federal Communications Commission’s Connect American Fund (CAF). The funding was awarded to the company on January 19, 2017. Pursuant to federal law, the FCC’s A-Cam Obligations are as follows:



Locations served in A-CAM eligible census blocks must meet 95% of the totals below at the end of year 10:

653 Locations at 25/3 Mbps (Fully Funded Blocks)

653 Locations at 10/1 Mbps (Fully Funded Blocks)

128 Locations at 4/1 Mbps (Capped Blocks)

386 Locations at 4/1 Mbps upon reasonable request (Capped Blocks)

Location Speed Obligations are phased in. Companies must have 10/1 Mbps to 40% of their fully funded locations by year 4, 50% in year 5, 60% in year 6 and so on until year 10. The 25/3 Mbps obligation is required at year 10. Clarity plans to meet all of these obligations by the end of year two in the original LTE Plan. The Company has approximately  subscribers that currently do not have broadband service and many more in the rural areas do not have access to 10 Mbps or greater broadband service. The Company researched multiple options and determined that the LTE fixed wireless platform would allow it to meet its obligations in an expedited manner and would provide quality service to its customers. With the completion of the original LTE Plan, all but  subscribers would have access to broadband services and Clarity believes that number will be much lower before the end of the 10-year A-CAM period.

Under the Connect America Fund there is a usage allowance requirement which allows a minimum usage allowance of 150 GB per month, or a usage allowance that reflects the average

usage of a majority of consumers, using Measuring Broadband America data or a similar data source, whichever is higher. Clarity will not have any data caps.

Under the Connect America Fund, there are also specific latency requirements which require ninety five (95) percent or more of all peak period measurements of network round-trip latency at or below 100 milliseconds. Clarity's latency will not exceed 100 milliseconds at 95% or more peak period and is engineered to stay below 10 milliseconds. This meets the federal requirements.

There is also a federal requirement that the rates must be within the range of Broadband Reasonable Rates for 2017 as required by FCC 481 form as follows:

10/1 Mbps, Unlimited Usage \$77.98 / mo

25/3 Mbps, Unlimited Usage \$90.53 / mo

Clarity's 2017 rate for fixed wireless is \$49.99 for 10/1 Mbps per month and \$59.99 for 25 Mbps per month. This also meets the federal requirement.

At the Commission Meeting held on August 29, 2017, the Commission expressed concern about the fixed wireless platform. Clarity takes these concerns very seriously and has submitted into the docket information from its supplier, Telrad, in reference to the technology. Clarity continues to assert the technology will allow it to meet its federal obligations and provide quality and reliable service to its customers. In an effort to provide the Commission with some level of comfort that its service offerings will comply with both the FCC regulations, Clarity would like to amend its two year plan on file in this docket as follows:

- Clarity will complete the deployment of the LTE fixed wireless plans for 2017 as indicated in the original ETC two-year plan filed with the Commission on June 30, 2017.
- Clarity will not complete the full 2018 LTE fixed wireless deployment as shown in the original ETC two-year plan filed with the Commission on June 30, 2017. Clarity will move forward with only two of the five tower projects in 2018.
- Clarity will provide the South Dakota Public Utilities Commission reliability, speed and latency test data on the LTE equipment installed in 2017 by May 1, 2018.
- Clarity will commit to deploying [REDACTED] miles of fiber in 2018 and 2019, for a total of [REDACTED] miles to serve underserved and unserved customers.
- Clarity will commit to providing a five-year plan instead of the required two-year plan starting in the 2018 ETC docket. The plan will identify additional fiber buildout for years 2020-2023.

The purpose of this amendment to the two year plan is two-fold. First, Clarity believes that in light of the Commission's concerns, the Company would like the opportunity to prove to the Commissioners that the technology will in fact meet the federal obligations and more importantly provide quality service to its customers in South Dakota. By slowing the roll out, this will allow the Commission to collect the necessary data to ensure compliance before it has completed the entire project. Second, Clarity wants to dispel the notion that it will not continue to build out fiber to its customers. Following the LTE deployment, Clarity does in fact plan to continue building out fiber utilizing the A-CAM funds. It had not planned to do so during the first two years of deployment but has reconsidered this position and will install additional fiber during the deployment. It will also submit a five-year plan in the next ETC docket identify additional fiber build out. The engineering has not been completed and will take some time to finalize but will be ready prior to the next ETC filing.

Based on the foregoing information, Clarity requests that the Commission issue an appropriate certification to the FCC and USAC indicating that Clarity Telecom, LLC is in compliance with 47 U.S.C. § 254(e)

DATED this 8 day of September, 2017.

RITER, ROGERS, WATTIER &
NORTHROP, LLP

By: Margo D Northrup
Margo D Northrup
319 S. Coteau – P. O. Box 280
Pierre, SD 57501-0280
605-224-5825
Attorneys for Clarity Telecom, LLC

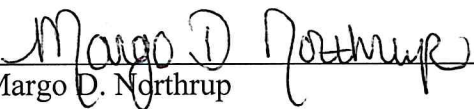
CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of Supplemental Petition was sent by electronic notice to the following:

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol Ave.
Pierre, SD 57501
patty.vangerpen@state.sd.us

Ms. Kristen Edwards
Staff Attorney
South Dakota Public Utilities Commission
500 E. Capitol Ave.
Pierre, SD 57501
Kristen.edwards@state.sd.us

Ms. Lorena Reichert
Staff Analyst
South Dakota Public Utilities Commission
500 E. Capitol Ave.
Pierre, SD 57501
lorena.reichert@state.sd.us


Margo D. Northrup