## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

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IN THE MATTER OF THE APPLICATION OF NEW CINGULAR WIRELESS PCS, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN RURAL STUDY AREAS

Docket No. TC11-071

## **SDTA Petition to Intervene**

The South Dakota Telecommunications Association ("SDTA") hereby petitions the Commission for intervention in the above captioned proceeding pursuant to SDCL 1-26-17.1 and ARSD §§ 20:10:01:I5.02, 20:10:01:15.03 and 20:10:01:I5.05. In support hereof, SDTA states as follows:

1. SDTA is an incorporated organization representing the interests of numerous cooperative, independent and municipal telephone companies operating throughout the State of South Dakota.

2. On or about June 13, 2011, "New Cingular Wireless PCS, LLC, a subsidiary of AT&T Mobility LLC, (hereinafter collectively referenced as "AT&T Mobility") filed an "Application for Designation as an Eligible Telecommunications Carrier." Through such Application, AT&T Mobility is seeking, specifically, competitive eligible telecommunications carrier ("CETC") status in the same rural service areas in South Dakota where Western Wireless was previously granted such status. AT&T Mobility has included with its Application, as Exhibit A and Exhibit B, information identifying the specific rural service areas and rural incumbent exchange carrier wire centers that are covered by its CETC request.

3. SDTA seeks intervention in this proceeding based on the interests of all of the SDTA member companies that operate as incumbent local exchange carriers ("ILECs") and "rural

telephone companies" in the service areas that are covered by AT&T's filed Application. The SDTA member companies provide telecommunications services that compete with the services provided by AT&T Mobility and all of the SDTA member companies have already received ETC designation from this Commission throughout their established service areas. As ETCs and as carriers primarily focused on providing telecommunications services in high cost areas, the SDTA member companies are reliant on federal high cost universal service support to support investment and operations and to maintain affordable rates for essential telecommunications services. Given these facts, without question, the SDTA member companies operating in those areas covered by the AT&T Mobility filing stand to be "bound and affected favorably or adversely" by any Commission decisions in this proceeding. (See ARSD § 20:10:01:15.05) As is shown by Exhibits A and B attached to the AT&T Mobility Application, almost all of the SDTA member company service areas are noted as being subject to AT&T's request for CETC designation.

4. Prior to granting any competitive ETC designation in rural service areas, this Commission is required not only to undertake an analysis related to the applicant's ability to meet certain universal service obligations, but the Commission must also conduct a review related to the "public interest." 47 U.S.C. § 214(e)(2) and SDCL § 49-31-78. More specifically, ARSD § 20:10:32:43.07, in pertinent part, states as follows:

Prior to designating an eligible telecommunications carrier, the commission shall determine that such designation is in the public interest. The commission shall consider the benefits of increased consumer choice, the impact of multiple designations on the universal service fund, the unique advantages and disadvantages of the applicant's service offering, commitments made regarding the quality of the telephone service provided by the applicant, and the applicant's ability to provide the supported services throughout the designated service area within a reasonable time frame. In addition, the commission shall consider whether the designation of the applicant will have detrimental effects

on the provisioning of universal service by the incumbent local exchange carrier.

5. SDTA and its member companies have a number of questions and concerns related to the Application filed herein. Most importantly, SDTA believes that this Commission in its review of the Application must engage in a comprehensive and thoughtful public interest review. AT&T Mobility states on page 16 of its Application that granting its request "will not have an impact on the federal universal service fund." SDTA would take issue with this statement. The designation of AT&T Mobility as a CETC in almost all rural service areas in South Dakota does have the potential to negatively impact the universal service funds available to other carriers/providers. It would also likely "have detrimental effects on the provisioning of universal service by the incumbent local exchange carrier[s]." (See ARSD § 20:10:32:43.07). Given the current Federal Communications Commission (FCC) cap on total statewide high cost CETC support funding, it may be possible to predict no immediate direct impact on total available CETC support funds. Looking at things over a longer term, however, there is no basis to reasonably conclude that granting the AT&T Mobility request for ETC designation (in almost all rural service areas in South Dakota) will not otherwise negatively impact the high cost funding distributions to rural ILECs across the State. Given the likelihood that the FCC will be acting soon on both near-term and long-term reforms to the existing federal high cost funding mechanisms and given the types of reforms under consideration, it is unfair to over-simplify the public interest analysis that is required in this process and to simply presume no negative impact on other, already designated ETCs.

6. In addition, in regards to the Application for ETC designation filed by AT&T Mobility, the provisions of ARSD § 20:10:32:46 are applicable and require that any telecommunications company filing a petition for designation as an ETC shall, "at the time of filing its petition with the commission, provide a copy of the petition to any other telecommunications company that is serving as an eligible telecommunications carrier within the relevant service area." It is not clear to SDTA that AT&T has complied with this procedural provision.

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7. Based on all of the foregoing, SDTA alleges that it is an interested party in this matter and would seek intervening party status in this Docket.

Dated this  $\underline{I_{SF}}$  day of July, 2011.

Respectfully submitted:

SDTA Richard D. Coit

Executive Director and General Counsel

## **CERTIFICATE OF SERVICE**

I hereby certify that an original of the Petition to Intervene of the South Dakota Telecommunications Commission (SDTA) in PUC Docket TC11-071 was served upon the PUC electronically on July 1, 2011, as per the instructions located on the South Dakota Public Utilities Commission (SDPUC) website, directed to the attention of:

Patty Van Gerpen Executive Director South Dakota Public Utilities Commission 500 East Capitol Avenue Pierre, SD 57501

A copy was sent by e-mail to the following individuals with SDPUC Staff:

Chris Daugaard, Utility Analyst chris.daugaard@state.sd.us

Kara Semmler, Attorney for Staff Kara.Semmler@state.sd.us

A copy was also sent by U.S. Postal Service First Class Mail to each of the following individuals:

Wauneta Browne Regional Vice President-External Affairs AT&T 11425 West 146<sup>th</sup> Street Olathe, KS 66062

Cynthia J. Manheim, General Attorney AT&T Services, Inc. PO Box 97061 Redmond, WA 98073 Betsy Granger, General Attorney AT&T Services, Inc. 2600 Camino Ramon San Ramon, CA 94583

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Dated this <u>Ist</u> day of July, 2011

Richard D. Coit, SDTA Executive Director and General Counsel