BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

)

)

))

In the Matter of the Petition of Brookings Municipal Utilities d/b/a Swiftel Communications for Relinquishment of its Designation as an Eligible Telecommunications Carrier in Study Area Code 399099

·~.,

22

TC20-____

PETITION FOR RELINQUISHMENT OF ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION IN STUDY AREA CODE 399009

1. Brookings Municipal Utilities d/b/a Swiftel Communications (Swiftel) hereby submits this petition for relinquishment of its designation as an eligible telecommunications carrier (ETC) for all areas within its designated ETC area in Study Area Code 399009 in South Dakota, pursuant to Section 214(e)(4) of the Communications Act of 1934, as amended in 1996 (the "Act"), Section 54.205 of the Federal Communications Commission's (FCC) rules and regulations governing universal service, and A.R.S.D. 20:10:32:48. This petition for relinquishment applies only to Swiftel's provision of wireless service, under Study Area Code 399009. Swiftel will remain an ETC for the provision of wireline service under Study Area Code 391650 (which has been approved in the name of the City of Brookings Municipal Telephone).

2. Swiftel is authorized by the FCC as a wireless Personal Communications Service (PCS) carrier in a portion of the Minneapolis-St. Paul Metropolitan Trading Area (MTA012), which Swiftel partitioned from an affiliate of Sprint. The partitioned area encompasses the South Dakota Counties of Brookings, Lake, Lincoln, McCook, Minnehaha, Moody, and Turner, in the Sioux Falls, South Dakota Basic Trading Area (BTA422); and Clark, Codington, Deuel, Grant,

1

Hamlin, and Roberts Counties in the Watertown Basic Trading Area (BTA464). In addition, Swiftel partitioned from Sprint a portion of the Des Moines-Quad Cities, Iowa Major Trading Area (MTA032), encompassing the South Dakota Counties of Bon Homme, Clay, Union, and Yankton, in the Sioux City, Iowa BTA421.¹ Swiftel was designated as an ETC in certain portions of its FCC authorized service area and for certain Qwest non-rural wire centers at the Commission's January 17, 2006 meeting.² The Universal Service Administrative Company (USAC) has assigned the Study Area Code 399009 to Swiftel, for purposes of its PCS service. Swiftel does not currently have any Lifeline customers; and due to the resumed phase out of Mobility Fund support pursuant to WT Docket No. 10-208, the amount of support provided for Swiftel's wireless operations will be eliminated in a matter of months. *See* 47 CFR §54.307 (e)(5)(B)(ii).

3. In Study Area Code 399009, Swiftel provides wireless voice, data and internet access services under the Sprint brand, pursuant to an Affiliation Agreement with Sprint. The latter was acquired by T-Mobile US, Inc. (with its affiliates, "T-Mobile") by merger approved by the FCC in WT Docket No. 18-197. *See Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of License and Authorizations*, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, 34 FCC Rcd 10578 (2019). Pursuant to this merger, the Affiliation Agreement, and a negotiated agreement among the parties, Swiftel's wireless customers will be transitioned to T-Mobile, thereby ensuring that the current Swiftel customers will gain access to advanced T-Mobile wireless products and capabilities

¹ In The Matter Of The Filing By Brookings Municipal Utilities D/B/A Swiftel Communications For Designation As An Eligible Telecommunications Carrier, Docket TC04-213, Order Granting Eligible Telecommunications Designation (February 10, 2006).

² Id.

without any interruption of service.³ As a result of the foregoing, Swiftel will also be assigning to T-Mobile its FCC PCS licenses, wireless system and related assets, and T-Mobile desires to provide comparable (and improved) wireless services to Study Area 399009 going forward. Therefore, this petition seeks to relinquish Swiftel's ETC designation for Study Area Code 399009 effective upon the closing of the T-Mobile transaction, which is currently scheduled for January 4, 2021.⁴ The designated service areas for which Swiftel seeks to relinquish its ETC status are described in Exhibit A (non-rural wireline centers) and Exhibit B (rural service areas).

4. The sale of Swiftel's licenses and related wireless assets includes all network equipment used to provide service in the area which will then be served by T-Mobile, including transmitters, wireless switching facilities, test equipment and most retail centers. T-Mobile will be using these licenses and assets to continue operating the business in those areas, without any interruption of service. T-Mobile will offer to serve all of Swiftel's current customers in the relinquished area with a substantially similar suite of services and capabilities, using the same wireless network that is currently serving these customers as augmented by T-Mobile infrastructure recently constructed or to be implemented in the near future; and T-Mobile will offer to these customers advanced new services such as 5G wireless in the near future. Incorporating the Swiftel network into T-Mobile's network will help enable the latter to meet increased demand for high speed wireless services. T-Mobile already holds certain wireless spectrum and network assets in the Swiftel service areas. The transaction will allow T-Mobile to

³³ The negotiated agreement will resolve all issues concerning implementation of the Affiliation Agreement, including litigation styled as Brookings Municipal Utilities v. T-Mobile US, Inc., et al., United States District Court for the District of South Dakota, Case No. 20-CV-04113-RAL. The parties have agreed in principle to the terms and conditions of the negotiated agreement, and a formal agreement is being finalized.

⁴ Upon the transfer of Swiftel's network equipment, customers and related assets, T-Mobile will utilize Swiftel's PCS spectrum pursuant to a spectrum lease in accordance with FCC rules. The parties contemplate the eventual assignment of Swiftel's spectrum licenses to T-Mobile, pursuant to a separate grant of FCC consent.

deploy its 5G network as well as its advanced 4G LTE service more broadly and robustly than is currently possible using either party's spectrum alone. Consumer demand for mobile broadband is growing at an unprecedented rate, and T-Mobile's incorporation of the Swiftel operation into its network will augment the ability to satisfy this growing demand in those geographic areas.⁵

5. Pursuant to §214(e)(4) of the Act and A.R.S.D. 20:10:32:48, the relinquishment of ETC designation requires the approval of the Commission, and the Commission "shall permit an eligible telecommunications carrier to relinquish its designation as [an ETC] in any area served by more than one eligible telecommunications carrier." A.R.S.D. 20:10:32:48 further states that "[p]rior to permitting a telecommunications company designated as an eligible telecommunications carrier to cease providing universal service in an area served by more than one eligible telecommunications carrier, the commission shall ensure that each customer served by the relinquishing carrier continues to be served, and shall require sufficient notice to permit the purchase or construction of adequate facilities by any remaining eligible telecommunications carrier."

6. As demonstrated herein, Swiftel meets the requirements of § 214(e)(4) and A.R.S.D. 20:10:32:48. First, each of the areas to be relinquished pursuant to this petition (listed in Exhibits A and B by service area) is currently served by at least one ETC-designated carrier. Besides Swiftel, each wire center listed in Exhibits A and B is served by an incumbent local exchange carrier that has ETC status.⁶ Also, nearly every area to be relinquished is served by a

http://www.cisco.com/assets/sol/sp/vni/forecast_highlights_mobile/index.html#~Country (last visited Sept. 9, 2020).

⁵ For example, Cisco reports that global mobile data traffic grew 71 percent in 2017. Cisco Systems, Inc., VNI Mobile Forecast Highlights, Global – 2017 Year in Review,

http://www.cisco.com/assets/sol/sp/vni/forecast_highlights_mobile/index.html#~Country (last visited Sept. 9, 2020). And Cisco projects that U.S. mobile data traffic will grow 7-fold from 2017 to 2022. Cisco Systems, Inc., VNI Mobile Forecast Highlights, Global – 2016-2021,

⁶ In 1997, the Commission granted US West (which became Qwest and was acquired by CenturyLink, Inc.) ETC status for each of the non-rural wireline centers listed in Exhibit A, except for North Sioux City and Ortonville,

wireless competitive local exchange carrier with ETC status.⁷ Exhibits A and B list the incumbent for each service area in which Swiftel seeks to relinquish its ETC designation, as well as any competitive local exchange carriers known to Swiftel or apparent from available records. Second, as ETCs and telecommunications carriers, these companies are required to provide service to everyone in their service areas, which would include all of the customers now served by Swiftel's wireless service. To Swiftel's knowledge, no construction is necessary for these carriers to offer service to the Swiftel customers. Moreover, as discussed above, the customers served by Swiftel's existing wireless system will be provided substantially the same services, as well as improved services, by T-Mobile (using Swiftel's existing wireless assets in the areas to be relinquished and T-Mobile spectrum and infrastructure). Therefore, these customers will not experience a net loss of service, but instead will enjoy enhanced service. As noted above,

7. In light of the foregoing, Swiftel respectfully requests that the Commission grant this Petition to Relinquish Eligible Telecommunications Carrier Designation and issue an Order amending the scope of Swiftel's designation as an ETC to reflect the proposed termination of its wireless service. In order to ensure a smooth transition for customers in the areas to be relinquished, Swiftel requests that this petition be granted on an expedited basis, so that the parties may proceed expeditiously to close the transaction and transition the assets and customers

South Dakota. See In the Matter of the Filing by US West Communications, Inc. for Designation as an Eligible Telecommunications Carrier, Findings, Conclusions of Law, Order and Entry of Notice of Order, TC97-163. North Sioux City appears to be served by the wire center just across the border in Iowa, and Ortonville is a community primarily in the state of Minnesota, except for a small area just over the border in South Dakota. Presumably, the Commission determined that designation of these areas was not necessary and/or waived the need for designation in light of the geographic location of these areas in relation to out-of-state wire centers.

⁷ The only exceptions are West Jasper (to which Swiftel provides only partial coverage), West Marietta (to which Swiftel provides service only via a roaming arrangement through Sprint, to which T-Mobile is a successor in interest) and West Akron (to which Swiftel provides only partial coverage), which are areas located along the South Dakota border and are in close proximity to a neighboring community in another state.

over to T-Mobile. With the merger of Sprint and T-Mobile now completed, and given the agreement in principle between T-Mobile and Swiftel, an expedited grant allowing relinquishment upon T-Mobile's acquisition of the Swiftel network will facilitate a seamless transition, ensure that existing Swiftel customers are not faced with any uncertainty, so that they can take advantage of T-Mobile's enhanced offerings at the earliest possible time.

Dated: December 1^{\pm} , 2020.

· · .

Respectfully submitted,

BROOKINGS MUNICIPAL UTILITIES D/B/A SWIFTEL COMMUNICATIONS

Steve Meyer Executive Vice President & General Manager

And Counsel

Tollman

Darla Pollman Rogers Riter Rogers, LLP 319 S Coteau St. Pierre, SD 57501 (605) 224-5825 dprogers@riterlaw.com

John A. Prendergast Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP 2120 L Street NW, Suite 300 Washington, DC 20037 jap@bloostonlaw.com