

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

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In the Matter of the Application of LTD  
Broadband LLC for Designation as an Eligible  
Telecommunications Carrier for Purposes of  
Receiving Federal Universal Service Support

TC21-001

**DIRECT TESTIMONY OF COREY  
HAUER**

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1                    BACKGROUND OF THE WITNESS AND LTD BROADBAND LLC

2    **Q:    STATE YOUR NAME, EMPLOYER, AND YOUR BUSINESS ADDRESS.**

3    A:    I am Corey Hauer. I am the Chief Executive Officer of the applicant LTD Broadband LLC  
4           (“Applicant” or “LTD”). My business address is 69 Teahouse St., Las Vegas, NV 89138.

5    **Q:    PLEASE    DESCRIBE    YOUR    EDUCATION    AND    EMPLOYMENT**  
6           **BACKGROUND.**

7    A:    I founded LTD in 2010, and have served as the company’s CEO since that time. Prior to  
8           this position, I founded Desktop Media, a dialup ISP that eventually became a CLEC.  
9           Desktop Media was an early provider of fixed wireless broadband. This CLEC/ISP was  
10          sold to Jaguar Communications in 2008. I studied Computer and Electrical Engineering at  
11          Purdue University. Over the past 27, years I have provided telecommunications and  
12          internet engineering consulting to a number of school districts, ILECs, WISPs, airlines and  
13          private equity firms.

14   **Q:    PLEASE TELL THE COMMISSION ABOUT LTD, ITS FORMATION, AND ITS**  
15          **HISTORY.**

16   A:    LTD is a privately-held limited liability company formed in the State of Nevada in October  
17          2010. The company’s principal place of business is 78053 MN-251, Clarks Grove, MN  
18          56016. I hold a 100% controlling interest in LTD.

19          LTD has grown from a single water tower site in Rose Creek, Minnesota in 2011 to a  
20          network of over 2,500 tower sites covering over 50,000 square miles. Currently LTD offers  
21          service in Iowa, Kansas, Minnesota, Nebraska, South Dakota, Tennessee and Wisconsin,  
22          and serves approximately 17,500 customers within those states. We are continuing rapid  
23          expansion of our footprint averaging 30 new tower sites each month as well as new fiber

1 routes. LTD is also overbuilding much of its existing fixed wireless footprint with 5G  
2 millimeter wave fixed wireless equipment to enable gigabit download speeds. We also  
3 operate an extensive fiber network with geographically dispersed redundant paths to ensure  
4 maximum reliability and throughout to our tower network. We believe we are one of the  
5 fastest if not the fastest growing and largest providers (by coverage area) of fixed-wireless  
6 broadband in the U.S. For our Rural Digital Opportunity Fund (“RDOF”) areas we intend  
7 to deploy fiber-to-the-home (“FTTH”) in the last mile using GPON and XGPON  
8 technology, which will offer speeds up to 10 Gbps. Middle mile connections may utilize  
9 multi-gigabit fixed wireless links in certain instances.

10 **Q. PLEASE DESCRIBE LTD’S CURRENT CUSTOMER BASE?**

11 **A.** LTD has historically focused its coverage on unserved and underserved rural areas and  
12 small towns. While rural locations are our primary focus, we are also starting to leverage  
13 5G millimeter wave and fiber technologies in some larger communities to offer a  
14 competitive choice to customers receiving broadband via cable or fiber connections.

15 **Q. PLEASE DESCRIBE LTD’S TRACK RECORD OF PROVIDING SERVICE IN**  
16 **OTHER JURISDICTIONS AS A RECIPIENT OF AN AWARD FROM THE**  
17 **CONNECT AMERICA FUND PHASE II (“CAF PHASE II”).**

18 **A.** LTD has nearly completed its CAF Phase II buildout, and is on track to deploy service on  
19 time and potentially ahead of schedule. In fact, LTD is far ahead of many CAF Phase II  
20 winners in completing its obligations. LTD completed its fifth-year obligation of 80%  
21 buildout in both Iowa and Minnesota by the end of year one. That is four years ahead of  
22 the CAF Phase II requirement, which was to complete 80% by the end of year five. LTD

1 also expects to finish 100% of its CAF Phase II obligation for Illinois later this year - also  
2 four years ahead of schedule.

3 **Q. IN WHAT JURISDICTIONS IS LTD CURRENTLY AUTHORIZED TO PROVIDE**  
4 **COMMUNICATIONS SERVICES?**

5 **A.** LTD is authorized to provide communications service in Iowa, Kansas, Minnesota,  
6 Nebraska, South Dakota and Wisconsin and is designated as an Eligible  
7 Telecommunications Carrier (“ETC”) in Colorado, Illinois, Indiana, Minnesota, Missouri,  
8 Ohio, Texas and Wisconsin.

9 In addition to South Dakota, LTD is currently seeking ETC designation in the following  
10 jurisdictions where it was presumptively awarded RDOF funding: California, Nebraska  
11 and North Dakota. LTD’s applications for ETC designation are currently pending before  
12 the relevant regulatory commissions in those states. LTD also has filed to expand its ETC  
13 designation in Iowa to include the additional RDOF census blocks where it was the auction  
14 winner.

15 **Q. GENERALLY DESCRIBE LTD’S GROWTH AND HISTORY OF PROPERLY**  
16 **SUCCESSFULLY DEPLOYING ITS NETWORKS?**

17 **A.** As noted above, LTD operates in six states and is poised to expand service into several  
18 other states as part of its award from the RDOF. For the last seven years, LTD has been  
19 growing at a rate of 40% annually. LTD has completed 70% of its overall CAF Phase II  
20 buildout obligation and will finish years ahead of schedule. LTD has built one of the largest  
21 fixed wireless coverage areas in rural areas in the United States. Our financial data  
22 combined with our track record demonstrate that LTD has the experience and ability to  
23 build its network in South Dakota consistent with the RDOF application requirements.

1 **Q. PLEASE DESCRIBE LTD'S MANAGERIAL ABILITY TO PROVIDE THE**  
2 **COMMUNICATIONS SERVICES FOR WHICH IT SEEKS ETC STATUS.**

3 **A.** I have 27 years of experience in the telecommunications and internet engineering  
4 consulting industries. My role with LTD is to oversee all aspects of LTD's business  
5 including, but not limited to, network construction, day-to-day operations, customer  
6 service and regulatory compliance. The other key managerial staff for LTD are Ira Levy,  
7 Rebecca Severtson, Chad Peterson, Justin Hansen Frank Glaszner, and Haley Tollefson,  
8 who have a combined 85 years of experience in the fields of telecommunications, customer  
9 care and marketing. Our managerial staff is currently supported by approximately 161 full-  
10 time employees and this number will grow as our network expands. Together, LTD's  
11 managerial team has the ability to ensure that LTD continues to deploy networks and offer  
12 quality customer service while remaining in compliance with regulatory requirements.

13 **Q. PLEASE DESCRIBE LTD'S TECHNICAL EXPERIENCE PROVIDING**  
14 **COMMUNICATIONS SERVICES.**

15 **A.** LTD built one of the largest rural fixed wireless coverage areas in the United States in a  
16 very short time. Our expertise is in creating teams to execute on repeatable construction  
17 processes. LTD has installed thousands of trenched and aerial fiber and Ethernet drops  
18 with its current personnel. Where necessary and appropriate, LTD hires contractors and a  
19 construction workforce to deploy its facilities. LTD will employ its expertise and  
20 experience to deploy service in South Dakota. LTD also has scaled its staffing to meet its  
21 CAF performance obligations and there is no reason to believe LTD will not do the same  
22 with respect to RDOF. LTD is currently involved in strategic transactions that will bring  
23 additional resources to our teams in multiple states where we do not yet serve. At the

1 conclusion of these transactions, LTD expects to have boots on the ground in 12 of the 15  
2 states that comprise our RDOF award area. LTD will manage the timing of its hiring and  
3 contractual activities to align with the FCC's approvals so that LTD is positioned to comply  
4 with the applicable buildout milestones.

#### 5 RDOF AUCTION AND PROCESS

6 **Q. WHAT DOES RDOF REFER TO?**

7 **A.** RDOF is the Rural Digital Opportunity Fund, which is a federal funding program  
8 implemented by the Federal Communications Commission ("FCC") to provide funding for  
9 construction of rural voice and broadband networks deemed by the FCC to be unserved.

10 **Q. HOW DID THE FCC DETERMINE WHO WOULD RECEIVE THE RDOF**  
11 **FUNDS?**

12 **A.** The FCC held a reverse auction process where companies would submit bids to obtain  
13 RDOF funds in order to build their network for specific census blocks that did not have  
14 voice and broadband internet service. Under the reverse bidding process, over the course  
15 of several rounds, bidders submitted bids agreeing to build out their networks at a stated  
16 data speed for a stated amount of RDOF support. Based upon the data speed and the dollar  
17 amount of the bids, the FCC selected "winning" bidders.

18 **Q. DESCRIBE THE FCC'S ROLE IN REVIEWING LTD'S CAPABILITIES TO**  
19 **PROVIDE THE PROPOSED BROADBAND SERVICES AS PART OF THE RDOF**  
20 **APPLICATION PROCESS?**

21 **A.** The FCC is charged with conducting a thorough review of an applicant's qualifications  
22 before it authorizes RDOF support. It does so through two separate processes. Prior to the  
23 reverse auction in which applicants bid for support, the FCC reviews applicants' short-

1 form applications “to assess the likelihood that an applicant would not default if selected  
2 as a winning bidder.”<sup>1</sup> For example, “[i]f the applicant becomes qualified to bid in the  
3 FCC’s reverse auction (Auction 904) and subsequently becomes a winning bidder,  
4 Commission [FCC] staff will evaluate the information submitted in the long-form  
5 application and will rely on an eligible bank’s willingness to issue the applicant a letter of  
6 credit to determine whether an applicant is *reasonably capable* of meeting its Rural Digital  
7 Opportunity Fund auction obligations in the specific areas where it has winning bids.  
8 “Reasonably capable” refers to the Commission [FCC] staff’s reasonable expectation that  
9 the applicant can meet those obligations.”<sup>2</sup> Similarly, the FCC reviews operational  
10 information in the short-form application to determine whether the applicant “can be  
11 expected to be *reasonably capable* of meeting the public interest obligations (*e.g.*, speed,  
12 usage, latency and service milestones) for each performance tier and latency combination  
13 selected.”<sup>3</sup> The FCC also has indicated that “[a]n applicant that has not previously offered  
14 a voice service or that will be offering voice using a new system would benefit from closer  
15 scrutiny to determine whether the applicant is expected to be *reasonably capable* of  
16 meeting the voice service requirements.”<sup>4</sup>

17 For auction winners, the FCC requires extensive technical, operational and financial  
18 information, and conducts a thorough vetting of the applicant and its proposal (the long-  
19 form application) before authorizing support. Not all auction winners will necessarily be  
20 authorized to receive RDOF support – “an applicant will be deemed in default if at the

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<sup>1</sup> Public Notice, *Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020*, 35 FCC Rcd 6077, 6098-99 (WTB 2020) (“*RDOF Procedures Public Notice*”) (emphasis added). *See also* 47 C.F.R. § 54.804.

<sup>2</sup> *Id.* (citation omitted).

<sup>3</sup> *Id.* (emphasis added).

<sup>4</sup> *Id.* at 6102 (citation omitted) (emphasis added).

1 long-form application stage, Commission [FCC] staff determines the applicant is not  
2 *reasonably capable* of meeting the public interest obligations associated with its winning  
3 bids.”<sup>5</sup>

4 The FCC’s long-form application requirements are comprehensive and thorough. As  
5 described in the *RDOF Procedures Public Notice*, applicants must submit an Initial  
6 Overview of its intended technology and system design for each state where it made a  
7 winning bid. Then, it must submit a much more detailed description of its technology and  
8 system design, which includes the following:

- 9 • Overall Network Design
- 10 • Project Plan
- 11 • Network Management and On-going Operations
- 12 • Network Diagram

13 Each of these categories has extensive sub-categories of information the FCC requires in  
14 order for it to assess the applicant’s technical qualifications and determine whether it is  
15 likely that the applicant will be “reasonably capable” of meeting program requirements.

16 In addition, RDOF long-form applicants must provide extensive financial information, as  
17 follows:

18 A long-form applicant must certify in its long-form application that it will have  
19 available funds for all project costs that exceed the amount of Rural Digital  
20 Opportunity Fund support to be received for the first two years of its support term.  
21 A long-form applicant must also describe how the required construction will be  
22 funded in each state. The description should include the estimated project costs for  
23 all facilities that are required to complete the project, including the costs of  
24 upgrading, replacing, or otherwise modifying existing facilities to expand coverage  
25 or meet performance requirements. The estimated costs must be broken down to  
26 indicate the costs associated with each proposed service area at the state level and  
27 must specify how Rural Digital Opportunity Fund support and other funds, if

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<sup>5</sup> *Id.* at 6116 (footnote omitted (emphasis added)).



1 applicable, will be used to complete the project. The description must include  
2 financial projections demonstrating that the long-form applicant can cover the  
3 necessary debt service payments over the life of any loans.<sup>6</sup>  
4

5 During the long-form review, RDOF applicants engage with the FCC's attorneys and  
6 engineers to obtain feedback on their proposals and are afforded the opportunity to provide  
7 supplemental information. In some cases, application review and support authorization  
8 can be completed in less than six months; others will take longer, depending on the scope  
9 and scale of the application and the items noted by FCC staff.

10 **Q. WAS APPLICANT THE SUCCESSFUL BIDDER DURING THE RDOF**  
11 **APPLICATION FOR ANY OF THE CENSUS BLOCKS IN SOUTH DAKOTA?**

12 **A.** Yes, LTD was the provisional winner of 103 census block groups for 7,481 locations in  
13 South Dakota. These census block groups and 7,481 locations are all identified in Exhibit  
14 A to the Application of LTD Broadband, LLC for Designation as an Eligible  
15 Telecommunications Carrier filed with the Commission on January 7, 2021. The Amended  
16 Application is attached as Exhibit 1.

17 **Q. WHY WERE THESE CENSUS BLOCKS INCLUDED IN THE RDOF AUCTION?**

18 **A.** These census blocks were included in the RDOF auction because the data upon which the  
19 FCC relied identified these areas as "eligible" because of a lack of reported voice and  
20 broadband service.

21 **Q. HAS THE APPLICANT CONTINUED TO PURSUE RDOF FUNDING FOR THE**  
22 **IDENTIFIED CENSUS BLOCKS?**

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<sup>6</sup> *Id.* at 6174-75 (citations and footnote omitted).

1 A. Yes. After being designated as the provisional RDOF recipient for these census blocks,  
2 LTD has continued with the RDOF long form review process by the FCC. LTD expects  
3 to receive authorization from the FCC for issuance of the RDOF funds.

4 HISTORY OF THIS DOCKET

5 **Q. DID APPLICANT FILE AN APPLICATION OF LTD BROADBAND, LLC FOR**  
6 **DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER (“THE**  
7 **APPLICATION”)?**

8 A. Yes, LTD filed the Application on January 7, 2021.

9 **Q. WHY DID APPLICANT FILE THE APPLICATION?**

10 A: Designation as an ETC by the Commission for the requested census blocks is one of the  
11 requirements for authorization of RDOF support.

12 **Q. WHAT IS LTD REQUESTING IN THE APPLICATION?**

13 A. LTD requests that the Commission grant the Application and designate LTD as an ETC in  
14 South Dakota.

15 **Q. DID ANYONE INTERVENE IN THE DOCKET?**

16 A. Yes, the Commission granted intervenor status to South Dakota Telecommunications  
17 Association (“SDTA”) on January 27, 2021.

18 **Q. HAS LTD ANSWERED ANY DATA REQUESTS OR WRITTEN DISCOVERY AS**  
19 **PART OF THIS DOCKET?**

20 A. Yes, LTD has answered three sets of data requests propounded by Commission Staff,  
21 containing 26 separate data requests. Specifically, on February 11, 2021, LTD responded  
22 to the First Data Request from South Dakota Public Utilities Commission Staff, which  
23 document contained 12 individual data requests. On June 18, 2021, LTD responded to the

1 Second Set of Data Requests of Commission Staff, which contained 8 individual data  
2 requests. On August 25, 2021, LTD responded to the Third Set of Data Requests of  
3 Commission Staff, which contained 6 individual data requests. LTD's responses to these  
4 Commission Staff's data requests are attached as Exhibits 2, 3 (confidential), 4, 5  
5 (confidential), and 6.

6 LTD also has responded to five separate sets of discovery requests from SDTA, which  
7 contained 64 individual requests. On April 9, 2021, LTD responded to SDTA's First  
8 Discovery Request to LTD Broadband LLC, which contained 15 individual requests. On  
9 May 13, 2021, LTD responded to the Second Discovery Request of SDTA, which  
10 contained 10 individual requests. On June 30, 2021, LTD responded to the Third  
11 Discovery Request of SDTA, which contained 15 individual requests. On August 6, 2021,  
12 LTD responded to the Fourth Discovery Request of SDTA, which contained 4 individual  
13 requests. Finally, on September 27, 2021, LTD responded to the Fifth Discovery Request  
14 of SDTA, which contained 20 individual requests. LTD's responses to SDTA's discovery  
15 requests are attached as Exhibits 7, 8, 9, 10, and 11.

16 **Q. DID LTD PROPOUND ANY DISCOVERY OF SDTA?**

17 **A.** Yes, LTD submitted four interrogatories to SDTA, which were answered by SDTA on  
18 September 27, 2021.

19 **Q. ARE YOU ASKING THAT THE COMMISSION CONSIDER LTD'S**  
20 **APPLICATION AND ITS RESPONSES TO DISCOVERY AS PART OF THE**  
21 **RECORD IN SUPPORT OF LTD'S APPLICATION?**

22 **A.** Yes. LTD offers its application and its answers to both Commission Staff's data requests  
23 and SDTA's discovery requests as exhibits supporting the Application. LTD also offers

1 this direct testimony, any rebuttal testimony, and the evidence at the hearing in support of  
2 LTD's request for designation as an ETC.

3 GRANTING OF THE APPLICATION

4 **Q. WHAT IS LTD ASKING THE COMMISSION TO DO IN RESPONSE TO THE**  
5 **APPLICATION?**

6 **A.** LTD requests to be designated as an ETC in South Dakota.

7 **Q. DO YOU BELIEVE THAT LTD SATISFIES THE REQUIREMENTS FOR ETC**  
8 **STATUS IN SOUTH DAKOTA?**

9 **A.** Yes.

10 **Q. WHAT AFFECT DOES THE TELECOMMUNICATIONS ACT HAVE ON LTD'S**  
11 **ETC STATUS?**

12 **A.** The Telecommunications Act of 1996 defines this Commission's authority when reviewing  
13 an ETC application: "A State commission *shall* upon its motion or upon request designate  
14 a common carrier that meets the requirements of paragraph (1) as an eligible  
15 telecommunications carrier for the service area designated by the State commission. . . ."  
16 47 U.S.C. § 214(e)(2) (emphasis added). Under the plain language of the statute, this  
17 Commission must grant LTD's application for ETC status if LTD satisfies the requirements  
18 of 47 U.S.C. § 214(e)(1).

19 **Q. DOES LTD SATISFY THE REQUIREMENTS OF SECTION 214(e)(1)?**

20 **A.** Yes. Section 214(e)(1) states three requirements for ETC status. First, the applicant must  
21 be a "common carrier" as defined by federal law.<sup>7</sup> Second, LTD must "offer the services  
22 that are supported by Federal universal service support mechanisms under section 254(c)

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<sup>7</sup> 47 U.S.C. § 153(11).

1 of this title . . . .” 47 U.S.C. § 214(e)(1)(A). Third, LTD advertise the availability of these  
2 services and their corresponding service. 47 U.S.C. § 214(e)(1)(B). LTD satisfies each of  
3 these requirements

4 **Q. WILL LTD BE A COMMON CARRIER FOR THE DESIGNATED SERVICE**  
5 **AREA?**

6 **A.** Yes. LTD will provide broadband internet access service and voice service in the  
7 Designated Service Area.<sup>8</sup> LTD will provide voice service as interconnected VoIP service  
8 in South Dakota. As to customers and locations in which LTD is awarded RDOF support,  
9 LTD will provide its voice service on a common carrier basis. As a result, this first  
10 requirement is satisfied.

11 **Q WILL LTD OFFER SERVICES SUPPORTED BY THE FEDERAL UNIVERSAL**  
12 **SERVICE SUPPORT MECHANISM IN THE DESIGNATED SERVICE AREA?**

13 **A.** Yes. Under the second requirement, LTD must “offer the services that are supported by  
14 Federal universal service support mechanisms under section 254(c) of this title . . . .” 47  
15 U.S.C. § 214(e)(1)(A). As part of the RDOF application review process, LTD must provide  
16 certain services required for RDOF funding. LTD must certify that it will comply with the  
17 public interest obligations, which include meeting annual buildout milestones beginning in  
18 year six of the funding, conducting and reporting speed and latency testing on a quarterly  
19 basis for the 10-year funding term, and submitting annual reports to the FCC, USAC and  
20 the Commission. LTD certifies that it will comply with the service requirements applicable  
21 to RDOF support. This certification was included as part of LTD’s long form application.

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<sup>8</sup> The Designated Service Area refers to the census blocks for which LTD won RDOF support and is seeking ETC designation.

1 LTD notes it must meet certain service milestones and buildout requirements in the  
2 Designated Service Area as a condition to receiving RDOF support.<sup>9</sup>

3 Further, LTD must demonstrate that it is capable of providing and will continuously  
4 provide the supported services throughout the service area either by using its own facilities  
5 or a combination of its own facilities and the resale of another carrier's services. LTD  
6 certifies it will offer the services that are supported by the federal universal service support  
7 mechanisms in the Designated Service Area either using its own facilities or a combination  
8 of its own facilities and the resale of another carrier's services. As stated in the Application,  
9 for the RDOF areas, LTD intends to deploy FTTH in the last mile using GPON and  
10 XGPON technology to offer speeds up to 10 Gbps.

11 An RDOF recipient's voice services must provide voice grade access to the public switched  
12 telephone network ("PSTN") or its functional equivalent, minutes of use for local service  
13 provided at no additional charge, access to emergency 911 and enhanced 911 service in  
14 locations where implemented, and for qualifying low-income consumers, toll limitation  
15 service.<sup>10</sup> Eligible broadband internet access services must provide the capability to  
16 transmit data to and receive data by wire or radio from all or substantially all internet  
17 endpoints, including any capabilities that are incidental to and enable the operation of the  
18 communications service, but excluding dial-up service.<sup>11</sup>

19 LTD certifies that it will offer voice and broadband services in the Designated Service Area  
20 that satisfy the FCC's requirements. LTD's voice offering will provide voice grade access

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<sup>9</sup> RDOF Order ¶ 45. For purposes of meeting the FCC's service milestones, a RDOF recipient will be deemed to be commercially offering voice and/or broadband service to a location if it provides service to the location or could provide service to the location within 10 business days upon request. *See id.* ¶ 54

<sup>10</sup> 47 C.F.R. § 54.101(a)(1).

<sup>11</sup> 47 C.F.R. § 54.400(l).

1 to the PSTN, and will include unlimited local calling. In addition, LTD's voice offering  
2 will provide consumers with access to 911 and enhanced 911 to the extent local  
3 governments have implemented such services.

4 Similarly, LTD's broadband internet access service offering will provide consumers with  
5 the capability to transmit data to and receive data from all or substantially all internet  
6 endpoints. LTD's broadband internet access service offering will meet the minimum  
7 service standards required by the FCC's rules,<sup>12</sup> and for the receipt of RDOF funding.<sup>13</sup>  
8 LTD will offer its voice and Gigabit broadband services at reasonably comparable rates as  
9 set annually by the FCC and consistent with FCC rules.

10 **Q. WILL LTD ADVERTISE THE AVAILABILITY OF ITS SERVICES IN THE**  
11 **DESIGNATED SERVICE AREA AND THE CORRESPONDING SERVICE?**

12 **A.** Yes. LTD will publicize the availability of its voice and broadband service offerings  
13 throughout the Designated Service Area using media of general distribution. LTD further  
14 identified its anticipated advertising plan in response to Commission Staff's Data Request  
15 3-1, which LTD incorporates in this testimony.

16 **Q. DOES LTD'S APPLICATION CONTAIN ALL OF THE INFORMATION**  
17 **REQUIRED FOR AN ETC APPLICATION UNDER ARSD 20:10:32:43?**

18 **A.** Yes. The Application, as supplemented by its responses to the written discovery, contains  
19 all the information required by ARSD 20:10:32:43.

20 **Q. IS LTD WILLING TO COMMIT TO PROVIDE SERVICE THROUGHOUT ITS**  
21 **PROPOSED DESIGNATED SERVICE AREA TO ALL CUSTOMERS MAKING A**

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<sup>12</sup> 47 C.F.R. § 54.408.

<sup>13</sup> *Rural Digital Opportunity Fund, et al.*, 35 FCC Rcd 686 (2020) ("*RDOF Order*") at ¶¶ 31, 33.

1           **REASONABLE REQUEST FOR SERVICE AS REQUIRED BY ARSD**  
2           **20:10:32:43.01?**

3    A.    Yes. LTD certifies that it will (a) provide service on a timely basis to requesting customers  
4           within the Designated Service Area where LTD's network passes the potential customer's  
5           premises, and (b) provide service within a reasonable period of time if the potential  
6           customer is within the Designated Service Area, but outside LTD's existing network  
7           coverage, in accordance with the Commission's criteria set forth in ARSD  
8           20:10:32:43.01(2). As stated in response to Request No. 6 in LTD's Responses to SDTA's  
9           Second Set of Discovery Requests, LTD will respond within 10 days of a customer's  
10          request once LTD's network is deployed in the customer's area.

11   **Q.    HAS LTD SUBMITTED THE TWO-YEAR PLAN DESCRIBED IN ARSD**  
12          **20:10:32:43.02?**

13    A.    No. LTD requests a waiver of the requirement for the two-year plan, which waiver has  
14          been granted by the Commission to other ETC applicants based upon RDOF funding.<sup>14</sup>  
15          Pursuant to the RDOF implementation rules, LTD must meet the following deployment  
16          milestone requirements: 40% of locations in the state by the end of Year 3; 60% of locations

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<sup>14</sup> See e.g., Order Granting Expanded Eligible Telecommunications Carrier Designation in Certain Census Blocks; Order Granting Waiver, *In the Matter of Alliance Communications Cooperative, Inc. d/b/a Alliance Communications Application for Expanded Designation as an Eligible Telecommunications Carrier*, TC 201-010 (May 29, 2021); Order Granting Expanded Eligible Telecommunications Carrier Designation in Certain Census Blocks; Order Granting Waiver, *In the Matter of Eligible Telecommunications Cooperative, Inc. Application for Expanded Designation as An Eligible Telecommunications Carrier*, TC 21-011 (May 19, 2021); Order Granting Expanded Eligible Telecommunications Carrier Designation in Certain Census Blocks, Order Granting Waiver; *In the Matter of Application by Valley Telecommunications Cooperative, Association, Inc. For Expanded Designation as an Eligible Telecommunications Carrier in the State of South Dakota*, TC 21-003 (May 7, 2021); Order Granting Eligible Telecommunications Carrier Designation in Certain Census Blocks, Order Granting Waiver, *In the Matter of the Application by Venture Vision, Inc. as an Eligible Telecommunications Carrier in the State of South Dakota*, TC 21-009 (April 19, 2021).



1 in the state by the end of Year 4; 80% of locations in the state by the end of Year 5; and  
2 100% of locations in the state by the end of Year 6. LTD intends to meet these milestones.  
3 LTD will develop a supported network with 1 Gbps upload and 500 Mbps download  
4 speeds. The specific technical aspects of LTD's network are described in LTD's RDOF  
5 long form application. The FCC, as part of the RDOF review process, will analyze and  
6 confirm LTD's ability to deploy the services required by the FCC.

7 **Q. WILL LTD'S NETWORK REMAIN FUNCTIONAL IN EMERGENCY**  
8 **SITUATIONS?**

9 **A.** LTD will build a network compliant with the requirements of ARSD 20:10:32:43.03,  
10 including a network that will remain functional in emergency situations. As part of LTD's  
11 infrastructure buildout and deployment of services, LTD certifies it will have a reasonable  
12 amount of back-up power to ensure functionality without an external power source. To  
13 that end, LTD will size its battery arrays at customer premises and at network distribution  
14 points to comply with the requirements of the FCC's RDOF rules. The details of LTD's  
15 broadband back-up power capabilities are included in its RDOF application, as filed with  
16 the FCC.

17 LTD also will be able to maintain network functionality during an emergency by (a) being  
18 able to re-route traffic around damaged facilities, and (b) managing traffic spikes resulting  
19 from emergency situations. These backup service requirements are also governed under  
20 separate FCC rules which require LTD to have specified back-up power capabilities.<sup>15</sup> LTD  
21 utilizes backup batteries, generators, and towable solar arrays to provide emergency power  
22 as needed. LTD currently deploys broadband services in five states. As part of this service

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<sup>15</sup> 47 C.F.R. § 9.20.

1 LTD has adopted various backup systems to facilitate providing services in emergency  
2 situations including the use of diverse/alternate routing, electronics redundancy, redundant  
3 data centers, geographically separated operations, and environmental controls for data and  
4 switching centers to remain functional in an emergency situation.

5 **Q. CAN LTD SATISFY THE REQUIRED CONSUMER PROTECTION AND**  
6 **SERVICE QUALITY STANDARDS IMPOSED BY ARSD 20:10:32:43.04?**

7 **A.** Yes. These standards are established by the FCC.<sup>16</sup> LTD certifies that it will comply with  
8 service quality standards and consumer protection rules applicable to its provision of  
9 service in the Designated Service Area.

10 **Q. WILL LTD PROVIDE A LOCAL USAGE PLAN COMPARABLE TO THE PLAN**  
11 **PROVIDED BY ILEC'S IN LTD'S DESIGNATED SERVICE AREA AS**  
12 **REQUIRED BY ARSD 20:10:32:43.05?**

13 **A.** Yes. LTD proposes to offer calling plans comparable to those offered by ILECs in the  
14 Designated Service Area including high-speed internet access service and unlimited voice  
15 calling within the United States for a fixed monthly price in the Designated Service Area.  
16 LTD also will offer standalone voice services as required by the FCC.<sup>17</sup> LTD is conducting  
17 market research in the Designated Service Area to determine what mix of services potential  
18 customers prefer. LTD has not yet determined the specific details of its service offerings  
19 and associated rates to be offered in the Designated Service Area. LTD will make services  
20 available based on customer demand in each market. Further, LTD's pricing for voice and

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<sup>16</sup> The FCC has waived the requirement for a winning bidder in Auction 904 to demonstrate that it will satisfy consumer protection and service quality standards as part of the ETC designation process. *See* Public Notice at n.71 (applying the same waivers previously applied to ETC designations for the CAF-II auction to ETC designations for Auction 904).

<sup>17</sup> *RDOF Order* ¶ 42.

1 its supported broadband service will be reasonably comparable to the price of similar  
2 services in urban areas pursuant to FCC requirements.<sup>18</sup> By way of example, based on its  
3 annual urban rate survey, the FCC's 2021 average monthly rate for voice is \$33.73, and  
4 the reasonable comparability benchmark for voice services, two standard deviations above  
5 the urban average, is \$54.75.<sup>19</sup> Accordingly, each ETC providing fixed voice service must  
6 certify to the FCC in July 2021 that the pricing of its basic residential voice services is no  
7 more than \$54.75. The FCC has adopted similar benchmarks for broadband internet access  
8 service, which vary based on the speed and usage allowance.<sup>20</sup>

9 **Q. WILL LTD PROVIDE EQUAL ACCESS TO LONG DISTANCE CARRIERS IF**  
10 **NO OTHER ELIGIBLE TELECOMMUNICATIONS PROVIDER IS PROVIDING**  
11 **EQUAL ACCESS WITHIN THE SERVICE AREA?**

12 **A.** LTD recognizes equal access to long distance carriers is a stated requirement of ARSD  
13 20:10:32:04.06. LTD notes, however, that its planned service offering will provide  
14 unlimited voice calling within the United States for a fixed monthly price, and thus there  
15 is no need for a consumer to have access to a separate long-distance carrier.

16 **Q. HOW DOES GRANTING LTD'S APPLICATION AND GRANTING IT ETC**  
17 **STATUS SERVE THE PUBLIC INTEREST?**

18 **A.** ETC designation will permit LTD to use RDOF support to offer voice and broadband  
19 services to unserved, high-cost areas of South Dakota. LTD will invest in facilities and  
20 equipment in the Designated Service Area. The planned investment and deployment in the

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<sup>18</sup> RDOF Order ¶ 42.

<sup>19</sup> Wireline Competition Bureau and Office of Economics and Analytics Announce Results of 2021 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for Eligible Telecommunications Carriers, 35 FCC Rcd 13667 (2020) ("Comparability PN").

<sup>20</sup> Comparability PN at 3.

1 Designated Service Area will further the goals of the Commission and the FCC by  
2 expanding the reach of voice and broadband connectivity to promote economic growth in  
3 rural areas and ensure quality communications services are available at “just, reasonable,  
4 and affordable rates.”<sup>21</sup> As the FCC has observed, “an important goal of the [federal] Act  
5 is to open local telecommunications markets to competition. Designation of competitive  
6 ETCs promotes competition and benefits consumers in rural and high-cost areas by  
7 increasing customer choice, innovative services, and new technologies.”<sup>22</sup>

8 **Q. WHAT HAPPENS IF LTD IS NOT GRANTED ETC STATUS?**

9 **A.** In such case, LTD will not be eligible for the RDOF support for the census blocks identified  
10 in Exhibit A to the Application. Without this support, LTD will not be in a position to  
11 deliver broadband and voice services to the public in the designated census blocks. As a  
12 result, these consumers will continue to be unserved with broadband connectivity. In those  
13 areas where consumers may be able to receive voice and broadband services, LTD will  
14 offer competitive choice with its 1 Gbps/500 Mbps service.

15 **Q. WILL LTD AGREE TO COMPLY WITH THE REPORTING REQUIREMENTS**  
16 **OF ARSD 20:10:32:54?**

17 **A.** Yes. LTD certifies that it will comply with all reporting requirements imposed by the  
18 Commission’s administrative rules, including ARSD 20:10:32:54. As part of the RDOF  
19 process, LTD also will have periodic reporting requirements to the FCC and with the  
20 Universal Service Administrative Company.

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<sup>21</sup> 47 U.S.C. § 254(b)(1).

<sup>22</sup> *Federal-State Joint Board on Universal Service*, 16 FCC Rcd 48, ¶ 17 (2000).

1 Q. HAS LTD PROVIDED NOTICE OF ITS APPLICATION TO ALL OTHER  
2 ELIGIBLE TELECOMMUNICATIONS CARRIERS IN THE RELEVANT  
3 SERVICE AREA AS REQUIRED BY ARSD 20:10:32:46?

4 A. Yes. Out of an abundance of caution, LTD provided notice of its application to all ILECs  
5 and CLECs identified on the Commission's website regardless of service area in South  
6 Dakota. This notice was provided on May 12, 2021.

7 Q. WHAT ARE YOU ASKING THE COMMISSION TO DO?

8 A. LTD respectfully requests that the Commission grant its application and designate LTD as  
9 an eligible telecommunications carrier for the designated service area, which are those  
10 census blocks identified as Exhibit A to the Application.

11 Q. DOES THIS COMPLETE YOUR OPENING PREFILED TESTIMONY?

12 A. Yes.

**CERTIFICATE OF SERVICE**

I, Jason R. Sutton, do hereby certify that I am a member of Boyce Law Firm, LLP, attorneys for LTD Broadband, LLC and that on the 22<sup>nd</sup> day of October, 2021, a true and correct copy of the foregoing and this Certificate of Service were served via email to the following addresses listed:

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Jason R. Sutton