

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

IN THE MATTER OF INTERSTATE)	ORDER GRANTING)
TELECOMMUNICATIONS COOPERATIVE, INC.'S)	DESIGNATION AS A LIFELINE-)
APPLICATION FOR DESIGNATION AS AN)	ONLY ELIGIBLE)
ELIGIBLE TELECOMMUNICATIONS CARRIER)	TELECOMMUNICATIONS)
FOR THE PURPOSE OF RECEIVING FEDERAL)	CARRIER; ORDER GRANTING)
UNIVERSAL SERVICE SUPPORT FOR LIFELINE)	WAIVER)
ONLY IN THE STATE OF SOUTH DAKOTA)	TC21-110)

On August 30, 2021, the Commission received an application from Interstate Telecommunications Cooperative, Inc. (ITC) requesting designation as a Lifeline Only Eligible Telecommunications Carrier pursuant to 47 U.S.C. §214(e)(1) -(2), SDCL § 49-31-78, ARSD 20:10:32:42-43 in the communities of South Lake Poinsett and Lake Albert in Hamlin County, Brookings County, and Kingsbury County and the CenturyLink Watertown exchange in Codington County as shown on the maps in Exhibit A. ITC requested a waiver of the two-year plan requirement found in ARSD 20:10:32:43.02.

On September 2, 2021, the Commission electronically transmitted notice of the filing and the intervention deadline of September 17, 2021, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene were filed. On October 22, 2021, ITC filed an Amended Exhibit A.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-31, including SDCL 49-31-3 and 49-31-78, 47 U.S.C. § 214, and ARSD 20:10:32:42 and 20:10:32:43.

At its regularly scheduled meeting on October 28, 2021, the Commission considered the request. Commission staff recommended approval. The Commission voted unanimously to grant the application for Lifeline Only Eligible Telecommunications Carrier designation, and it further voted unanimously to grant the waiver request.

In order to be designated an eligible telecommunications carrier (ETC), a carrier must offer the supported services, using its own facilities or a combination of its own facilities and resale of another carrier's services, throughout the service area for which the designation is received, and advertise the availability of, and the charges for, those services. 47 U.S.C. § 214(e). The Federal Communications Commission has designated the following services for support by federal universal service support mechanisms: (1) voice grade access to the public switched network or its functional equivalent; (2) minutes of use for local service provided at no additional charge to end users; (3) access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; (4) toll limitation services to qualifying low-income consumers as provided in subpart E of 47 C.F.R. § 54.101; and (5) eligible broadband Internet access services must provide the capability to transmit data to and receive data by wire or radio from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but

excluding dial-up service. 47 C.F.R. § 54.101(a). The Commission finds that ITC is able to offer the supported services.

A carrier must offer the supported services "either using its own facilities or a combination of its own facilities and resale of another carrier's services...." 47 U.S.C. § 214(e)(1)(A). In its filing, ITC stated the company "will use primarily its own facilities, but at times may resell another carrier's services to offer the services that are supported by Federal universal service support mechanisms." Petition at 4. The Commission finds that ITC has demonstrated that it will use its own facilities or a combination of its own facilities and resale of another carrier's services.

The carrier must also advertise the availability of such services and the rates for the services using media of general distribution. 47 U.S.C. § 214(e)(1)(B). ITC stated that it "will advertise the availability of its services that are supported by Federal Universal service support mechanisms and the terms of service and charges for such services using media of general distribution." Petition at 5. ITC further clarified it may "advertise, among other means, via newspaper, bill inserts, newsletter, contacts with social service agencies, and its website" Petition at 5. The Commission finds that ITC has demonstrated that it will meet the advertising requirement.

Pursuant to ARSD 20:10:32:43.01, an applicant for ETC status must commit to providing service to customers making a reasonable request for service in the service area. ITC certified that "it commits to provide service throughout its proposed designated service area to all customers making a reasonable request for service" Petition at 5. Pursuant to ARSD 20:10:32:43.02, an applicant must provide a two-year plan that explains upgrades or improvements the applicant will make in each wire center. ITC requested a waiver of the two-year plan requirement because ITC will be required to meet all Connect Grant buildout, service, and reporting requirements for the Connect Grant program and agreement. Additionally, all buildout progress will be included in ITC's annual ETC recertification requests. Petition at 8. Pursuant to ARSD 20:10:32:43.03, an applicant must demonstrate its ability to remain functional in emergency situations. ITC provided a detailed explanation of processes in place to ensure ITC is able to remain functional in emergency situations. Petition at 6. Pursuant to ARSD 20:10:32:43.04, an applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards. ITC stated that it will comply with all applicable state and federal consumer protection and service quality standards as it has complied with the requirements for the past 23 years it has been an ETC. Petition at 7. Based on the foregoing, the Commission finds that ITC has met the requirements of ARSD 20:10:32:43.01, 20:10:32:03, and 20:10:32:43.04. The Commission also finds good cause to grant a waiver of ARSD 20:10:32:02.

Further, in order to designate an applicant as an ETC, the Commission must determine whether such designation is in the public interest pursuant to ARSD 20:10:32:43.07. The Commission finds that ITC's application to become an ETC in the communities of South Lake Poinsett and Lake Albert in Hamlin County, Brookings County, and Kingsbury County and the CenturyLink Watertown exchange in Codington County as shown on the maps in Exhibit A is in the public interest. No evidence was presented that there were disadvantages to ITC's service offerings. There were no allegations of any detrimental effects that designation of ITC as an ETC would have on the provisioning of universal service by the incumbent local carrier, Qwest Corporation. In addition, there was no indication that designation of ITC as an ETC would have detrimental impacts on the universal service fund. The Commission further notes that ITC has

stated that it will provide service throughout the requested service area to all customers making a reasonable request for service.

Pursuant to 47 C.F.R. § 54.201(h), a state commission may not designate an ETC “unless the carrier seeking such designation has demonstrated that it is financially and technically capable of providing the supported Lifeline service in compliance with subpart E of this part.” ITC has operated in South Dakota, under various names, since 1952 and currently serves 28 exchanges and operates as a CLEC in the Milbank and Watertown exchanges. ITC certified it possesses the financial and technical capabilities to pay for all capital and operating to get its fiber optic network built and to begin the provision of voice and broadband services throughout its proposed ETC designation area, is able to obtain the requisite amount of lending under its existing lines of credit and has seasoned operations and technical staff that have been with the company for years and will work on the expansion. ITC will make Lifeline service available to qualifying low income consumers and publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for the service. ITC will make a concerted effort to notify municipal, state, and federal governmental agencies whose clientele may likely benefit the most from having ITC designated as an ETC by the Commission. In addition, ITC may advertise, among 6 47 C.F.R. § 54.202(a)(1)(i). 6 other means, via newspaper, bill inserts, newsletter, and its website. ITC will indicate on materials describing the service, using easily understood language, that it is a Lifeline service, that Lifeline is a government assistance program, the service is non-transferable, only eligible consumers may enroll in the program, and the program is limited to one discount per household. In the event a subscriber no longer qualifies for the program, ITC will de-enroll the subscriber from the program appropriately as defined within 47 C.F.R. 54.405(e). It is therefore

ORDERED, that ITC is hereby designated as lifeline only ETC for the communities of South Lake Poinsett and Lake Albert in Hamlin County, Brookings County, and Kingsbury County and the CenturyLink Watertown exchange in Codington County as shown on the maps in Exhibit A. It is further

ORDERED, that ITC’s request for a waiver of ARSD 20:10:32:43.02 is hereby granted.

Dated at Pierre, South Dakota, this 29th day of October 2021.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.
By: <u>Adam Lettner</u>
Date: <u>10/29/21</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chris Nelson

CHRIS NELSON, Chairman

Kristie Fiegen

KRISTIE FIEGEN, Commissioner

Gary Hanson

GARY HANSON, Commissioner