

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition for designation as eligible telecommunications carrier (ETC) by Midwestern Telecommunications Inc. | DOCKET NO. 060399-TX
| ORDER NO. PSC-06-0750-PAA-TX
| ISSUED: September 5, 2006

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING MIDWESTERN TELECOMMUNICATIONS INC.'S PETITION
FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

I. Case Background

On May 17, 2006, Midwestern Telecommunications Inc. (MTI) petitioned this Commission for designation as an Eligible Telecommunications Carrier (ETC) in the State of Florida. MTI is requesting that it be granted ETC status in 202 non-rural exchanges in BellSouth Telecommunications, Inc.'s (BellSouth) territory. This is the sixth competitive local exchange carrier (CLEC) ETC petition to be brought before this Commission for consideration.¹

MTI is a Commission-certificated CLEC which provides local exchange services in BellSouth's service area. MTI has indicated that it has the ability to provide all of the supported

¹ Order PSC-05-0324-PAA-TX, issued March 21, 2005, Docket No. 041302-TX, In Re: Petition for Designation as Eligible Telecommunications Carrier by Knology of Florida, Inc.; Order PSC-05-1255-PAA-TX, issued December 27, 2005, Docket No. 050483 TX, In Re: Petition for designation as Eligible Telecommunications Carrier by Budget Phone, Inc.; Order PSC-06-0298-PAA-TX, issued April 14, 2006, Docket No. 050542, In Re: Petition for Designation as Eligible Telecommunications Carrier by Ganaco, Inc. d/b/a American Dial Tone.; Order PSC-06-0350-PAA-TX, issued April 25, 2006, Docket No. 050889-TX, In Re: Petition for Designation as Eligible Telecommunications Carrier by Nexus Communications, Inc. d/b/a Nexus Communications TSI, Inc.; Order PSC-06-0436-PAA-TX, issued May 22, 2006, Docket No. 060144-TX, In Re: Petition for Designation as Eligible Telecommunications Carrier by Vilaire Communications, Inc.

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services outlined in Section 254(c) of the Telecommunications Act of 1996 utilizing the facilities obtained through a commercial facilities agreement (CFA) provided by BellSouth. Upon designation as an ETC, MTI indicates that it will participate in and offer Lifeline and Link-Up programs to qualified low income consumers. Additionally, MTI has committed to publicizing the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for those services.²

MTI is headquartered in Chicago Heights, Illinois and is authorized to conduct business as a foreign corporation in the State of Florida. MTI has indicated that it provides service to approximately 1,000 customers in BellSouth's territory. It estimates that 90% of customers receive service via prepaid arrangements. MTI also stated that it does not require its customers to subscribe to its long-distance service or make a deposit in order to receive services. MTI further indicates that its accounts with the Federal Communications Commission (FCC) and Universal Service Administrative Company are current. MTI is not aware of any outstanding complaints or violations with the FCC.

MTI has stated that it is not planning to seek high-cost universal service funding if it is designated as an ETC in Florida. Since MTI is not seeking any high cost universal service funding, and its primary purpose in requesting ETC status in Florida is to provide Lifeline and Link-Up service, it would be beneficial to grant ETC status to MTI. It would have little, if any, effect on the size of the universal service fund³, and it would enhance the availability of Lifeline and Link-Up services in Florida.

We have authority under Section 364.10(2), Florida Statutes, to decide a petition by a CLEC seeking designation as an eligible telecommunications carrier pursuant to 47 C.F.R. § 54.201.

II. Analysis

The FCC rules provide that carriers designated as ETCs shall, throughout the designated service area: (1) offer the services that are supported by federal universal support mechanisms either using their own facilities or a combination of their own facilities and the resale of another carrier's services and, (2) advertise the availability of such services and the related charges therefore using media of general distribution. See CFR §54.201(d).

MTI has identified a total of 202 BellSouth wire centers in which it wishes to offer the services that are supported by federal universal service support mechanisms. (See Attachment A, attached hereto and incorporated herein by reference.)

² See 47 C.F.R. §§ 54.401-54.417 – Universal Service Support for Low Income-Consumers.

³ See FCC 05-46 (¶54) - Federal-State Joint Board on Universal Service – Impact on the Fund. “As the Commission has found in the past, analyzing the impact of one ETC on the overall fund may be inconclusive. Indeed, given the size of the total high-cost fund — approximately \$3.8 billion a year — it is unlikely that any individual ETC designation would have a substantial impact on the overall size of the fund.”

ETC Certification Requirements

CFR Rule 54.201(c), addresses a state commission's responsibilities related to ETC designation, stating:

Upon request and consistent with the public interest, convenience, and necessity, the state commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the state commission, so long as each additional requesting carrier meets the requirements of paragraph (d) of this section. Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the state commission shall find that the designation is in the public interest.

To qualify as an ETC, telecommunications carriers must provide nine services identified in CFR Rule 54.201(d)(1).

- (1) Voice grade access to the public switched network Voice grade access is defined as a functionality that enables a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call;
- (2) Local Usage Local usage indicates the amount of minutes of use of exchange service, provided free of charge to end users;
- (3) Dual tone multi-frequency signaling or its functional equivalent Dual tone multi-frequency ("DTMF") is a method of signaling that facilitates the transportation of signaling through the network, thus shortening call set-up time;
- (4) Single-party service or its functional equivalent Single party service is telecommunications service that permits users to have exclusive use of a wireline subscriber loop or access line for each call placed, or in the case of wireless telecommunications carriers, which use spectrum shared among users to provide service, a dedicated message path for the length of a user's particular transmission;
- (5) Access to emergency services Access to emergency services includes access to services, such as 911 and enhanced 911, provided by local governments or other public safety organizations;
- (6) Access to operator services Access to operator services is defined as access to any automatic or live assistance to a consumer to arrange for billing and/or completion, of a telephone call;

- (7) Access to interexchange service Access to interexchange service is defined as the use of the loop, as well as that portion of the switch that is paid for by the end user, or the functional equivalent of these network elements in the case of a wireless carrier, necessary to access an interexchange carrier's network;
- (8) Access to directory assistance Access to directory assistance is defined as access to a service that includes, but is not limited to, making available to customers, upon request, information contained in directory listings; and
- (9) Toll limitation for qualifying low-income consumers Toll limitation or Blocking restricts all direct dial toll access.

In addition to providing the above services, ETCs must advertise the availability of such services and the associated charges using media of general distribution.

III. Conclusion

MTI is a certificated CLEC that offers local exchange service and meets the statutory facilities requirement of universal service by leasing the physical components of the telecommunications network necessary to provide the nine services identified in CFR Rule 54.201(d)(1) through its CFA with BellSouth.

MTI has acknowledged the requirements of the Florida Lifeline program and has agreed to adhere to the program which provides qualified customers a total of \$13.50 in Lifeline assistance credits consisting of: \$6.50 in federal subscriber line charges, \$1.75 in federal support for states that have approved the credit, and \$1.75 which is a 50% match of federal support for having a state lifeline program requiring a \$3.50 credit under the Florida eligibility criteria. MTI indicates that it will provide the \$3.50 credit to qualified clients, advertise the availability of Lifeline, and begin offering these services within 2-4 weeks of receiving ETC status.

By granting MTI's petition for designation as an ETC, MTI may offer low income individuals another telecommunications choice in BellSouth's service areas. MTI has indicated that it will abide by all Florida Statutes, Rules, and Commission Orders regarding ETCs. Since MTI is not seeking any high cost universal service funding and its purpose in requesting ETC status in Florida is to primarily provide Lifeline and Link-Up service, we find it would be beneficial to grant ETC status to MTI. Providing Lifeline and Link-up service, which facilitates the availability of basic phone service to Florida's low-income customers, could have a positive effect on Lifeline participation rates. Therefore, we hereby grant MTI's petition for designation as an ETC in the BellSouth non-rural wire centers, as identified in Attachment A.

If no person whose substantial interests are affected by this Proposed Agency Action files a protest within 21 days of the issuance of this Order, then this docket shall be closed upon issuance of a Consummating Order.

Based upon the foregoing, it is

ORDERED by the Florida Public Service Commission that Midwestern Telecommunications Inc.'s petition for designation as an eligible telecommunications carrier in BellSouth's non-rural wire centers as identified in Attachment A, attached hereto and incorporated herein by reference, is hereby granted. It is further

ORDERED that if no person whose substantial interests are affected by this Proposed Agency Action files a protest within 21 days of the issuance of this Order, then this docket shall be closed upon issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 5th day of September, 2006.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By:



Kay Flynn, Chief
Bureau of Records

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on September 26, 2006.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

ATTACHMENT A

| FL Wire Center (8-digit CLLI) | FL Wire Center (8-digit CLLI) | FL Wire Center (8-digit CLLI) | FL Wire Center (8-digit CLLI) | FL Wire Center (8-digit CLLI) |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| BCRTFLBT | COCOFLME | MIAQFL06 | BKVLFLJF | |
| BCRTFLMA | DBRYFLDL | MICCFLBB | BLDWFLMA | |
| DYBHFLFN | DBRYFLMA | MLBRFLMA | BNNLFLMA | |
| FTLDFL92 | DELDFLMA | MNDRFLAV | BRSNFLMA | |
| FTLDFLCR | DLBHFLKP | MNDRFLLO | CDKYFLMA | |
| FTLDFLCY | DLBHFLMA | MRTHFLVE | CFLDFLMA | |
| FTLDFLMR | DRBHFLMA | NDADFLBR | CHPLFLJA | |
| FTLDFLOA | DYBHFLMA | NDADFLGG | CNTMFLLE | |
| FTLDFLSF | DYBHFLOB | NKLRFLMA | CSCYFLBA | |
| FTLDFLSG | DYBHFLOS | NSBHFLMA | DLSPFLMA | |
| FTLDFLSU | DYBHFLOP | ORLDFLAP | DNLNFLWM | |
| HLWDFLHA | EGLLFLBG | ORLDFLCL | EORNFLMA | |
| HLWDFLMA | EGLLFLIH | ORLDFLPC | FTGRFLMA | |
| JCBHFLSP | FLBHFLMA | ORLDFLPH | FTPRFLMA | |
| JCVLFLCL | FRBHFLFP | ORLDFLSA | GCSPLFCN | |
| JCVLFLFC | FTLDFLJA | ORPKFLMA | GCVLFLMA | |
| JCVLFLJT | FTLDFLPL | ORPKFLRW | GENVFLMA | |
| JCVLFLSM | FTLDFLWN | OVIDFLCA | HAVNFLMA | |
| KYWSFLMA | GLBRFLMC | PAHKFLMA | HLNVFLMA | |
| MIAMFLAE | GSVLFLMA | PCBHFLNT | HMSTFLAF | |
| MIAMFLAP | GSVLFLNW | PMBHFLCS | HMSTFLEA | |
| MIAMFLBA | HBSDFLMA | PMBHFLFE | HMSTFLHM | |
| MIAMFLBC | HLWDFLPE | PMBHFLMA | HMSTFLNA | |
| MIAMFLBR | HLWDFLWH | PNCYFLMA | HWTHFLMA | |
| MIAMFLDB | HTISFLMA | PNSCFLBL | JAY FLMA | |
| MIAMFLFL | ISLFLMA | PNSCFLFP | JCVLFLLF | |
| MIAMFLGR | JCBHFLAB | PNSCFLHC | JCVLFLOW | |
| MIAMFLIC | JCBHFLMA | PNSCFLPB | KYHGFLMA | |
| MIAMFLKE | JCVLFLAR | PNSCFLWA | LKCYFLMA | |
| MIAMFLME | JCVLFLBW | PNVDFLMA | LYHNFLOH | |
| MIAMFLNM | JCVLFLIA | PRRNFLMA | MCNPFLMA | |
| MIAMFLPB | JCVLFLNO | PTSLFLSO | MDBGFLPM | |
| MIAMFLPL | JCVLFLRV | SNFRFLMA | MLTNFLRA | |
| MIAMFLWD | JCVLFLSJ | STAGFLBS | MNDRFLLW | |
| MIAMFLWM | JCVLFLWC | STAGFLSH | MNSNFLMA | |
| NDADFLAC | JPTRFLMA | STRFLMA | MXVLFLMA | |
| NDADFLOL | KYLRFLLS | TTVFLMA | NWBYFLMA | |
| ORLDFLMA | KYLRFLMA | VRBHFLBE | OKHLFLMA | |
| PMBHFLNP | LKMRFLHE | VRBHFLMA | OLTWFLLN | |
| PMBHFLTA | LKMRFLMA | WPBHFLGA | PACEFLPV | |
| WPBHFLAN | MIAMFLAL | WPBHFLGR | PLCSFLMA | |
| | MIAMFLCA | WPBHFLHH | PLTKFLMA | |
| | MIAMFLHL | WPBHFLLE | PMPKFLMA | |
| BCRTFLSA | MIAMFLHL | WPBHFLLE | PMPKFLMA | |
| BLGLFLMA | MIAMFLNS | WPBHFLRB | PNCYFLCA | |
| BYBHFLMA | MIAMFLOL | WWSPFLSH | PRSNFLFD | |
| CCBHFLAF | MIAMFLRR | | PTSLFLMA | |
| CCBHFLMA | MIAMFLSH | ARCHFLMA | SBSTFLFE | |
| COCOFLMA | MIAMFLSO | BGPIFLMA | SBSTFLMA | |
| | | | | FL Wire Center (8-digit CLLI) |
| | | | | SGKYFLMA |
| | | | | STAGFLMA |
| | | | | STAGFLWG |
| | | | | SYHSFLCC |
| | | | | TRENFLMA |
| | | | | VERNFLMA |
| | | | | WELKFLMA |
| | | | | WPBHFLRP |
| | | | | WWSPFLHI |
| | | | | YNFNFLMA |
| | | | | YNTWFLMA |
| | | | | YULEFLMA |