

POST-WORKSHOP COMMENTS OF THE FLORIDA CABLE  
TELECOMMUNICATIONS ASSOCIATION, INC. REGARDING QUESTIONS  
IDENTIFIED FOR DISCUSSION FOR UNDOCKETED ELIGIBLE  
TELECOMMUNICATIONS CARRIER WORKSHOP

The Florida Cable Telecommunications Association, Inc, (FCTA), pursuant to the PSC Staff's request at the August 20, 2007, Eligible Telecommunications Carrier Workshop, hereby submits these comments in response to specific questions identified for discussion in the Notice of Workshop.

**1. What is the role and authority of the FPSC in the USF process?**

The FCTA believes that FPSC may best determine its role in the USF process by looking to the federal Telecommunications Act, specifically Section 214, which addresses the roles for both federal and state authorities.

**2. How many ETCs should be designated in a rural wire center?**

The FCTA supports properly structured reverse auctions that reflect the dynamics of the market. If the FPSC determines that a specific limitation, such as two or three, is appropriate, then the FPSC should ensure that designated companies do not share the same parent company.

**3. How many ETC's should be designated in a non-rural wire center?**

The FCTA supports properly structured reverse auctions that reflect the dynamics of the market. If the FPSC determines that a specific limitation is appropriate; i.e., two – one wireless and one wireline, then the FPSC should ensure that the Wireless ETC and the Wireline ETC do not share the same parent company.

4. **If a limit is set on the number of ETC's designated in a wire center, how should it be decided which ETC(s) serve it? (e.g. one wireline & one wireless?)**

Please see comments set forth above for Questions 2 and 3.

5. **How should the public interest be determined for ETC designation in a rural area?**

The FPSC's public interest determination should focus on the advancement of competition in both rural and non-rural communities. The Commission should consider the value and benefit customers derive from the increased availability of service from a variety of service providers, using different service platforms and technologies, as well as the value of increased service quality that would not otherwise come about, but for the support provided through the High-Cost Fund.

6. **Can a state apply a "Public Interest" standard found in §214(c)(2) of the Telecommunications Act of 1996, to carriers seeking ETC status in non-rural study areas? If so, how should the "Public Interest" be determined for ETC designation in a non-rural area?**

FCTA has no position at this time, but reserves the right to supplement its response to this question at a later date.

7. **What additional criteria should be required to obtain ETC status for high-cost funds? (e.g. USF funds must be invested in Florida? USF funds must be used in unserved areas?)**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

**8. Pursuant to §214 (e)(1), should an entity be required to establish its ability to serve all customers of the current ETC, if the incumbent ETC relinquishes its designation?**

Any requirement that a CETC demonstrate its ability to serve the ILEC service area would be exceedingly problematic and limit the competitive alternatives available in a given area. For one thing, a competitive provider's service area rarely mirrors the ILEC's service territory; thus, requiring the CETC to restructure its network and business plan to meet the ILEC's territory will create an artificial barrier to any competitive carrier seeking ETC designation.

9. **In Order No. PSC-07-0288-PAA-TP, the FPSC concluded that ". . .we now have jurisdiction to consider CMRS applications for ETC designation." given that the FCC's jurisdiction to designate a carrier as an ETC, in §214(c)(6) of the Telecommunications Act of 1996, is premised on a state commission not having jurisdiction, can the FCC designate any additional carriers within Florida?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

10. **Can the FCC continue to perform annual certification of carriers that it has designated if it no longer has jurisdiction under §214(c)(6) of the Telecommunications Act of 1996?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

11. **Should an ETC be required to offer all supported services pursuant to 47 C.F.R. §54.101(a)(1), not just, e.g., Lifeline and Link-up?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

- 12. If an ETC uses its ETC designation only for the purposes of providing Lifeline service, should a waiver be sought of other requirements to offer services? What is the extent of the FPSC's authority to grant such waivers?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

- 13. What can Florida do to relinquish its role as being the number one net contributor to the USF fund?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

- 14. In considering the "Public Interest" standard for ETC designation, to what degree should the following aspects be considered:**

- a) The benefits of increased customer choice?**

Customer choice and the availability of competitive alternatives should be a key consideration. Please see related comments on previous questions addressed herein.

- b) The impact of the designation on the universal service fund?**

The FCTA recognizes that the high-cost fund is in need of reform in order to ensure that financial support in high-cost service areas is stable, predictable, and sustainable.

The FCTA also emphasizes that reform must take into consideration the impacts on the contributors to the fund. That being said, the FCTA believes that any reform, including policies targeted at CETCs, must be competitively and technologically

neutral. Concerns generated regarding impacts to the fund of designating additional ETCs can be tempered by instituting policies that target disbursement of support to those areas truly in need of subsidization in order to facilitate competition. For instance, the use of properly structured reverse auctions can ensure that the level of support in competitive areas is not excessive. As noted herein, limiting ETC designation, on a competitively neutral basis, to relatively small areas, such as specific census block groups would ensure that financial support is properly targeted. Also, by allowing the competitive market to operate freely and eliminating unnecessary regulatory requirements such as those that ensure that ETCs that lose customers to other carriers are made whole, the Commission can further limit the impact of designating CETCs on the Fund.

**c) The unique advantages and disadvantages of the competitor's service offering?**

The customer should, ultimately, be allowed to evaluate whether a carrier's service offerings meet his or her needs. Thus, an applicant's specific service offerings should not be the determining factor is whether an applicant receives ETC designation.

**15. How should the comparable local usage requirement of ETC designation be considered?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

- 16. Should the amount of per-line support received by the incumbent LEC be a consideration in ETC designation?**

No. There should be no linkage. This type of support needlessly drives up the funds based upon loss of lines to competitive providers.

- 17. Should a requirement of one line per household for USF be imposed? Does the FPSC have the authority to take such action?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

- 18. Should ETC's be required to list the projects and locations of all projects for which USF funds will be used in their five-year plans? Should ETC's be required to provide an explanation if a project is not completed by the time of the next annual recertification?**

The FCTA's position is that the FPSC should implement requirements consistent with the federal requirements.

- 19. How should the benefit be measured of adding plant in a wire center using USF funds? (e.g. More customers? More handsets? Better coverage?)**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

**20. What criteria should be used to determine if an ETC is meeting the Lifeline and Link-Up advertising requirements?**

It is the FCTA's understanding that the FCC is currently considering issues associated with Lifeline and Link-up, including issues related to advertising. As such, the FCTA suggests that the FPSC withhold any final determination on this issue pending the outcome of the FCC's proceeding.

**21. What criteria should be met if an ETC decides it wishes to relinquish its ETC designation?**

The FPSC should track the requirements of Section 214(e) (4) of the 1996 Telecommunications Act.

**22. What are the differences in the requirements to be an ETC versus the requirements of a carrier of last resort (COLR)?**

While the concept of COLR has been in existence since the advent of rate of return regulation, the term "carrier-of-last-resort" has only been included in Florida Statutes since 1995. In the past, the Commission has construed this term to mean "the obligation to make service available within a reasonable period of time at affordable rates," (Order No. PSC-95-1592-FOF-TP), but the term is otherwise not defined in Florida Statutes. In Florida, all ILECs are COLRs. Pursuant to Section 364.025(5), F.S., a CLEC may petition to become the USF provider and COLR for a given area, and the Commission may grant such petition, " . . . provided that the commission first determines that the



competitive local exchange telecommunications company will provide high-quality, reliable service."

The concept of ETC has its origins in federal law, and is rooted in Congress' desire to advance federal universal service policies.<sup>1</sup> The requirements to be designated an ETC are set forth in Section 214(e) of the federal Telecommunications Act and 47 C.F.R. Part 54.

**23. Do the responsibilities associated with ETC designation differ from those afforded a COLR under state law? If so, what are the differences and similarities?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

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<sup>1</sup> Notably, the term "eligible telecommunications carrier" has only been included in Florida Statutes since 2004, and is defined as "a telecommunications company as defined in Section 364.02, which is designated as an eligible telecommunications carrier by the commission pursuant to 47 C.F.R. s. 54.201."

24. **Should a company which is a reseller and who also leases network elements be required to have a certain percentage of customers served by the leasing of network elements to meet the "own facilities" requirement?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.


25. **What percentage of wireless CETC support should go to new towers in unserved areas?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

26. **What other issues need to be addressed when considering ETC policy?**

The FCTA has no position on this issue at this time, but reserves the right to supplement its response to this question at a later date.

The FCTA hereby respectfully submits the foregoing comments this 31st day of August, 2007.

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