

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF FIRST STEP )  
INTERNET, LLC’S APPLICATION FOR ) CASE NO. FSI-T-14-01  
CONDITIONAL DESIGNATION AS AN )  
ELIGIBLE TELECOMMUNICATIONS ) NOTICE OF APPLICATION  
CARRIER FOR PURPOSES OF )  
PARTICIPATING IN THE FEDERAL ) NOTICE OF  
COMMUNICATIONS COMMISSION’S ) MODIFIED PROCEDURE  
RURAL BROADBAND EXPERIMENTS )  
\_\_\_\_\_ ) ORDER NO. 33211**

On December 22, 2014, First Step Internet, LLC (First Step or Company) applied to the Commission for a conditional Order designating it as an eligible telecommunications carrier (ETC) so it can participate in the Federal Communications Commission’s (FCC’s) Rural Broadband Experiments (RBEs). The RBEs are intended to bring “robust, scalable broadband networks” to rural communities unserved by “an unsubsidized competitor that offers voice and Internet access delivering at least 3 Mbps downstream/768 kbps upstream.”<sup>1</sup> On December 5, 2014, the FCC provisionally selected the Company to receive funding for the RBE. Application at 1. The funding is contingent on the Company meeting certain technical and financial qualifications which include obtaining ETC designation from this Commission by March 5, 2015. Application at 1.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that First Step is a facilities-based regional Internet Service Provider, providing fixed broadband Internet access services, and “a variety of fixed terrestrial broadband services, including dial up, DSL, fiber, cable Internet and fixed wireless broadband services.” *Id.* at 2. The Company also offers voice services using Voice over Internet Protocol (VoIP) technology. *Id.* The service area for which the Company requests designation is set forth in Exhibit 1 to the Company’s Application, but includes part of eastern Washington, and remote parts of Clearwater, Idaho, Latah, Lewis and Nez Perce Counties. *Id.* at 1.

YOU ARE FURTHER NOTIFIED that First Step requests ETC designation on an expedited basis – that is, before the end of February 2015 – to satisfy requirements for the

<sup>1</sup> Application at 1 (*quoting Connect America Fund ETC Annual Reports and Certifications, Report and Order and Further Notice of Proposed Rulemaking*, 29 F.C.C.R. 8,769 at ¶ 7 (2014)).

Company to participate in and receive funding for the FCC's Rural Broadband Experiments (RBEs). *Id.* at 2. The RBEs, initiated by the FCC in July 2014, are part of the FCC's efforts at reforming the federal universal service system through the "Connect America Fund," established in November 2011. Application at 3; *see USF/ICC Transformation Order Connect America Fund; National Broadband Plan for Our Future, et seq., Report and Order and Further Notice of Proposed Rulemaking*, 26 FCC Rcd 17663 (2011). The RBEs use Connect America funding to advance broadband networks in rural communities, in price cap areas. Application at 3. The FCC provisionally selected First Step to receive RBE funding, but requires the Company to obtain and confirm ETC status, among other technical and financial qualifications. *Id.* at 1-2. First Step asks the Commission to grant the Company ETC status that is "conditional and effective upon it being awarded" FCC funding for participation in the RBE. *Id.* at 2.

YOU ARE FURTHER NOTIFIED that First Step asserts this Commission has authority to designate it as an ETC under federal and state law. Application at 4; *see* 47 U.S.C. § 214(e), *Idaho Code* §§ 62-610D, 62-615(1). The Company states it qualifies for ETC designation under the federal Telecommunications Act (47 U.S.C. § 214(e)(1)), the Federal Communications Commission's eligibility rules (47 C.F.R. § 54.101(a)), and other requirements set forth by this Commission, outlined in the Appendix to this Commission's Order No. 29841. *See id.* at 4-9.

YOU ARE FURTHER NOTIFIED that the Company asserts it satisfies the requirements for designation as an ETC in that it: (1) has common carrier status; (2) commits and is able to provide services supported by federal universal support mechanisms; (3) will advertise the availability of supported services; (4) will, through its ETC designation, advance the public interest, convenience and necessity; (5) is not seeking ETC designation for any part of Tribal lands; (6) commits and is able to provide supported services as required by this Commission for ETC status; (7) is capable of managing traffic and maintaining functionality without an external power source; (8) complies with applicable consumer protection and service quality standards; and (9) will comply with annual reporting requirements established by this Commission. Application at 4-9.

YOU ARE FURTHER NOTIFIED that First Step states that granting it ETC designation will serve the public interest by enabling it to “provide ongoing support to immediately accelerate deployment of networks for voice and broadband services in unserved areas.” *Id.* at 9-10. The Company further asserts that approval of its Application “will increase customer choice and . . . make available new service offerings, including wireless broadband and Lifeline services.” *Id.* at 10.

YOU ARE FURTHER NOTIFIED that the Company submitted two exhibits in support of its Application.

YOU ARE FURTHER NOTIFIED that the Application and attached exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission’s website at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on the “File Room” tab at the top of the page, scroll down to “Open Telephone Cases,” and then click on the case number FSI-T-14-01.

#### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission’s Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission **within twenty-one (21) days from the service date of this Notice**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant at the addresses reflected below:

Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074

Kevin Owen, President  
First Step Internet, LLC  
1420 S. Blaine Street  
Moscow, ID 83843

Street Address for Express Mail:

472 W. Washington Street  
Boise, ID 83702-5918

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click the "Case Comment Form" under the "Consumers" tab, and complete the comment form, using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.


YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 62 of the Idaho Code and specifically *Idaho Code* §§ 62-610D, 62-615, and 62-622. The Commission may enter any final Order consistent with its authority under Title 62.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01, and *Idaho Code* § 62-619.

### **ORDER**

IT IS HEREBY ORDERED that this matter be processed by Modified Procedure, IDAPA 31.01.01.201-.204. Persons interested in submitting written comments in this matter must do so no later than 21 days from the service date of this Order.

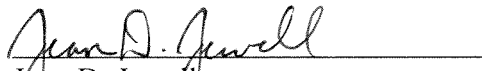
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 13<sup>th</sup>  
day of January 2015.

  
\_\_\_\_\_  
PAUL KJELLANDER, PRESIDENT

  
\_\_\_\_\_  
MACK A. REDFORD, COMMISSIONER

  
\_\_\_\_\_  
MARSHA H. SMITH, COMMISSIONER

ATTEST:

  
\_\_\_\_\_  
Jean D. Jewell  
Commission Secretary  
O:FSI-T-14-01\_djh