

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION OF)
ALLIED WIRELESS COMMUNICATIONS) CASE NO. ALL-T-10-01
CORPORATION DBA ALLTEL WIRELESS)
FOR CONDITIONAL DESIGNATION AS AN)
ELIGIBLE TELECOMMUNICATIONS) ORDER NO. 32590
CARRIER)**

On May 25, 2012, Allied Wireless Communications Corporation dba Alltel Wireless (“Allied” or “Company”) filed an Application, pursuant to Section 214(e)(2) of the Telecommunications Act of 1934, for conditional designation as an eligible telecommunications carrier (“ETC”) in all areas in Idaho where Allied is licensed by the Federal Communications Commission (“FCC”) to provide commercial mobile radio services (“CMRS”) and where it is not presently designated as an ETC. *Allied Conditional ETC Application* at 1. The Commission previously granted ETC designation to Allied on March 22, 2011. *See* Order No. 32209.

On June 20, 2012, the Commission issued a Notice of Application and Modified Procedure announcing a 14-day public comment period. *See* Order No. 32578. Commission Staff (“Staff”) was the only party to submit written comments regarding Allied’s Application.

THE APPLICATION

Allied is a commercial mobile radio services (“CMRS”) carrier licensed by the Federal Communications Commission (“FCC”) to provide service in various locations in Idaho. *Application* at 3. Allied is a wholly owned subsidiary of Atlantic Tele-Network, Inc. (“ATNI”), a publicly-traded corporation headquartered in Beverly, Massachusetts. *Id.* Allied states that it “is presently designated and operates as an ETC in certain areas of Idaho, Georgia, and North Carolina and has an application on file in South Carolina.” *Id.* Allied has pending applications that are “essentially identical to this application seeking conditional ETC designation in Ohio and Illinois in order to allow it to also participate in the Phase I Auction with respect to its licensed area in those states.” *Id.*

Allied’s Application outlines the Company’s motive for seeking conditional ETC designation in additional areas in Idaho. *Id.* at 3. Allied explains that in November 2011 “the FCC created the Mobility Fund, part of the Connect America Fund,” in an effort to reform the universal system. *Id.* “The Mobility Fund will provide up to \$300 million to accelerate the

deployment of next generation 3G or better networks for mobile voice and broadband services in unserved areas.” *Id.* at 3-4. Phase I Auction funds will be disbursed to ETCs “through a reverse auction that will be held on September 27, 2012.” *Id.* at 4. Allied believes that “as one of the few carriers licensed to provide CMRS in the designated unserved census blocks,” the Company “is uniquely positioned to bring the benefit of the Phase I Auction to rural unserved areas of Idaho.” *Id.*

Commission authorized ETC designation “in all the census blocks for which it will submit a bid is . . . a prerequisite for bidding” in the FCC Auction. *Id.* at 2. Allied requests that “any ETC designation granted pursuant to this application would only continue in effect if or to the extent it is the successful bidder.” *Id.* Allied’s Application also includes attached exhibits purporting to describe the areas in Idaho where the Company is seeking conditional ETC status and its Lifeline service offering. *Id.*, Exhs. 1-2.

STAFF COMMENTS

Staff’s comments provided an overview of Auction 901 arising out of the FCC’s November 2011 USF/ICC Transformation Order (“Order”). Staff Comments at 2. In the Order, the “FCC set aside \$300 million to be used to increase the availability of current generation mobile broadband and mobile voice across the country.” *Id.* Staff explained that Auction 901 seeks to incentivize the deployment of “3G or better mobile voice and broadband services in census blocks where such services are unavailable.” *Id.* Auction winners “will be obligated to choose whether to deploy 3G service within two years or 4G within three years of the award.” *Id.* Applicants to Auction 901 “must demonstrate, for the areas on which it wishes to bid, that it has been designated as an ETC and has access to the spectrum necessary to satisfy the applicable performance requirements.” *Id.* at 3(citing *Auction 901 Procedures Public Notice* ¶ 32).

Staff referenced the FCC’s February 10, 2012 Notice, DA 12-187, which includes an updated list of potentially eligible Census Blocks in Idaho. *Id.*

Census Block information for Idaho

Total No. of Tracts with Unserved Blocks	93
Total No. of Counties with Unserved Blocks	39
Total Population of Unserved Blocks	43,207
Total Area (square miles) of Unserved Blocks	38,962

Pre-Auction Dates and Deadlines

FCC Form 180 (Short Form) Application Filing Window Opens	6/27/12; 12:00 noon ET
FCC Form 180 (Short Form) Application Filing Deadline	7/11/12; 6:00 p.m. ET
Mock Auction	9/25/12
Auction Start	9/27/12

Specific Mobility Fund Phase 1 Eligibility Requirements and Certifications

1. ETC Designation Certification. Auction 901 Applicants must be designated as an ETC pursuant to Section 214 of the Communications Act in any geographic area for which it seeks support, with the exception of Tribally-owned or controlled entities. The entity, and not a subsidiary or parent holding company, must be designated by a State or the FCC as an ETC in that geographic area to be eligible to participate in the auction. ETC status carries with it certain obligations. A party might obtain the required ETC designation but may not be subject to the obligations unless and until it is awarded Mobility Fund support. The FCC will allow a party to participate in the auction if it has an ETC designation conditioned upon the party winning support in the auction.
2. Access to Spectrum Description and Certification. Pursuant to the *USF/ICC Transformation Order*, any applicant for Auction 901 must have access to the necessary spectrum to fulfill any obligations related to support.
3. Financial and Technical Capability Certification. The FCC requires that an applicant certify in the pre-auction short-form application that it is financially and technically capable of providing 3G or better service within the specified timeframe in the geographic areas for which it seeks support.
4. Certification that Applicant will not Seek Support for Areas in which It has made a Public Commitment to Deploy 3G or Better Service by December 31, 2012. The FCC requires each applicant for Auction 901 support to certify that it will not seek support for any areas in which it has previously made a public commitment to deploy 3G or better wireless service by December 31, 2012.

Staff believes that Allied meets the first three requirements and that the Company will be required by the FCC to meet the last requirement upon participation in Auction 901. *Id.* at 4.

Staff reviewed the public interest benefit of awarding the Company a conditional ETC designation. *Id.* at 5. Staff verified that Allied is remitting ITSAP fees to the ITSAP program Administrator. *Id.* at 6. Staff believes that Allied has the ability to remain functional in emergency situations. *Id.* “Allied has a reasonable amount of back-up power to ensure functionality without an external power source, is able to re-route traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.” *Id.*

Staff believes that Allied meets the other requirements for ETC designation outlined in Appendix 1 of Order No. 29841, including: (1) common carrier status; (2) provide federally designated universal services; (3) advertise the availability and pricing of its universal service offering; (4) demonstrate commitment and ability to provide supported service; (5) demonstrate commitment to consumer protection and service; (6) offer an adequate description of its local usage plan; and (7) tribal notification. *Id.* at 7.

In conclusion, Staff reviewed Allied’s Application for conditional designation as an ETC and recommended the Commission approve the Application for the purpose of participating in the Mobility Fund Phase I Auction for areas outside of its existing ETC area and only in the areas in which it is awarded Mobility Fund Support. *Id.* at 7-8. Staff believes that Allied’s Application for a conditional ETC designation in the unserved census blocks in Idaho is in the public interest. *Id.* at 8.

COMMISSION FINDINGS AND DECISION

The Commission has reviewed Allied’s Application seeking conditional ETC designation in select unserved census blocks in Idaho. The Company is seeking conditional ETC designation in those areas in order to participate in the FCC’s upcoming Mobility Fund Phase I auction. The Commission finds that Allied has previously demonstrated that it satisfies the technical requirements for ETC designation set forth in 47 U.S.C. § 214(e)(1) and Commission Order No. 29841. *See* Order No. 32319. The Commission finds that granting Allied conditional ETC status in those select areas in order to facilitate the deployment of broadband and voice services in heretofore unserved areas in Idaho is in the public interest. The expansion of broadband and voice services throughout Idaho will provide direct and substantial benefits to Idaho residents. Therefore, the Commission approves Allied’s Application for conditional ETC designation.

ORDER

IT IS HEREBY ORDERED that the Application of Allied Wireless Corporation dba Alltel Wireless requesting conditional ETC designation in select census areas in the State of Idaho outside of its existing ETC area for the purpose of participating in the FCC's Mobility Fund Phase I Auction is approved.

IT IS FURTHER ORDERED that Allied's ETC designation in these select areas outside of its existing ETC area shall be conditioned upon the Company submitting a successful bid in the FCC's upcoming Mobility Fund Phase I auction.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 11th day of July 2012.



PAUL KJELLANDER, PRESIDENT

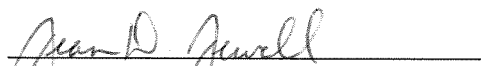


MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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