MATT HUNTER
DEPUTY ATTORNEY GENERAL
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0318
IDAHO BAR NO. 10655

2021 HAR 25 AM 8: 43

Street Address for Express Mail: 11331 W CHINDEN BLVD, BLDG 8, SUITE 201-A BOISE, ID 83714

Attorney for the Commission Staff

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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IN THE MATTER OF CABLE ONE VOIP	) CASE NO. CAB-T-21-01
LLC'S APPLICATION FOR DESIGNATION AS	)
AN ELIGIBLE TELECOMMUNICATIONS	
CARRIER IN IDAHO TO RECEIVE RURAL	COMMENTS OF THE
DIGITAL OPPORTUNITY FUND (AUCTION	COMMISSION STAFF
904) SUPPORT FOR VOICE AND BROADBAND	
SERVICES AND TO RECEIVE FEDERAL	
LIFELINE SUPPORT	
	,

**STAFF OF** the Idaho Public Utilities Commission, by and through its Attorney of record, Matt Hunter, Deputy Attorney General, submits the following comments.

#### **BACKGROUND**

On January 8, 2021, Cable One VoIP LLC ("Cable One" or the "Company") applied for designation as an Eligible Telecommunications Carrier ("ETC") in Idaho. The Company needs ETC designation so that it can receive funding it was provisionally awarded under the Federal Communications Commission ("FCC") Rural Digital Opportunity Fund ("RDOF") Auction.

The Company's parent company, Cable One, Inc., was part of a consortium that was a winning bidder in the RDOF Auction to provide voice and broadband services in select census blocks in numerous states, including Idaho. The Company states that the consortium assigned Cable One, Inc. the RDOF support for winning bids in Idaho, and the Company will ultimately

be responsible for fulfilling "the public interest obligations associated with receiving RDOF support for Idaho." Application at 4.

The Company seeks ETC designation from the Commission for the census blocks where it will receive RDOF support. *See* Application, Exhibit 1. Additionally, the Company seeks "Lifeline-only ETC designation in areas not eligible for high-cost support for the limited purpose of becoming eligible to receive Lifeline support...." Application at 2.

The Company asserts it meets all federal and state requirements for designation as an ETC and that designating the Company as an ETC is in the public interest. The Company asks the Commission to grant its ETC status before June 7, 2021.

#### THE APPLICATION

Cable One is a Delaware limited liability company with its principal place of business at 210 E. Earl Drive, Phoenix, Arizona 85012. Application at 3. Cable One is authorized to do business in Idaho. *See Id.*, Exhibit 2. The Company notes it "currently offers interconnected Voice of Internet Protocol ("VoIP") services in the state of Arizona." Application at 3.

The Company states it qualifies for ETC designation under the federal Telecommunications Act of 1996 (47 U.S.C. § 214(e)). *Id.* Specifically, the Company asserts it satisfies the requirements for designation as an ETC in that it: would serve the public interest if the Company were designated an ETC; is a common carrier; commits to provide services supported by federal universal support mechanisms; will advertise the availability of supported services; will make Lifeline service available to qualifying low-income customers; is financially and technically capable of offering Lifeline service; has provided a copy of its Application to the Shoshone-Bannock Tribal Attorney's Office; has the ability to remain functional in emergency situations; commits to comply with service quality standards and consumer protection rules; and will comply with all applicable annual reporting requirements. *Id.* at 5-15.

## **STAFF ANALYSIS**

Staff has reviewed Cable One's Application and has conducted an analysis of the Company's fulfillment of the federal Telecommunications Act of 1996, the FCC's regulations, the RDOF requirements, and Commission Order No. 29841. In addition, Staff has analyzed the public interest considerations of awarding the Company ETC designation. Specific state and federal requirements for ETC designation are discussed in more detail below.

#### **Public Interest Analysis**

Staff typically applies a two-prong test when analyzing whether a company's ETC application is in the public interest. First, Staff verifies that the company will contribute to the appropriate Idaho funds. Second, Staff analyzes whether the company's application raises "cream skimming" concerns.

In its Application, Cable One confirms that upon designation as an ETC in Idaho, the Company would participate in the appropriate Idaho programs, comply with the Commission's annual reporting requirements, and otherwise comply with Order No. 29841. Application at 14. The Company requests ETC designation for entire census blocks in areas that are unserved, high cost areas of Idaho; therefore, no cream skimming analysis is required. *See Id.* at 6-7, Exhibit 1. Thus, Staff believes Cable One's Application satisfies the public interest considerations.

#### **Network Improvement Plan**

The Commission requires all ETCs receiving high-cost support to provide a two-year network improvement and progress report. *See* Order No. 29841 at 18. However, the FCC waived the requirement for a winning bidder to file a five-year plan as part of the FCC ETC designation process. *WCB Reminds Connect Am. Fund Phase II Auction Applicants of the Process for Obtaining A Fed. Designation as an Eligible Telecommunications Carrier*, 33 F.C.C. Rcd. 6696 (2018). The FCC removed this requirement because it "adopted more specific measures to track deployment, including annual reporting of service to geocoded locations and certification of compliance with benchmark milestones." *Id.* 

The Company did not provide a two-year network improvement and progress report as part of its Application. The Company notes that "the FCC has waived the requirement for a winning bidder in Auction 904 to file a five-year network improvement plan as part of the ETC designation process." *Id.* at 12. Cable One "requests the Commission waive its two-year network improvement plan requirement as it has done for other ETC applicants based on similar facts addressing such plan requirements." *Id.* Staff believes a waiver to the Commission's two-year plan requirement is appropriate because of the FCC's heightened oversight of RDOF Action winners.

#### Ability to Remain Functional in Emergencies

The Company states that it 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." Application at 12. Staff agrees Cable One satisfies this requirement.

## **Other ETC Designation Requirements**

Additional requirements for ETC designation are detailed in Appendix 1 of Order No. 29841 and are discussed in more detail below.

- 1. <u>Common Carrier Status</u>. Cable One is a common carrier as defined in U.S.C. Title 47. *Id.* at 7.
- 2. <u>Provide Universal Services</u>. Cable One will provide all required services and functionalities as set forth in Section 54.101(a) of the FCC's Rules (47 C.F.R. § 54.101(a)). *Id.* at 7-9.
- 3. <u>Advertising</u>. Cable One will advertise the availability and rates for its services described in the Application through media of general distribution as required by 47 U.S.C. § 214(e)(1)(B). Id. at 9-10.
- 4. <u>A Commitment to Consumer Protection and Service</u>. Cable One commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. *Id.* at 13.
- 5. <u>Description of the Local Usage Plan</u>. Cable One asserts it "will offer calling plans comparable to those offered by ILECs in the Designated Service Area." *Id.* at 14

#### STAFF RECOMMENDATIONS

Based on its review of the Company's Application, Staff believes the Application demonstrates the Company's commitment to fulfill the obligations of an ETC in Idaho. The Company will provide all universal services supported by the federal USF throughout its service territory; it has addressed all the public interest questions that accompany an ETC application; and it has provided a local usage plan. Thus, Staff believes Cable One's Application for designation as an ETC is in the public interest and should be approved.

# Respectfully submitted this 25<sup>th</sup> day of March 2021.

Matt Hunter

Deputy Attorney General

Technical Staff: Daniel Klein

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## CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 25<sup>TH</sup> DAY OF MARCH 2021, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF,** IN CASE NO. CAB-T-21-01, BY E-MAILING A COPY THEREOF TO THE FOLLOWING:

RONALD WILLIAMS
WILLIAMS BRADBURY PC
802 W BANNOCK ST
STE LP100
BOISE ID 83702

E-MAIL: ron@williamsbradbury.com

CHERIE R KISER ANGELA F COLLINS CAHILL GORDON & REINDEL 1990 K ST NW STE 950 WASHINGTON DC 20006

E-MAIL: <a href="mailto:ckiser@cahill.com">ckiser@cahill.com</a>
acollins@cahill.com

SECRETARY