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Attorney for the Commission Staff

# **BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

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IN THE MATTER OF CEBRIDGE TELECOM ID, LLC DBA SUDDENLINK COMMUNICATIONS' APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

CASE NO. SUD-T-21-01

COMMENTS OF THE COMMISSION STAFF

**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 6, 2021, Cebridge Telecom ID, LLC dba Suddenlink Communications ("Suddenlink or the "Company") applied for an order designating it 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.

Suddenlink is an indirect subsidiary of Altice USA, Inc. Altice USA, Inc. was among the winning bidders in the recent RDOFC Auction 904, and Altice USA, Inc. assigned its winning bids in Idaho to Suddenlink on December 22, 2020.

#### THE APPLICATION

Suddenlink is a Delaware limited liability company with its principal place of business at One Court Square, Long Island City, New York, 11101. Application at 2. Suddenlink is authorized to do business in Idaho. *See Id.*, Exhibit C. "Suddenlink is a communication and media company that provides broadband internet, video and digital phone service to numerous communities across Idaho". Application at 2.

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: is a common carrier; commits to provide services supported by federal universal support mechanisms; will advertise the availability of supported services; will make available Lifeline service; has a reasonable amount of back-up power and can reroute traffic and manage traffic spikes; commits to comply with all applicable Commission and FCC rules concerning consumer protection and service quality; is financially viable and capable of providing the services described in its Application; has the technical and managerial qualifications to provide supported services in Idaho; would serve the public's interest if the Company were designated an ETC; and will notify the Tribal Authorities located in the Idaho census blocks affected. *Id.* at 4-10.

## **STAFF ANALYSIS**

Staff has reviewed Suddenlink'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.

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In its Application, Suddenlink 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 9. The Company requests ETC designation for entire census blocks in areas that are wholly unserved by 25/3 Mbps broadband; therefore, no cream skimming analysis is required. *See* Id. at 8, Exhibit A. Thus, Staff believes Suddenlink'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 and does not address this requirement. However, Suddenlink does note that "the FCC has waived the requirement for a winning bidder to file a five-year plan." Application, n.4. 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 of voice services without a commercial power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations...." Application at 8. Suddenlink asserts that "as a general matter, the Company considers redundancy in the design of its networks...can deploy backup power solutions....[and] maintains a fully functional Network Operations Center." Application at 8-9. Staff agrees Suddenlink satisfies this requirement.

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## **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.

<u>Common Carrier Status</u>. Suddenlink is a common carrier as defined in U.S.C.
Title 47. *Id.* at 5-6.

2. <u>Provide Universal Services</u>. Suddenlink 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 6.

3. <u>Advertising</u>. Suddenlink 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 7.

4. <u>A Commitment to Consumer Protection and Service</u>. Suddenlink commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. *Id.* at 9.

5. <u>Description of the Local Usage Plan</u>. Suddenlink's offer of "voice grade access to the public switched network shall include minutes of use for local service at no additional charge to end users." *Id.* at 6.

## 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 will provide a local usage plan. Thus, Staff believes Suddenlink's Application for designation as an ETC is in the public interest and should be approved.

Respectfully submitted this  $18^{4}$  day of March 2021.

Matt Hunter Deputy Attorney General

Technical Staff: Daniel Klein STAFF COMMENTS

MARCH 18, 2021

# **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY THAT I HAVE THIS 18<sup>TH</sup> DAY OF MARCH 2021, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. SUD-T-21-01, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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CERTIFICATE OF SERVICE