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IDAHO PUBLIC
UTILITIES COMMISSION

23 April 2009

CTL-T-09-01

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
P O Box 83720
Boise ID 83720-0074

Hand Delivered

RE: CTC Telecom, Inc.'s Application for ETC Designation

Dear Ms. Jewell:

I am enclosing an original and seven (7) copies of CTC Telecom, Inc.'s
APPLICATION FOR DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER.

Also enclosed is a copy to be date stamped and returned for our files.

Please note the enclosed Application contains confidential trade secret information that is exempt from public disclosure pursuant to Section 9-340D(1), Idaho Code. Pursuant to Rule 67 of the Rules of Procedure of the Idaho Public Utilities Commission, the enclosed trade secret information has been submitted on yellow paper and has been separated from the non-confidential portion of the Application.

Sincerely,

Molly O'Leary
Richardson & O'Leary, PLLC

Enclosures

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2009 APR 23 PM 4: 36
IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for CTC Telecom, Inc.

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF }
CTC TELECOM, INC. FOR DESIGNATION }
AS AN ELEGIBLE TELECOMMUNICATIONS }
CARRIER PURSUANT TO THE }
TELECOMMUNICATIONS ACT OF 1996 }
(RURAL AND NON-RURAL AREAS) }

CASE NO. CTL-T-09-01

APPLICATION OF CTC TELECOM, INC. FOR DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER

CTC Telecom, Inc. ("CTC"), by and through its undersigned attorney, hereby submits this Application for Designation as an Eligible Telecommunications Carrier ("ETC") pursuant to Sections 214(e)(1) – (2) of the Telecommunications Act of 1934, as amended ("the Act"), 47 U.S.C. §214(e)(1)-(2), and Section 54.201 of the Federal Communications Commission's ("FCC") rules, 47 C.F.R. § 54.201, and this Commission's ETC Designation Requirements ("IPUC ETC Requirements").¹ CTC requests that it be designated as eligible to receive all available support from the federal Universal Service Fund ("USF") including, but

¹ See *In the Matter of the Application of WWC Holding Co., Inc. dba CellularOne Seeking Designation as an Eligible Telecommunications Carrier That May Receive Federal Universal Service Support*, Order No. 29841, Appendix pp. 1-3 (IPUC Case No. WST-T-05-1, served August 4, 2005) [hereinafter, "IPUC ETC Requirements Order"].

not limited to, support for rural, insular, high cost areas and low income customers in geographic areas specified in this Application, and that it be approved to participate in the Lifeline program. In support of this Application, CTC provides the following information:

I. APPLICANT

CTC Telecom is a Commercial Mobile Radio Services ("CMRS") carrier providing "mobile service" as defined in 47 U.S.C. § 153(27). CTC Telecom markets and sells wireless service under the brand name Snake River PCS. USF funds will be received by CTC Telecom on behalf of its Snake River PCS division, and allocated solely to its wireless services. CTC Telecom provides CMRS and "mobile service" on a pre-paid and post-paid basis. CTC Telecom offers an extended local calling area plan ("Talk-A-Lot Plan") with a set number of minutes each month that does not include long distance and does not require a contract. CTC Telecom's post-paid wireless service customers sign a contract for a specific amount of monthly user-minutes and are billed for their usage.

CTC Telecom provides interstate telecommunications services as defined in 47 U.S.C. § 153(22) and 47 C.F.R. § 54.706. Through its cellular authorizations, CTC Telecom is licensed to serve Basic Trading Area ("BTA") 050 in Idaho. Pursuant to this license, CTC is authorized to provide wireless service in the following Idaho counties: Adams, Boise, Gem, and the north half of Washington county.

II. ELIGIBILITY AND IDENTIFICATION OF THE SERVICE AREA

Under Sections 214(e) and 254 of the Act, the Idaho Public Utilities Commission ("IPUC" or "Commission") is authorized to designate CTC as an ETC for wireless services. Section 214(e) of the Act requires state commissions to designate as an ETC, throughout the service area for which ETC status is sought, any common carrier that: (i) offers services that

are supported by federal universal support mechanisms; and (ii) advertises the availability of such services. In its First Report and Order implementing Sections 214(e) and 254 of the Act, the FCC designated the specific features a carrier must provide or agree to provide to be designated as an ETC.² The FCC also recognized that wireless telecommunications providers are eligible to be designated as ETCs.³

CTC is a telecommunications carrier as defined in 47 U.S.C. § 153(44) and 47 C.F.R. § 51.5(a), and is a telecommunications carrier for the purposes of Part 54 of the FCC's rules. 47 U.S.C. § 54.1 *et seq.* CTC, therefore, is considered a common carrier under the Act.

Section 214(e)(2) of the Act provides that ETC designations shall be made for a "service area" designated by the state commission. Section 214(e)(5) of the Act provides that the "service area" shall be a geographic area established by the state commission. In areas served by a rural telephone company, the FCC's rules generally define a competitive ETC's service area to mean the local exchange carrier's ("LEC") study area.⁴ Attached hereto as Exhibit A is a map depicting CTC's proposed ETC wireless service area in Idaho superimposed over the ILEC exchanges falling within CTC'S proposed wireless ETC service area. Attached as Exhibit B-1 is a list of ILEC wire centers that fall within CTC'S proposed ETC service area. Also attached is CONFIDENTIAL Exhibit B-2, which shows the densities of the relevant ILEC wire centers and the areas for which CTC seeks ETC designation.

III. LEGAL STANDARD FOR GRANTING ETC STATUS.

CTC satisfies each of the statutory and regulatory prerequisites set forth in the Act, the FCC Rules⁵ and this Commission's ETC Requirements.⁶ On March 17, 2005, the FCC

² *Federal-State Joint Board on Universal Service, First Report and Order*, 12 FCC Rcd 8776, 8909-25 (1997) ("First Report and Order").

³ *Id.* at 8858-59.

⁴ *See*, 47 C.F.R. §54.207(b).

⁵ 47 U.S.C. § 214(e)(1)-(2), and 47 C.F.R. § 54.201.

⁶ *See* IPUC Order No. 29841.

released its *FCC ETC Requirements Order*⁷ establishing additional requirements for carriers seeking ETC designation before the FCC. These additional requirements, however, are not binding on state commissions. This Commission subsequently considered whether to adopt all or some portion of the rules promulgated by the FCC and, as previously noted, issued a set of ETC designation requirements in Commission Order No. 29841.

CTC may be designated as an ETC in non-rural ILEC areas upon a finding that: (1) CTC offers the supported services; and (2) CTC will advertise the availability of those services using media of general distribution. CTC may be designated as an ETC in *rural* ILEC areas upon a finding that, in addition to the foregoing two criteria, it is shown that such a designation would serve the public interest.⁸

To comply with the additional requirements set forth in the *FCC ETC Requirements Order* and the *IPUC ETC Requirements Order*, CTC includes in this Application the following:

- A demonstration of its commitment and ability to provide supported services, including a two-year, wire center-specific network improvement plan, attached hereto as CONFIDENTIAL Exhibit C.
- A demonstration of CTC's ability to remain functional in emergency situations.
- A commitment to comply with all applicable service quality standards and consumer protection rules, and an agreement to comply with Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service ("CTIA Code").
- A description of CTC's local rate plans and a comparison with the local usage plans for the relevant ILECs.

A. WIRELESS SERVICES PROVIDED BY CTC

⁷ *In the Matter of Federal-State Joint Board on Universal Service*, Report and Order, 20 FCC Rcd 6371 (2005) ["FCC ETC Requirements Order"].

⁸ *See*, 47 C.F.R. § 54.207(c).

CTC will offer the federally designated services listed at 47 C.F.R. § 54.101(a). The services which are supported by the federal USF program are: (1) voice grade access to the public switched telephone network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equivalent; (4) single-party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers.⁹ CTC is a full service telecommunications carrier that offers all of these services, as described in detail below, throughout its wireless service area utilizing its own network infrastructure.

1. Voice Grade Access to the Public Switched Telephone Network.

As previously noted, FCC Rule Section 54.101(a)(1) requires voice-grade access to the public switched telephone network. The FCC defines this as:

the ability of a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call. For the purposes of this part, bandwidth for voice grade access should be, at a minimum, 300 to 3,000 Hertz.¹⁰

CTC provides its wireless customers voice grade access to the public switched telephone network through interconnection arrangements with local telephone companies. CTC offers its wireless subscribers this service at a bandwidth between no less than 300 to 3,000 Hz, thereby providing voice grade access consistent with the FCC's definition.

2. Local Usage.

CTC'S wireless rate plans provide local usage consistent with Section 54.101(a)(2) of the FCC's Rules. In the First Report and Order, the FCC deferred a determination on the

⁹ 47.C.F.R. 54.101(a).

¹⁰ 47 C.F.R. § 54.101(a)(1).

amount of local usage that a carrier would be required to provide.¹¹ Any minimum local usage requirement established by the FCC will be applicable to all designated ETCs. CTC meets the local usage requirements by including local usage in its wireless rate plans and CTC will comply with any and all minimum local usage requirements adopted by the FCC.

Consistent with the *IPUC ETC Requirements Order*, Appendix p.3, CTC submits its wireless rate plan brochures as Exhibit D. The relevant ILEC local usage rate plans are on file with the Commission at: <http://www.puc.state.id.us/tarriff/approved/title62/approved.htm>. A comparison of CTC's local wireless calling rates with other carriers in CTC's service area is attached as Exhibit E. The Commission has expressly rejected the FCC's requirement that the applicant's usage plan be comparable to that of the ILEC, stating: "we find it is sufficient for the ETC applicant to simply describe its local usage plans and those of the ILEC."¹² The Commission aptly noted that the FCC's comparability analysis could potentially discourage carriers from offering diverse services, and that, with competition, consumers should have the option to obtain the type of service offering they would like.¹³

Second, CTC provides its wireless customers unlimited, toll-free service for 911 emergency calls and for 611 customer care. CTC also provides toll-free 511 road reports to the Idaho Department of Transportation, 711 calls to TRS/TTY operators and 211 calls to social service agencies, as well as 811 "Digline of Idaho" service for local utilities to its wireless

¹¹ *Id.* at 8814

¹² *IPUC ETC Requirements Order*, p.12; see also, *In the Matter of the Petition of Inland Cellular Telephone Company for Designation as an Eligible Telecommunications Carrier Under 47 U.S.C. §214(e)(2)*, Order No. 30212, p.11 (IPUC Case No. INC-T-06-02, served Dec. 28, 2006).

¹³ *Id.*

customers.

Finally, all of CTC's wireless calling plans, except the Talk-A-Lot plan, include unlimited nationwide long distance at no additional charge. The CTC Unlimited calling plan priced at \$59.95 per month also includes unlimited night and weekend calling, unlimited mobile-to-mobile calling, and unlimited incoming calling.¹⁴

3. Dual-Tone, Multi-Frequency Signaling or its Functional Equivalent.

Pursuant to Section 54.101(a)(3) of the FCC's Rules, an ETC must provide dual tone multi-frequency ("DTMF") signaling to facilitate the transportation of signaling throughout its network. CTC currently provides DTMF signaling consistent with the FCC's Rules.

4. Single-Party Service or its Functional Equivalent.

"Single-party service" means that only one party will be served by a subscriber loop or access line in contrast to a multi-party line.¹⁵ CTC provides single-party wireless service, as required by 47 C.F.R. §54.101(a)(4).

5. Access to Emergency Services and Ability to Remain Functional in Emergency Situations.

The ability to reach a public emergency service provider by dialing 911 is a required service in any universal service offering. CTC currently provides all of its wireless customers with access to emergency service by dialing 911 in satisfaction of this requirement. Phase I E911, which includes the capability of providing both automatic numbering information ("ANI") and automatic location information ("ALI"), is only required if a public emergency service provider makes arrangements with the local provider of the delivery of such

¹⁴ See Exhibit D (CTC rate plan brochure).

¹⁵ *First Report and Order* at 8810.

information.¹⁶

Phase I and II wireless E911 service provides valuable location-based information to the PSAP which allows emergency personnel to determine the cell site serving the caller and the geographic location of the phone placing the call. Additional cell site coverage in the rural areas for which CTC seeks ETC designation will greatly improve access to wireless E911 services and greater accuracy of the location based information received by the PSAP.

Consistent with the IPUC ETC Requirements Order at Appendix p. 3, CTC also has the ability to remain functional in emergency situations. Along with several other small rural wireless service providers, CTC is a member of Rural Independent Network Alliance, LLC (RINA), which provides CTC's wireless switching services. CTC uses Nortel equipment, an industry standard. CTC has designed a fault-tolerant wireless service network that employs the following features:

- **Mobile Switching Center located in Roosevelt, Utah**
 - Nortel MTX switch with fully redundant fault-tolerant processors
 - 12 hours of back up battery
 - 250 KW natural gas generator plumbed to public utility supply
 - Complete complement of spare circuit boards
- **Self-Healing Alternate Route Protection Service for Fiber Facilities interconnection**
 - Multiple alternate trunk routes for PSTN interconnection trunks
 - Automated 7x24 network monitoring
- **Cell sites**
 - Overlapping cell site coverage in most areas for blocked retry calls
 - 8 hours battery backup engineered for all cell sites
 - Standby generator available to accommodate extended power outages
 - Quick-connect plugs for portable generator at all sites
 - Remote monitoring 7x24 of all sites
- **Monitoring Network and Outage Resolution procedures**
 - CTC has a network operating center ("NOC"), in Roosevelt, UT;

¹⁶ See *Id.*, at 8815-17.

