

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Northeast Missouri)
Rural Telephone Company d/b/a)
NEMR Telecom’s Application)
for Expansion of its Designation as an)
Eligible Telecommunications Carrier) **Case No. IA-2021-0221**
For Purposes of Receiving)
Rural Digital Opportunity Fund and)
Motions for Expedited Treatment and)
Waiver)

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Recommendation* in this matter hereby states:

1. On January 13, 2021, Northeast Missouri Rural Telephone Company d/b/a NEMR Telecom, (Company or NEMR) filed an *Application of Northeast Missouri Rural Telephone Company d/b/a NEMR Telecom’s Application for Expansion of its Designation as an Eligible Telecommunications Carrier for Purposes of Receiving Rural Digital Opportunity Fund and Motions for Expedited Treatment and Waiver* with the Commission requesting that the Commission issue an order granting the Company eligible telecommunications carrier (ETC) status for specific census blocks. The Company’s request, if approved, would permit it to receive federal support pursuant to the Rural Digital Opportunity Fund (RDOF) auction held by the Federal Communications Commission (FCC). The company also seeks support through the Missouri Universal Service Fund (MoUSF) for Lifeline and Disabled program purposes.

2. The RDOF program is part of the FCC’s attempt to bridge the digital divide. It seeks to expand high speed fixed broadband service to rural homes and small businesses presently lacking the service. Phase one of the auction began

October 29, 2020, and targeted over six million homes and businesses unserved by voice and broadband speeds with downloads of at least 25 Mbps. Phase two of the auction will cover areas that are partially unserved and those areas not covered in Phase one. Winning bidders must submit to the FCC proof of their ETC status within 180 days of being announced as a winning bidder.

3. The Company is presently certificated in the state of Missouri as an incumbent local exchange carrier. The Company included Exhibit 2 with its *Application*, which outlines the specific census blocks for which it requests ETC designation.

4. Commission rule 20 CSR 4240-31.016 governs the specific eligible telecommunications carrier requirements that each applicant must meet. Applications must also comply with 20 CSR 4240-2.060 and shall be verified by oath as to the truthfulness contained in the application by an officer or director of the applicant.

5. The FCC requires all winning bidders to submit a Long Form that includes information about a company and its plans to fulfill its bid requirements, which must be approved prior to a company receiving any funds. The ETC process under 20 CSR 4240-31.016 does not address and is not designed to assess a company's technology broadband speed and latency capabilities.

6. Staff conducted an investigation and has provided a memorandum attached to this pleading as Appendix A. Staff's memorandum outlines the reasons why Staff believes NEMR Telecom has met the requirements of 20 CSR 4240-31.016 and should receive ETC designation.

7. NEMR sought waiver of the 60-day notice requirement pursuant to the Commission's rule 20 CSR 4240-4.017.

WHEREFORE, Staff recommends that the Commission approve Northeast Missouri Rural Telephone Company d/b/a NEMR Telecom's, request for designation as an eligible telecommunications carrier for the purpose of receiving federal low-income support and in compliance with the RDOF Auction; that the designation be specific to the census blocks identified in Exhibit 2 of the *Application*; authorize the Company to receive MoUSF support; grant waiver of the 60-day notice requirement; and that it grant such other and further relief as the Commission considers just in the circumstances.

/s/ Whitney Payne

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by electronic mail, or First Class United States Postal Mail, postage prepaid, on this 9th day of February, 2021, to all counsel of record.

/s/ Whitney Payne

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. IA-2021-0221

From: Kari Salsman, Research/Data Analyst
John Van Eschen, Regulatory Compliance Manager
Telecommunications Department

Subject: Staff's Recommendation to Approve Northeast Missouri Rural Telephone Company d/b/a NEMR Telecom's Request for Expansion of Existing ETC Designation

Date: February 9, 2021

On January 13, 2021, Northeast Missouri Rural Telephone Company d/b/a NEMR Telecom (NEMR) filed an application for expansion of their designation as an Eligible Telecommunications Carrier (ETC).¹ The company later supplemented its application. The company is headquartered in Green City, Missouri and is a certificated ILEC in Missouri.² NEMR was recently awarded federal Rural Digital Opportunity Fund (RDOF) support to build broadband facilities in more rural areas.³ The RDOF funding requires the company to extend broadband service to a designated number of locations in certain census blocks.⁴ NEMR seeks to expand their ETC designation to the won census blocks for the purpose of receiving RDOF support and Missouri USF support for Lifeline and Disabled program purposes.

Federal authority enables state commissions to grant ETC status to a company.⁵ Missouri's ETC application requirements are contained in existing Missouri Commission rule 20 CSR 4240-31.016. Staff reviewed the company's request for compliance with Missouri's rules as well as federal requirements. In Staff's opinion the company has adequately met all requirements. Consequently Staff supports the company's application for expansion of their ETC status.

Staff recommends the Commission expand NEMR Telecom's ETC status for the purpose of receiving federal high-cost and low income support and Missouri USF support for the Lifeline and Disabled programs in the area identified by census blocks in Exhibit 2 of the company's application.

¹ ETC status granted in Case No. TO-98-49. The company currently receives funding to expand broadband service to 1,233 Missouri locations. Company officials have previously indicated they are serving 78% of their required obligation. Their goal was to have all areas complete by the end of 2020 however construction was delayed due to Covid 19.

² Case No. TA-88-53. Name changed in Case No. IN-2021-0181.

³ The company has been awarded \$60,126 over 10 years to extend broadband service to 7 locations. The company deploys fiber as the last mile technology.

⁴ Census Block Service areas are listed in Exhibit 2 of ETC expansion application which consists of areas in Adair county.

⁵ 47 U.S.C. §214(e)(2) and FCC rule §54.201.