# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application	
of Midwest Data Center, Inc. for	
Designation as an Eligible	
Telecommunications Carrier	Case No. TA-2021-0250
For Purposes of Receiving	)
Rural Digital Opportunity Fund Support	

# 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 February 4, 2021, Midwest Data Center, Inc. (Company or Midwest) filed Midwest Data Center. Inc. for of Designation 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 the purpose of receiving federal high-cost and low-income support 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). Midwest also intends to seek Missouri Universal Service Fund (MoUSF) support and to participate in the Disabled Program offered by MoUSF.
- 2. The RDOF program is part of the FCC's attempt to bridge the digital divide. It seeks to expand high-speed 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 a competitive local exchange carrier (CLEC). 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 Midwest has met the requirements of 20 CSR 4240-31.016 and should receive ETC designation.
- 7. Midwest sought waiver of the 60 day notice requirement pursuant to the Commission's rule 20 CSR 4240-4.017. Staff recommends that the waiver be granted.

WHEREFORE, Staff recommends that the Commission approve Midwest Data Center Inc.'s, request for designation as an eligible telecommunications carrier for the purpose of receiving federal high-cost and low-income support for the census blocks identified in Exhibit 2 of the *Application*; that it grant the Company's request for MoUSF support; that it 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.

Respectfully submitted,

### /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 2<sup>nd</sup> day of March, 2021, to all counsel of record.

#### /s/Whitney Payne

#### MEMORANDUM

**To:** Missouri Public Service Commission Official Case File

Case No. TA-2021-0250

From: Kari Salsman, Research/Data Analyst

John Van Eschen, Regulatory Compliance Manager

Telecommunications Department

**Subject:** Staff's Recommendation to Approve Midwest Data Center, Inc.'s Request

for ETC Designation

**Date:** March 2, 2021

On February 4, 2021, Midwest Data Center, Inc. (Midwest) filed an application for designation as an Eligible Telecommunications Carrier (ETC) for the purpose of receiving federal high cost and low-income universal service fund support. Midwest is a certificated CLEC in Missouri. The company was recently awarded federal Rural Digital Opportunity Fund (RDOF) support to build broadband facilities in more rural areas. The RDOF funding requires the company to extend broadband service to a designated number of locations in certain census blocks. Midwest seeks ETC designation in the won census blocks. Midwest is seeking Missouri USF support for Lifeline and Disabled program purposes.

Federal authority enables state commissions to grant ETC status to a company.<sup>4</sup> 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 rule as well as federal requirements. In Staff's opinion the company has adequately met all ETC application requirements. Consequently Staff supports the company's application for ETC status.

Staff recommends the Commission grant ETC status to Midwest Data Center, Inc. for the purpose of receiving federal high-cost and low-income support and Missouri USF support in the area identified by census blocks in Exhibit 2 of the company's application.

<sup>&</sup>lt;sup>1</sup> Case No. CA-2014-0374. The company's principal office is located in Rock Port, Missouri.

<sup>&</sup>lt;sup>2</sup> The company, through its participation in the Rural American Broadband Consortium, has been awarded \$4,525,266 over 10 years to extend broadband service to 1,410 locations. Fiber will be delpoyed as the last mile technology.

<sup>&</sup>lt;sup>3</sup> Census Block Service areas are listed in Exhibits 2 of ETC application. The area identified by this exhibit reflects areas in Atchison and Holt Counties.

<sup>&</sup>lt;sup>4</sup> 47 U.S.C. §214(e)(2) and FCC rule §54.201.