

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

In the Matter of the Petition of Conexon Connect, LLC)
for Designation as an Eligible Telecommunications)
Carrier Pursuant to Section 214 (e) (2) of the)
Communications Act of 1934, as Amended)

Case No. DA-2021-0193

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 5, 2021, Conexon Connect, LLC, (Company or Conexon) filed a *Petition of Conexon Connect, LLC for Designation as an Eligible Telecommunications Carrier* with the Commission requesting that the Commission issue an order granting the Company eligible telecommunications carrier (ETC) status for certain census blocks. The Company's request, if approved, would permit it to receive federal low-income support and high-cost 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 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 registered in the state of Missouri as interconnected voice over internet protocol (VoIP) service provider. The Company included Exhibit A with its *Petition*, 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 Conexon has met the requirements of 20 CSR 4240-31.016 and should receive ETC designation.

WHEREFORE, Staff recommends that the Commission approve Conexon Connect, LLC's, request for designation as an eligible telecommunications carrier for the purpose of receiving federal high-cost and low-income support as well as MoUSF low-income and disabled program support for the census blocks identified in Exhibit A of the *Petition*; and that it grant such other and further relief as the Commission considers just in the circumstances.

Respectfully submitted,

/s/ Whitney Payne

Whitney Payne

Senior Counsel

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Missouri Public Service Commission

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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 4th day of February, 2021, to all counsel of record.

/s/ Whitney Payne

MEMORANDUM

To: Missouri Public Service Commission Official Case File
Case No. DA-2021-0193

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

Subject: Staff's Recommendation to Approve Conexon Connect LLC's Request for ETC Designation

Date: February 4, 2021

On January 5, 2021, Conexon Connect LLC (Conexon or company) 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.¹ The company later supplemented its application. Conexon is a registered IVoIP provider in Missouri.² The company 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 Conexon seeks ETC designation in the won census blocks. Conexon is seeking 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 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 Conexon Connect LLC for the purpose of receiving federal high-cost and low-income support in the area identified by census blocks in Exhibit A of the company's application.

¹ Conexon is a subsidiary of Conexon, LLC.

² Case No. DA-2021-0226. The company's principal office is located in Kansas City, Missouri.

³ The company, along with others through their participation in the Rural Electric Cooperative Consortium, has been awarded \$88,238,707 over 10 years to extend broadband service to 44,910 locations. Companies in this consortium generally deploy fiber as the last mile technology.

⁴ Census Block Service areas are listed in Exhibit A of ETC application.

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