# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Petition of Mid-States	)	
Services, LLC for Expanded Designation	)	
as an Eligible Telecommunications	)	CASE NO. DA-2021-0225
Carrier Pursuant to Section 214(e)(2)	)	
of the Communications Act of 1934, as Amended	)	

## **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 15, 2021, Mid-States Services, LLC, (Company or Mid-States) filed a *Petition for Expanded 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 specific census blocks. The Company's request, if approved, would permit it to receive federal high cost and low income support pursuant to the Rural Digital Opportunity Fund (RDOF) auction held by the Federal Communications Commission (FCC).
- 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 registered in the state of Missouri as an interconnected voice over internet protocol (IVoIP) services provider. The Company included Exhibit A 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 Mid-States Services has met the requirements of 20 CSR 4240-31.016 and should receive expanded ETC designation.
- 7. Mid-States Services 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 Mid-States Services LLC's, request for expansion of its eligible telecommunications carrier status for the purpose of receiving federal high-cost and low-income support and in compliance with the RDOF Auction; that the designation be specific to the census blocks identified in

Exhibit A of the *Application*; that it grant waiver of the 60-day notice provision; 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
Missouri Bar No. 64078
Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-8706 (Telephone)
(573) 751-9285 (Fax)
whitney.payne@psc.mo.gov

#### **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 16<sup>th</sup> day of February, 2021, to all counsel of record.

## /s/Whitney Payne

#### MEMORANDUM

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

Case No. DA-2021-0225

From: Kari Salsman, Research/Data Analyst

John Van Eschen, Regulatory Compliance Manager

Telecommunications Department

**Subject:** Staff's Recommendation to Approve Mid-States Services, LLC's

Request for Expansion of Existing ETC Designation

**Date:** February 10, 2021

On January 15, 2021, Mid-States Services, LLC (Mid-States or company) filed an application for expansion of its designation as an Eligible Telecommunications Carrier (ETC). The company is headquartered in Trenton, Missouri and is a registered IVoIP provider in Missouri. Mid-States 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. Mid-States seeks to expand its ETC designation to the won census blocks.

Federal authority enables state commissions to grant ETC status to a company.<sup>5</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 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 its ETC status.

Staff recommends the Commission expand Mid-States Services, LLC's ETC status 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.

<sup>&</sup>lt;sup>1</sup> ETC status granted in Case No. LO-2019-0093. The company currently receives funding to expand broadband service to approximately 350 Missouri locations. Company officials have previously indicated they were in the construction process and expected to have the project complete within the following 12 months.

<sup>&</sup>lt;sup>2</sup> Case No. DA-2018-0163. Mid-States is an affiliate of Grundy Electric Cooperative, Inc.

<sup>&</sup>lt;sup>3</sup> Mid-States, along with others through their participation in the NRTC Phase 1 RDOF Consortium, has been awarded \$1,682,688 over 10 years to extend broadband service to 644 locations. Companies in this consortium generally deploy fiber as the last mile technology.

<sup>&</sup>lt;sup>4</sup> Census Block Service areas are listed in Exhibit A of ETC expansion application.

<sup>&</sup>lt;sup>5</sup> 47 U.S.C. §214(e)(2) and FCC rule §54.201.