BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Chariton Valley Communications Corporation for Expansion of its Designation as a Telecommunications Carrier Eligible for Federal Universal Service Support pursuant to the Telecommunications Act of 1996

Case No. CA-2021-0058

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 December 10, 2020, Chariton Valley Communications Corporation, (Company or Chariton Valley) filed an *Application for Expansion of Designation as an Eligible Telecommunications Carrier* with the Commission requesting that the Commission issue an order expanding the service area for which Chariton Valley is designated as an eligible telecommunications carrier (ETC). 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).

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 25mbps. Phase two of the auction will cover areas that are partially unserved and those areas not covered in Phase one.

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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 basic local exchange and interexchange telecommunications services provider. The Company included an Exhibit B with its *Application* which outlines the specific census blocks for which it requests expansion of its 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 Chariton Valley has met the requirements of 20 CSR 4240-31.016 and should receive ETC designation.

WHEREFORE, Staff recommends that the Commission approve Chariton Valley Communications Corporation's request for expansion of its designation as an eligible telecommunications carrier for the purpose of receiving federal high-cost and low-income support and in compliance with the RDOF Auction; that the designation be expanded to

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include the areas identified by census blocks in Attachment B of the *Application*; and 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 5th day of January, 2021, to all counsel of record.

<u>/s/ Whitney Payne</u>

MEMORANDUM

То:	Missouri Public Service Commission Official Case File Case No. CA-2021-0058
From:	Kari Salsman, Research/Data Analyst John VanEschen, Regulatory Compliance Manager Telecommunications Department
Subject:	Staff's Recommendation to Approve Chariton Valley Communications Corporation's Request for Expansion of Existing ETC Designation
Date:	January 5, 2021

On December 10, 2020, Chariton Valley Communications Corporation (Chariton) filed an application for expansion of their designation as an Eligible Telecommunications Carrier (ETC)¹. Chariton is a certificated basic local exchange and interexchange telecommunications services 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 Chariton seeks to expand their ETC designation to the won census blocks.

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 requirements to extend its designation as an ETC. Consequently Staff supports the company's application for expansion of their ETC status.

Staff recommends the Commission expand Chariton Valley Communications Corporation's ETC status for the purpose of receiving federal high-cost support in the area identified by census blocks in Attachment B of the company's application.

¹ ETC status granted in Case No. TA-2012-0128 and later expanded to additional areas in Case No. CA-2019-0108.

² Case Nos. TA-2002-238 and CA-2006-0160.

³ The company has been awarded \$8,070,272 over 10 years to extend broadband service to 5,002 locations.

⁴ Census Block Service areas are listed in Attachment B of ETC expansion application.

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