STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 15th day of November, 2018.

In the Matter of the Petition of Callabyte Technology, LLC for Designation as an Eligible Telecommunications Carrier Pursuant to Section 214(e)(5) of the Communications Act of 1934, as Amended

File No. RA-2019-0086

ORDER GRANTING APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

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Issue Date: November 15, 2018

Effective Date: December 15, 2018

On September 27, 2018, Callabyte Technology, LLC ("Callabyte") requested designation by the Missouri Public Service Commission ("Commission") as an Eligible Telecommunications Carrier ("ETC") for the purpose of receiving federal universal service support funds under the Lifeline program and high-cost support under the Connect America Fund. Callabyte's proposed service area is all areas where it has been allocated Connect America Fund Phase II support as an auction winner. Callabyte filed this application due to a recent award in a reverse auction for the Connect America Fund II ("CAF II") held by the Federal Communications Commission ("FCC").

The CAF II program is part of the FCC's reform and modernization of its universal service fund support programs designed to accelerate the expansion of broadband services to rural areas, and to any areas which presently lack the infrastructure capable to support at least 10/1 Mbps of fixed broadband services. The FCC held an auction to allocate funds

to various companies which could further the goals of the CAF II program. The FCC requires each winning company to obtain ETC designation from its respective public utilities commission prior to receiving the allocated funds.

The Commission issued notice and set a deadline for intervention. No person or entity sought intervention in this matter, and no party has requested a hearing. On November 6, the Commission's Staff filed a *Staff Recommendation*, which recommends that the Commission grant Callabyte's application.

The application is within the Commission's jurisdiction to decide.¹ Since no law requires a hearing, this is a non-contested case.² Non-contested cases do not require formal proceedings or hearings before the Commission, and as such, there is no evidentiary record.³ Consequently, the Commission bases its decision on the verified filings.

The federal Universal Service Fund was established in the Telecommunications Act of 1996 ("Act"). The stated purpose of the fund is to ensure that telephone customers in rural and high cost areas, as well as low-income customers, have access to quality telecommunications services at reasonable and affordable rates.⁴ To meet that goal, the Universal Service Fund redistributes money paid into the fund by telecommunications customers to telecommunications service providers who serve low-income customers or rural and high cost areas.

¹ 47 U.S.C. § 214(e)(2).

² Section 536.010(4), RSMo, defines a "contested case" as "a proceeding before an agency in which legal rights, duties or privileges of specific parties are required by law to be determined after hearing."

³ Sapp v. City of St. Louis, 320 S.W.3d 159, 163 (Mo. App. 2010).

⁴ 47 U.S.C. 254(b).

Before a telecommunications service provider is eligible to receive funding from the Universal Service Fund, it must be designated as an Eligible Telecommunications Company ("ETC"). Section 214(e)(6) of the Act provides, in pertinent part:

In the case of a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission, the Commission shall upon request designate such a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier for a service area designated by the Commission consistent with applicable Federal and State law.

Callabyte is authorized to do business in Missouri. Callabyte is a mobile wireless carrier whose operations are not regulated by the Commission. It is not delinquent or non-compliant with any Commission reporting or assessment requirements.

The Commission finds the assertions in the application and the *Staff Recommendation* to be true. The Commission must grant Callabyte eligible telecommunications carrier designation if it satisfies all federal and state requirements.⁵ Based upon its independent and impartial review of the verified application and staff recommendation, the Commission finds that Callabyte has met all federal and state requirements and that it is in the public interest to grant the ETC application. Therefore, the Commission will designate Callabyte as an eligible telecommunications carrier solely for the purpose of receiving federal universal service support funds under the Lifeline program and high-cost support under the Connect America Fund.

THE COMMISSION ORDERS THAT:

1. Callabyte Technology, LLC is designated as an eligible telecommunications carrier to receive federal universal service support funds under the Lifeline program and

⁵ 47 U.S.C. § 214(e)(1),(2) and (6).

high-cost support under the Connect America Fund, for the service area identified in Exhibit

A of its initial application.

- 2. This order shall become effective on December 15, 2018.
- 3. This case shall be closed on December 16, 2018.



BY THE COMMISSION

Morris I Woodul

Morris L. Woodruff Secretary

Silvey, Chm., Kenney, Hall, Rupp, and Coleman, CC., concur.

Hatcher, Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 15th day of November 2018.



Morris L. Woodruff Secretary

MISSOURI PUBLIC SERVICE COMMISSION

November 15, 2018

File/Case No. RA-2019-0086

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Missouri Public Service

Commission Whitney Payne 200 Madison Street, Suite 800 P.O. Box 360 Jefferson City, MO 65102 whitney.payne@psc.mo.gov

Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

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Morris L. Woodruff Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.