BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Aptitude Internet, LLC Application for Designation as an Eligible Telecommunications Carrier for Purposes of Receiving Federal Universal Service Support

Case No. TA-2021-0198

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, Aptitude Internet, LLC, (Company or Aptitude) filed *Aptitude Internet, LLC Application for Designation as an Eligible Telecommunications Carrier for Purposes of Receiving Federal Universal Service Support* 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 high-cost and low-income support pursuant to the Rural Digital Opportunity Fund (RDOF) auction held by the Federal Communications Commission (FCC). On January 21, 2021, several entities collectively identified as the Small Telephone Company Group filed to intervene in the proceeding, which the Commission granted. The Commission issued a notice of deficiency for the *Application* because it was not signed by an attorney licensed in Missouri. Aptitude filed an *Amended Application* on April 27, 2021, addressing the specific census blocks for which it requested ETC status in response to the Small Telephone Company Group's intervention, and signed by an attorney licensed in Missouri.

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. 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 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.

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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 Aptitude has met the requirements of 20 CSR 4240-31.016 and should receive ETC designation.

7. Aptitude 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 Aptitude Internet, LLC'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 A of the *Application*; that it grant a waiver of the 60-day notice requirement; and that it grant such other and further relief as the Commission considers just in the circumstances.

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

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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 3rd day of May, 2021, to all counsel of record.

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

MEMORANDUM

То:	Missouri Public Service Commission Official Case File Case No. TA-2021-0198
From:	Kari Salsman, Research/Data Analyst John Van Eschen, Regulatory Compliance Manager Telecommunications Department
Subject:	Staff's Recommendation to Approve Aptitude Internet, LLC's Request for ETC Designation
Date:	May 3, 2021

On January 5, 2021, Aptitude Internet, LLC (Aptitude) 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. Aptitude is a registered IVoIP provider in Missouri.¹ The company was recently awarded federal Rural Digital Opportunity Fund (RDOF) support to build broadband facilities in more rural areas.² The RDOF funding requires the company to extend broadband service to a designated number of locations in certain census blocks. On January 21, 2021 several small telephone companies, collectively the Small Telephone Company Group, filed an application to intervene objecting to Aptitude's request for statewide ETC status. The company later supplemented its application to address application deficiencies and now seeks ETC status specifically in the won census blocks.³

Federal authority enables state commissions to grant ETC status to a company.⁴ 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 Aptitude Internet, 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 Case No. DA-2021-0134. The company's principal office is located in Farmington, Missouri.

 $^{^2}$ The company has been awarded \$24,655,295 over 10 years to extend broadband service to 13,535 locations. The company deploys fixed wireless and fiber as the last mile technology.

³ Census Block Service areas are listed in Exhibits A of ETC application and are located in five counties in Missouri.

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