

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

Application of Chariton Valley Telecom)
Corporation for Designation as a)
Telecommunications Carrier Eligible for) **File No. TA-2012-0128**
Federal Universal Service Support pursuant to)
§ 254 of the Telecommunications Act of 1996)

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and for its Recommendation, states as follows:

1. On October 26, 2011, Chariton Valley Telecom Corporation (“the Company”) applied for designation as an Eligible Telecommunications Carrier throughout the exchange of Macon, Missouri served by Spectra Communication Group, LLP.

2. On November 18, 2011, the Federal Communications Commission (“FCC”) issued a Report and Order in which the federal Universal Service Fund eligible telecommunications carrier criteria have been changed.

3. After extended analysis, summarized in the attached memorandum, the Staff recommends that the requested designation be granted. In addition to the usual criteria, the Commission must make a determination that the granted ETC status will not result in “cream-skimming.” The Company submitted the following analysis, which the Staff recommends that the Commission find sufficient to establish that granting the requested ETC status will not result in cream-skimming:

1. 47 USC 214 (e) (2) confers primary responsibility upon the Missouri Public Service Commission to make eligible telecommunications carrier (ETC) determinations. ETC designations are to specify the service areas so designated for that ETC. 47 CFR 54.201 (b).

2. 47 USC 214 (e) (5) defines the service area of a rural telephone company to be its study area, unless and until the FCC and states, taking into account the recommendations of the Federal-State Joint Board, established a different definition, or “service area redefinition”. 47 CFR 54.207 (a).

3. 47 CFR 54.201(c) permits the Missouri Public Service Commission to designate more than one ETC in an area served by a rural telephone company.

4. In designating an ETC to be in the public interest, 47 CFR 202 (c) requires consideration of the benefits of increased consumer choice, the unique advantages or disadvantages of the applicant's service offerings. Where an applicant seeks ETC designation below the study area level of a rural telephone company, a "cream-skimming" analysis is to be conducted, as well as consideration of other factors such as disaggregation of support under 47 CFR 54.315, and "redefine" the service area for purposes of the ETC's designation. Rural cream-skimming occurs when competitors seek to serve only the low-cost, high revenue customers in a rural telephone company's study area.

5. Federal universal service high cost support for rural carriers is averaged across all lines in a study area. Support on a per-line basis is the same throughout the study area, even though the costs of serving customers will likely vary. As a result, support in low-cost areas of a study area may exceed the cost of serving those areas while support in high-cost areas may be insufficient to offset the higher cost of serving those areas. Because USF support was then portable¹ to ETCs, concerns arose as to the possibility of arbitrage of universal support, and as to the existence of portable USF support creating uneconomic incentives for competitive entry. The purpose of a cream-skimming analysis is to address these concerns.

6. 47 CFR 54.315 provided for disaggregation and targeting of federal USF support. The Federal-State Board on Universal Service recommended rule changes to the FCC that included disaggregation plans. The FCC adopted these recommendations in part, and three paths or types of disaggregation plans were established in 54.315.² The purpose of the disaggregation plans was also to address or alleviate the cream-skimming/uneconomic incentive concerns by allocating different levels of support, or "cost zones" within a wire center.

7. On November 18, 2011 the FCC released its Report and Order restructuring federal USF support and Intercarrier Compensation, the "Transformation Order".³ The Transformation Order restructured USF. Part of the restructuring was the elimination of the "identical support" rule by which CLECs and CMRS providers designated as ETCs received or "ported" the same amount of USF support as received by the incumbent local exchange carrier under as set forth in its disaggregation plan. Rule 54.202, which had required the cream-skimming analysis, was changed to no longer require consideration of disaggregation plans. Rule 54.315, which required disaggregation plans, was eliminated. Although these changes could be have been interpreted to eliminate

¹High cost USF support will no longer be portable after the FCC's November 18, 2011 USF Transformation Order. See footnote 3 below. CLECs receiving support, or disaggregated support, under the "identical support" rule, will have that support phased out and eliminated over 5 years.

² May 23, 2001 Fourteenth Report and Order, Twenty-Second Order on Reconsideration, CC Docket No. 96-45, et al., FCC 01-157, at pages 1-7, 57-64, in particular ¶¶144-160.

³November 8, 2011 Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 10-90 et al., FCC 11-161.

the cream-skimming analysis, ¶ 1097 of the Transformation Order suggests that the existing ETC service area redefinition procedures, backstopped by the availability of forbearance, provide an appropriate case-by-case framework to address these issues in the near term.

8. ETC applicant Chariton Valley Telecom Corporation requests ETC designation for the exchange of Macon, Missouri, and a redefinition of its service area limited to the exchange of Macon.

9. Macon is an exchange served by Spectra Communications Group, LLC. Macon is one of 107 wire centers included within Spectra's study area number 421151.

10. Several ETCs have been designated for Macon, in addition to Spectra Communications Group. The wireless ETCs for Macon include Missouri RSA 5 Partnership and US Cellular. These wireless ETCs have obtained service area redefinitions that have included Macon and other limited portions of Spectra's study area 421151. CLEC Mark Twain Communications Company has been designated an ETC for 3 exchanges within Spectra's study area, Ewing, LaBelle, and Lewiston.

11. Chariton Valley Telecom was incorporated in the State of Missouri September 24, 2001. The Missouri Public Service Commission granted a Certificate of Service Authority to Provide Basic Local Exchange Service, Local Exchange Service, and Exchange Access Service on June 14, 2002 under Case No. TA-2002-238. Chariton Valley Telecom is certificated to provide service in the large local exchange carrier exchanges of Southwestern Bell Telephone Company, Sprint Missouri, Inc., Verizon, Spectra, and Alltel. Chariton Valley Telecom has tariffs on file with the Missouri Public Service Commission and the FCC. Chariton Valley Telecom has approved interconnection agreements with Spectra and AT&T Missouri.

12. In 2003 Chariton Valley Telecom invested tens of millions of dollars in the Macon community by placing Missouri's first underground fiber-to-the-premise (FTTP) overbuild using passive optical network (PON) technology. The network consists of four (4) fiber nodes with fiber buried to most business and residential locations within the Macon city limits, using IP technology. CV Telecom provides advanced voice and broadband services over this FTTP network via a "soft switch". Construction of this network was accomplished without receipt of federal USF support.

13. Within the city of Macon, Chariton Valley Telecom has constructed fiber optic cable routes past every residence and business location, both those served by Chariton Valley Telecom and those served by Spectra. Chariton Valley did not target large revenue businesses only. Fiber drops have been placed to every residence and business location that gave Chariton Valley Telecom permission to do so. With respect to the majority of potential customers in the Macon exchange, Chariton Valley Telecom presently has the ability to provide service to these customers within a reasonable time of their request for service.

With respect to customers in the exchange outside the city limits of Macon, Chariton Valley Telecom does have some fiber facilities going to, or passing by, particular customer locations. Where CVT does not have a readily accessible fiber facility, it has or can provide broadband services via the deployment of wireless technologies.

14. As a result of Chariton Valley Telecom's deployment of these facilities, customers in Macon have the advantage of being able to select broadband-based voice, video, and data services. A significant advantage of Chariton Valley Telecom service is that it is deployed over fiber. Fiber possesses bandwidth capacities enabling voice, data, and video to be deployed over a single facility to the customer. Not only does fiber provide greater bandwidth capacities than copper, it is less susceptible to quality of service issues. Customers in Macon can choose from a menu of services from multiple providers. At one extreme, customers can stay with voice-only telephone service provided by Spectra over copper facilities. At the other extreme, customers can obtain their choice as to voice, video, and/or data services provided over fiber.

15. Chariton Valley Telecom's parent, Chariton Valley Telephone Corporation, is a small rural member-owned ILEC. It serves eighteen exchanges to the north, west, and south sides of the Macon exchange. It serves the exchanges of Atlanta, Bevier, Excello, and Jacksonville that abut Macon on the north, west, and south. Macon lies within Chariton Valley Telephone member's communities of interest. Both Chariton Valley Telephone and Chariton Valley Telecom have created expanded calling plans that include Macon and the surrounding exchanges within each other's local calling scopes.

16. On May 22, 2002, pursuant to 47 CFR 54.315, Spectra filed a self-certified "path 3" disaggregation plan with the Missouri Public Service Commission for Spectra's study area 421151. Spectra's study area 421151 included 107 exchanges (wire centers), located in portions of southwest Missouri, south central Missouri, northwest Missouri, northeast Missouri. 13 of these exchanges, including Macon, were designated "Zone 1" exchanges, and the other 94 exchanges were designated "Zone 2" exchanges. For Zone 1 exchanges designated ETCs could collect \$3.59 per line per month in USF support. For Zone 2 exchanges the amount was \$15.21 per line per month. The Zone 1 exchanges range from 947 to 7,252 access lines. The Zone 2 exchanges range from 57 to 4,786 access lines. There is overlap in exchange densities of the two zones. In one extreme a 947 line exchange is a Zone 1 "low cost" exchange. In another extreme a 4,786 line exchange is a Zone 2 "high cost" exchange.

17. Spectra's disaggregation plan did not disaggregate below the wire center level. It disaggregated above the wire center level at the study area level. The FCC Order creating the disaggregation paths, at paragraph 151, indicated Path 3 self-certifying carriers could choose a plan of up to two cost zones per wire center, or a different plan that complied with a prior regulatory determination. There was no such prior regulatory determination. 47 CFR 54.315 (d) (1) (i) seems to allow disaggregation to the wire center level, which may conflict with paragraph 151 of the FCC Order. It appears that Spectra's disaggregation plan,

which disaggregated an entire study area covering 107 wire centers into two zones, one with 13 entire wire centers, and one with 94 wire centers, scattered within several clusters of wire centers separated from one another, may be non-compliant.

18. Mark Twain Communications Company entered Spectra's study area as a competitor, and was designated an ETC for three exchanges in northeast Missouri on June 5, 2000. This was prior to the May 22, 2002 date on which Spectra self-certified its path 3 disaggregation plan. The FCC Order creating the disaggregation paths, at ¶ 155, had determined that path 3 self-certification was not available where an ETC had been designated prior to the effective date of 47 CFR 54.315, June 5, 2001.⁴ It appears Spectra's disaggregation plan was not eligible for self-certification under path 3.

19. Assuming *arguendo* that Spectra's path was compliant, it is difficult to see any circumstance in which a competitor would choose to complete in the entirety of study area 421151, thereby avoiding the cream-skimming analysis. Such a competitor would have to overbuild or resell Spectra's facilities in nine separate clusters of exchanges centered around the following exchanges "central" to each cluster: Potosi, Mountain Grove, Mount Vernon, El Dorado Springs, Concordia, Brunswick, Canton, Monroe City, and Macon. These clusters are remote from one another. There is no apparent relationship between the separate clusters, other than acquisition by Spectra. The FCC's disaggregation concept makes intuitive sense for study areas of contiguous exchanges with common geographical or trade center interests. It makes no sense when applied to Spectra's disaggregation zones. If the disaggregation plan divided the Macon exchange into two zones, one for the Macon city limits, and the other for the portions of the exchange outside the city limits, that would make sense. Combining Macon, Aurora, Savannah, Cameron, Mount Vernon, Concordia, Mountain Grove, Canton, Palmyra, Monroe City, Potosi, Brunswick, and Kahoka into a single Zone 1, makes no sense from a competition standpoint. Combining the other 94 exchanges as a single Zone 2 makes no sense, from a competition standpoint. Spectra's disaggregation plan is of little to no assistance in performing the public interest analysis of 47 CFR 54.202 (c).

20. Chariton Valley Telephone decided to create Chariton Valley Telecom as a CLEC to compete with Spectra in Macon only, and not in any other Spectra exchanges. Under Spectra's disaggregation plan and the identical support rule in place in 2003, Chariton Valley knew it could only receive \$3.59 per line month in USF, whereas if Chariton Valley had served in other Spectra exchanges it could have received \$15.31 per line per month. Macon was chosen in spite of its comparatively smaller support amount available, not because of it. If Chariton Valley wanted to arbitrage portable USF funds, it would have chosen Zone 2 exchanges, not Macon. Chariton Valley Telecom did not seek to serve in Macon because portable federal USF revenues provided uneconomic incentives for competitive entry. Rural cream-skimming occurs when competitors seek to serve

⁴ Cited in footnote 2, supra.

only the low-cost, high revenue customers in a rural telephone company's study area.

21. An evaluation of the population densities of Macon compared to the densities of other wire centers will serve no useful purpose for the cream-skimming analysis.

22. The grant of ETC designation to Chariton Valley Telecom will not unduly burden the Universal Service Fund.

23. The grant of ETC designation to Chariton Valley Telecom will not undercut Spectra's ability to serve the entirety of study area 421151.

24. Chariton Valley's proposed redefinition of its service area to the Macon exchange for purposes of its ETC designation is granted.

WHEREFORE, the Staff recommends that the Commission grant the requested ETC designation and find that granting such designation will not result in cream-skimming as provided in federal law.

Respectfully submitted,



Colleen M. Dale
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Attorney for the Staff of the
Missouri Public Service Commission
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Jefferson City, MO 65102
(573) 751-4255 (Telephone)
cully.dale@psc.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 9th day of April, 2013.



M E M O R A N D U M

To: Official Case File
Case No. TA-2012-0128
Company Name: Chariton Valley Telecom Corporation

From: Dana Parish
Telecommunications Unit

John Van Eschen (4/8/13) Cully Dale (4/8/13)
Telecommunications Unit Staff Counsel's Office

Subject: Staff's Recommendation to Grant ETC Status

Date: 4/8/13

Date ETC application was filed:	10/26/11 <i>(Note: The applicant and Staff mutually agreed to delay processing the application in order to evaluate the FCC's November 2011 USF reform decision.)</i>
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Full name of Applicant:	Chariton Valley Telecom Corporation
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The Commission Staff (Staff) has reviewed the Company's ETC application and responses to Staff data requests.

Basic Information Regarding Applicant <i>(check as appropriate)</i>				
Applicant's technology is:	Landline	<input checked="" type="checkbox"/>	Wireless	<input type="checkbox"/>
Applicant meets facility-based requirements?	Facility-Based	<input checked="" type="checkbox"/>	Reseller	<input type="checkbox"/>
If reseller, FCC has approved Lifeline compliance plan?	Yes	<input type="checkbox"/>	Not applicable	<input checked="" type="checkbox"/>
Applicant's Lifeline service fees:	Monthly Fee	<input checked="" type="checkbox"/>	Free	<input type="checkbox"/>

In Staff's opinion the Company has adequately met all ETC application requirements identified in Attachment A. Staff recommends the Commission grant ETC status to the Company, applicable only to the full name of the applicant as indicated above. The Staff further recommends the Commission's order also indicate the ETC designation is subject to the following information

Purpose for Receiving ETC Status	<i>(check "X" as appropriate)</i>
Solely for the purpose of receiving Lifeline support.	<input type="checkbox"/>
Purpose of receiving Lifeline and high-cost support.	<input checked="" type="checkbox"/>

Proposed Service Area	
State-wide	<input type="checkbox"/>
Other <i>(describe)</i>	Macon, MO

If ETC status is granted should applicant be authorized by the MoUSF Board to receive MoUSF support?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
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Checklist Items		Citation
Basic Application Requirements	Complies with application requirements in 4 CSR 240-2.060 specifically: <ul style="list-style-type: none"> • Proper authorization from Missouri Secretary of State. • Contact information. • Provides statement indicating whether applicant has any pending action of final unsatisfied judgments against them by a state or federal agency or court involving customer service or rates within past 3 years. • Signed affidavit that verifies all information is true, accurate & correct in the application. 	Application
	Is the applicant already certificated or registered by the Missouri PSC to provide local voice service in Missouri? (<i>check "X" in appropriate box below</i>)	
	X	Yes. If yes, the applicant must be compliant in: <ul style="list-style-type: none"> • Paying MoUSF assessment. • Paying MoPSC assessment. • Paying Relay MO assessment. • Annual report submissions.
		No, the applicant is not certificated or registered by the Missouri PSC.
	Has the Missouri PSC already granted ETC status to the company?	
	Yes. If yes, cite the case and in space below explain the current ETC status of the company:	
X	No, the applicant has not previously received ETC status from the Missouri PSC.	
Disciplinary History	Identifies any individual or entity having a 10% or more ownership interest in the applicant, and all managers, officers and directors or any person exerting managerial control over applicant's day-to-day operations, policies, service offerings and rates.	DR 002, #15
	Does the Applicant share common ownership or management with other companies? (<i>check appropriate box below</i>)	
	X	Yes
		No
	If yes, provide the following information:	
Companies with common ownership or management:	Indicate if identified company has ever received federal or state USF funding.	
<ul style="list-style-type: none"> • Chariton Valley Telephone Corp. • Missouri RSA 5 Partnership d/b/a Chariton Valley Wireless Services 	<ul style="list-style-type: none"> • Yes • Yes 	DR 002, #16

	<p>Have any matters been brought forth within the last ten years by any state, federal regulatory or law enforcement agency against the applicant or against any person or entity that holds more than 10% ownership interest in the applicant? (check appropriate box below)</p> <table border="1"> <tr> <td data-bbox="159 279 302 352"></td> <td data-bbox="302 279 1321 352">No.</td> </tr> <tr> <td data-bbox="159 352 302 720">X</td> <td data-bbox="302 352 1321 720"> <p>Yes. If yes, provide below the following information for each matter (date, agency and general description of the matter):</p> <ul style="list-style-type: none"> In June 2009, USAC hired an accounting firm to audit the Federal USF High Cost receipts of affiliate Chariton Valley Telephone Corp. June 2010, that firm challenged Chariton Valley's cost allocation methods. USAC adopted the findings. Chariton Valley appealed the findings September 2010; but was later denied by USAC. Chariton Valley filed an appeal December 10, 2012. To date, a final ruling in the case has not been made. </td> </tr> </table>		No.	X	<p>Yes. If yes, provide below the following information for each matter (date, agency and general description of the matter):</p> <ul style="list-style-type: none"> In June 2009, USAC hired an accounting firm to audit the Federal USF High Cost receipts of affiliate Chariton Valley Telephone Corp. June 2010, that firm challenged Chariton Valley's cost allocation methods. USAC adopted the findings. Chariton Valley appealed the findings September 2010; but was later denied by USAC. Chariton Valley filed an appeal December 10, 2012. To date, a final ruling in the case has not been made. 	<p>DR 002, #17 DR 002.1, #1 Exhibit 1-4</p>					
	No.										
X	<p>Yes. If yes, provide below the following information for each matter (date, agency and general description of the matter):</p> <ul style="list-style-type: none"> In June 2009, USAC hired an accounting firm to audit the Federal USF High Cost receipts of affiliate Chariton Valley Telephone Corp. June 2010, that firm challenged Chariton Valley's cost allocation methods. USAC adopted the findings. Chariton Valley appealed the findings September 2010; but was later denied by USAC. Chariton Valley filed an appeal December 10, 2012. To date, a final ruling in the case has not been made. 										
Service Provisioning	<p>Adequately explains the applicant's proposed service. Basic service characteristics:</p> <table border="1"> <tr> <td data-bbox="289 867 613 947"><i>(check applicable boxes)</i></td> <td data-bbox="613 867 841 947">Wireless</td> <td data-bbox="841 867 1052 947">Landline</td> </tr> <tr> <td data-bbox="289 947 613 982">No charge</td> <td data-bbox="613 947 841 982"></td> <td data-bbox="841 947 1052 982"></td> </tr> <tr> <td data-bbox="289 982 613 1018">Monthly Fee</td> <td data-bbox="613 982 841 1018"></td> <td data-bbox="841 982 1052 1018">X</td> </tr> </table> <p>If applicant intends to offer a free wireless Lifeline service the applicant has adequately explained:</p> <ul style="list-style-type: none"> How the company will ensure USF is not received until the subscriber activates the service. How the company will ensure support will only be received if the subscriber has used the service sometime during a 60 consecutive day time period. Subscriber will be de-enrolled if fails to use the service for 60 consecutive days. 	<i>(check applicable boxes)</i>	Wireless	Landline	No charge			Monthly Fee		X	<p>DR 002, #26 & Exhibit 1 & 3</p>
	<i>(check applicable boxes)</i>	Wireless	Landline								
	No charge										
	Monthly Fee		X								
<p>Applicant's proposed service area is adequately described.</p>	<p>DR 002, #2 & Application</p>										
<p>Does the applicant qualify as a facility-based provider?</p> <table border="1"> <tr> <td data-bbox="159 1545 302 1619">X</td> <td data-bbox="302 1545 1321 1619">Yes. If yes, describe general facilities:</td> </tr> <tr> <td data-bbox="159 1619 302 1734"></td> <td data-bbox="302 1619 1321 1734"> <p>No. If no then ensure:</p> <ul style="list-style-type: none"> FCC has <u>approved</u> company's compliance plan. Applicant has ensured customers will have access to 911 services. </td> </tr> </table>	X	Yes. If yes, describe general facilities:		<p>No. If no then ensure:</p> <ul style="list-style-type: none"> FCC has <u>approved</u> company's compliance plan. Applicant has ensured customers will have access to 911 services. 	<p>DR 002, #3</p>						
X	Yes. If yes, describe general facilities:										
	<p>No. If no then ensure:</p> <ul style="list-style-type: none"> FCC has <u>approved</u> company's compliance plan. Applicant has ensured customers will have access to 911 services. 										
<p>Advertising commitments.</p> <ul style="list-style-type: none"> Provides a statement certifying the company will advertise the availability of its 	<p>DR 002, #4 Exhibit 1</p>										

	<p>supported service.</p> <ul style="list-style-type: none"> Provides reasonable explanation of how the applicant will advertise. If advertising by direct mail the company has provided a reasonable explanation of how it will target these mailings. Were Missouri-specific advertising examples provided? <table border="1"> <tr> <td>X</td> <td>Yes</td> </tr> <tr> <td></td> <td>No</td> </tr> </table>	X	Yes		No			
X	Yes							
	No							
	Demonstrates can remain functional in emergency situations.	DR 002, #6						
	Provides statement will satisfy applicable consumer protection, consumer privacy and service quality standards and provides a reasonable list of applicable standards. (<i>Wireless applicants must agree to comply with Cellular and Internet Assoc.'s Consumer Code for Wireless Service.</i>)	DR 002, #7						
	<p>Will applicant maintain information about service provisioning and rates in a (<i>check appropriate box below</i>):</p> <table border="1"> <tr> <td>Tariff</td> <td>X</td> </tr> <tr> <td>Informational Filing</td> <td></td> </tr> <tr> <td>Website (<i>indicate website</i>)</td> <td></td> </tr> </table>	Tariff	X	Informational Filing		Website (<i>indicate website</i>)		DR 002, #8
Tariff	X							
Informational Filing								
Website (<i>indicate website</i>)								
	<p>Provides a reasonable explanation of:</p> <ul style="list-style-type: none"> How the applicant intends to provide service throughout the proposed service area, including whereby the applicant lacks facilities or network coverage. How service will be provided in a timely manner to requesting customers. 	DR 002, #3 & #10						
	Commits to maintain a record of complaints, including an agreement to make such records available upon request to the commission staff.	DR 002, #11						
	Commits to remit required, collected 911 revenues to local authorities.	DR 002, #12						
	Provides a reasonable demonstration the applicant is financially viable and technically capable of providing voice telephony service.	DR 002, #13 & Application						
	<p>Does the applicant intend to provide access to directory assistance services, operator services and interexchange services?</p> <table border="1"> <tr> <td>X</td> <td>Yes</td> </tr> <tr> <td></td> <td>No</td> </tr> </table>	X	Yes		No	DR 002, #14		
X	Yes							
	No							
Lifeline/Disabled Program	Certifies all Lifeline funding will flow through to the subscriber.	DR 002, #23						
	Commits to conduct business only through the name identified in the application and will not use any additional service or brand names. (<i>If company's name includes a d/b/a name then the company can either use the company's full name and/or the d/b/a name. For instance "ABC Company d/b/a Company W" can use that full name or simply "Company W". The company cannot solely use the parent name "ABC Company" or a name</i>)	DR 002, #19 DR 002.1, #3						

<i>different from d/b/a name.)</i>		
Commits to comply with all requirements associated with the Lifeline program contained in 47 CFR Part 54 Subpart E.		DR 002, #20
Commits to comply with all Lifeline requirements established by the Missouri PSC even if solely funded by federal USF.		DR 002, #21
Will the applicant seek support from the MoUSF? <i>(check appropriate box below)</i>		DR 002, #22
<input checked="" type="checkbox"/>	Yes. If yes, ensure applicant only seeks MoUSF for landline service.	
<input type="checkbox"/>	No.	
Does applicant intend to participate in the Disabled program? <i>(check appropriate box below)</i>		DR 002, #22
<input checked="" type="checkbox"/>	Yes. If yes, ensure applicant only seeks MoUSF for landline service.	
<input type="checkbox"/>	No.	
Adequately demonstrates how the applicant will ensure that the full amount of Lifeline or Disabled support will be passed through to the qualifying low-income consumer.		DR 002, #23 DR 002.1, #2
Commits to use only a board approved Lifeline or Disabled application form.		DR 002, #24
Adequately explains how the applicant will initiate Lifeline or Disabled service to a subscriber. Explanation should include how company will ensure: <ul style="list-style-type: none"> • The subscriber meets eligibility requirements. • The subscriber's identity and address are correct. • Only one Lifeline or Disabled discount is provided to a household. 		DR 002, #25 Exhibit 2
Adequately explains how the applicant intends to annually verify a customer's continued eligibility for the Lifeline or Disabled program, including what action will be taken if a subscriber fails to adequately respond or is no longer eligible for support.		DR 002, #27 & Exhibit 3
Use of independent contractors to sign-up Lifeline subscribers <i>(check appropriate box below):</i>		DR 002, #28
<input type="checkbox"/>	Intends to use independent contractors to sign-up Lifeline subscribers. If so then applicant also commits to take full responsibility for these contractors.	
<input checked="" type="checkbox"/>	Does not intend to use independent contractors.	
Adequately demonstrates how it will monitor its employees, agents or contractor to ensure they comply with all applicable laws and rules concerning Lifeline or Disabled Programs.		DR 002, #28
Commits to notify the commission of any changes to company contact information.		DR 002, #29
Provides statement the applicant complies with all reporting and assessment requirements (if certificated or registered with the commission).		DR 002, #30
Provides statement the applicant is compliant with contribution obligations to the FUSF.		DR 002, #31

FCC waivers (<i>check appropriate box below</i>):		DR 002, #32
Applicant has obtained waivers from FCC of certain ETC requirements and provided a copy of the FCC's decision.		
Applicant has not sought any waivers from the FCC regarding ETC requirements.	X	

Additional requirements if seeking ETC status to receive federal high-cost support	Staff Review				
Commits to comply with all requirements in 47 CFR Part 54, Subpart C.	DR 002, #33				
Provides adequate explanation of how granting ETC status is in the public interest.	DR 002, #34				
Provides a five-year plan describing specific proposed improvements or upgrades to the applicant's network throughout its proposed service area including detailed descriptions of any construction plans with start/end dates, populations affected by the construction plans, existing tower site locations for wireless cell towers, estimated budget amounts, as well as demonstrates the universal service support shall be used to improve coverage, service quality or capacity throughout the Missouri service area.	DR 002, #35 Application, Att. B				
Provides a detailed map of coverage area before and after improvements and in the case of wireless providers, a map identifying existing cell tower site locations.	DR 002, #35				
Provides the specific geographic areas where improvements will be made.	DR 002, #35				
Provides the projected start date and completion date for each improvement.	DR 002, #35				
Provides the estimated amount of investment for each project that is funded by high-cost support.	DR 002, #35 & Application, Att. B				
Provides a reasonable estimate of the population that will be served as a result of the improvements.	DR 002, #35				
<p>Does the applicant believe that service improvements in a particular wire center or census block are not needed? <i>(check appropriate box below)</i></p> <table border="1" data-bbox="74 877 1166 1104"> <tbody> <tr> <td data-bbox="74 877 191 1066"></td> <td data-bbox="191 877 1166 1066"> <p>Yes. If yes, then applicant must:</p> <ul style="list-style-type: none"> • Provide a reasonable explanation for determining why service improvements are not needed for this area. • Demonstrate how funding will otherwise be used to further the provision of supported services in the area. </td> </tr> <tr> <td data-bbox="74 1066 191 1104">X</td> <td data-bbox="191 1066 1166 1104">No.</td> </tr> </tbody> </table>		<p>Yes. If yes, then applicant must:</p> <ul style="list-style-type: none"> • Provide a reasonable explanation for determining why service improvements are not needed for this area. • Demonstrate how funding will otherwise be used to further the provision of supported services in the area. 	X	No.	DR 002, #35
	<p>Yes. If yes, then applicant must:</p> <ul style="list-style-type: none"> • Provide a reasonable explanation for determining why service improvements are not needed for this area. • Demonstrate how funding will otherwise be used to further the provision of supported services in the area. 				
X	No.				
Provides adequate statement that the proposed plans would not otherwise occur absent the receipt of high-cost support and that such support will be used in addition to any expenses the ETC would normally incur.	DR 002, #35				
Provides a reasonable plan outlining the method for handling unusual construction or installation charges.	DR 002, #36, Exhibit 6				
Provides adequate statement the applicant will use the support only for the provision, maintenance and upgrading of facilities and services for which the support is intended.	DR 002, #37				
Provides adequate & reasonable description of how the applicant intends to monitor the company's quality of service.	DR 002, #38				
Provides adequate & reasonable description of how the applicant intends to monitor the company's timeliness of providing service.	DR 002, #38				
Provides adequate & reasonable description of how the applicant intends to monitor the company's timeliness of restoring out-of-service conditions.	DR 002, #38				
Provides adequate & reasonable description of how the applicant intends to monitor the company's the amount of trouble experienced with the applicant's service.	DR 002, #38				
Provides adequate & reasonable description of how the applicant intends to monitor the company's amount of outages experienced with the applicant's service.	DR 002, #38				