



# Public Service Commission

## State of North Dakota

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### COMMISSIONERS

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April 4, 2016

Zachary E. Pelham  
Pearce Durick PLLP  
314 East Thayer Avenue, P.O. Box 400  
Bismarck, ND 58502

Re: Midcontinent Communications  
Case No. PU-16-48

Dear Mr. Pelham:

The North Dakota Public Service Commission requires any telecommunications provider requesting designation as a Lifeline Only Eligible Telecommunications Carrier (Lifeline Only ETC) to provide additional information and certify to certain future actions they will undertake as a Lifeline Only ETC. Both the answers to this additional information request and certification document will be made part of the record in this case. The Commission intends to consider this information before a making decision regarding Midcontinent's application.

If Midcontinent does not agree that the information in its responses should be part of the record, or wishes to provide additional information or testimony, or cross examine a witness regarding this information, Midcontinent should make a written request to the Commission for a formal hearing on its application. Further, if Midcontinent believes that there would be a benefit to discussing any of these questions, Midcontinent's responses, or the requested certification in an informal or formal hearing, please let us know at your earliest convenience.

Please have Midcontinent respond to the questions below within ten business days of receipt of this letter.

1. Provide all Lifeline audits and reviews the Federal Communications Commission (FCC), the Universal Service Administrative Company (USAC) and any other state commission, Lifeline administrator or any other government agency has conducted on Midcontinent's Lifeline program since 2014. The requested documents should include formal audits and limited reviews such as in-depth data validations and Payment Quality Assurance (PQA) reviews.

9      **PU-16-48**      Filed: 4/4/2016      Pages: 5  
Letter requesting additional information

Public Service Commission Staff  
Sara Cardwell

2. If the FCC has issued any citations to individuals receiving duplicate lifeline support from Midcontinent and other Lifeline providers, what processes and procedures has the Company undertaken to prevent duplicate lifeline support going forward? If applicable, please also provide copies of these processes and procedures as well as the number of citations issued.
3. Please describe the specific procedures Midcontinent has in place to prevent waste, fraud and abuse in the Lifeline program. Include in this response copies of employee training manuals, processes and procedures as well as a discussion of the data bases Midcontinent uses. In describing the data bases, please specifically identify what data Midcontinent believes specifically helps prevent waste, fraud and abuse.
4. Would Midcontinent be willing to request Lifeline participants waive any right to privacy in order that Midcontinent could periodically provide a list of customers to the Commission?
5. If Midcontinent's Lifeline program has been the subject of any state or federal investigations, please provide information on the outcome of these investigations. Did any of the investigations result in Midcontinent paying fines and implementing any changes in its processes and procedures to ensure the mistakes that led to the investigation would not reoccur? If so, please specifically discuss the changes and the amount of any fines.

In addition to your responses to the questions above, please have Midcontinent complete and sign the enclosed Certification or let us know if Midcontinent has any specific objection to the Certification.

If you have any questions please call me at 701-328-4153 or e-mail to [scardwell@nd.gov](mailto:scardwell@nd.gov).

Best regards,



Sara Cardwell  
Public Utility Analyst

Enclosure

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

Midcontinent Communications  
Designated Eligible Carrier  
Application

Case No. PU-16-048

**MIDCONTINENT COMMUNICATIONS'  
CERTIFICATION RELATING TO ORDER PROVISIONS**

I am \_\_\_\_\_, a representative of Midcontinent Communications (Midcontinent) with authority to bind Midcontinent and I certify that:

1. Midcontinent understands and agrees to the conditions and criteria set forth in Chapter 49-21 of the North Dakota Century Code and Chapter 69-09-05 of the North Dakota Administrative Code that pertain to Lifeline Only Eligible Telecommunications Carriers (Lifeline Only ETC), and that Midcontinent will be responsible for compliance with this Certification, the Public Service Commission's order designating Midcontinent as a Lifeline Only ETC, and conditions and criteria set forth in the applicable federal and state laws and rules pertaining to Lifeline Only ETCs.

Certain provisions in the ND Admin. Code are not applicable to a Lifeline Only ETC. Specifically, reports on high-cost universal service funds delineated in ND Admin. Code § 69-09-05-12(3)(b) and 69-09-05-12.1 are not applicable because Lifeline Only ETCs do not receive such funds. The requirement to describe services in the "carrier's official telephone directory" are also not applicable because Midcontinent has no such directory.

2. Midcontinent agrees to comply with all statements, processes and procedures set forth in its Application for designation as a Lifeline Only ETC in the rural wire centers in North Dakota identified in its Application. Midcontinent agrees that all statements made and matters set forth in its Application are true and correct to the best of Midcontinent's knowledge, information, and belief.
3. Midcontinent will use the federal low-income universal service support it receives only for the provision of services for which the support is intended.
4. Midcontinent meets all of the prerequisites to be designated as a Lifeline Only ETC throughout the proposed ETC Designated Area in this proceeding.
5. Midcontinent provides each of the services supported by federal universal service support mechanisms, specified in Federal Communications Commission's (FCC's)

rules, 47 C.F.R. § 54.101, and will offer these supported services in North Dakota upon designation as a Lifeline Only ETC, including voice grade access, minutes of use for local service at no additional charge, access to emergency services and toll limitation services.

6. Midcontinent will provide service within a reasonable period of time, if the potential customer is within Midcontinent's proposed designated service area but outside its existing network coverage, if service can be provided at reasonable cost by:
  - (a) Modifying or replacing the requesting customer's equipment;
  - (d) Adjusting network or customer facilities; or
  - (e) Reselling services from another carrier's facilities to provide service.
7. Midcontinent is not seeking Universal Service Fund high-cost support as part of its Application.
8. Midcontinent will use all available means to ensure customers are eligible for the Lifeline program at the time of sign-up and recertification in accordance with the federal eligibility criteria in 47 C.F.R. § 54.409 and the relevant proof documentation specified in 47 C. F. R. § 54.410. Midcontinent will check all available databases including the National Lifeline Accountability Database to prevent duplication and determine eligibility.
9. Midcontinent will advertise the availability of the supported services detailed in its Application, and the corresponding rates and charges, in a manner designed to inform the general public within North Dakota. This advertising will occur through a combination of media channels, such as television and radio, newspaper, magazine and other print advertisements, outdoor advertising, direct marketing, and the Internet.
10. Midcontinent will offer the services described in its Application.
11. Midcontinent will comply with all applicable annual reporting requirements associated with being an ETC in North Dakota including filing with the Public Service Commission a copy of each report filed with the FCC, within 30 days of filing with the FCC.
12. Midcontinent will file at least annually or more often if requested by the Public Service Commission, a complete list of its customers and waivers, including confirmation that each customer has agreed to allow Midcontinent to release any records required for the administration of its Lifeline program, and to access any state records and/or databases needed to confirm eligibility, for each customer on the list.
13. Midcontinent understands and agrees that its ability to offer service is subject to suspension or revocation for failure to comply with the Public Service Commission's orders, or applicable statutes, rules, regulations, standards, and other authorizations.

14. Midcontinent agrees to maintain the records to demonstrate that Midcontinent has complied with the requirements of the Public Service Commission's order(s) and that Midcontinent will preserve records demonstrating compliance for Public Service Commission inspection at any reasonable time upon reasonable notice.
15. Midcontinent understands and agrees that, to the extent there are any conflicts or inconsistencies between Midcontinent's Application and the provisions in this Certification, the Certification provisions control.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2016.

MIDCONTINENT COMMUNICATIONS

By: \_\_\_\_\_

\_\_\_\_\_

Its \_\_\_\_\_