

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Midcontinent Communications
Designated Eligible Carrier
Application**

Case No. PU-18-373

ORDER ON ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION

January 9, 2019

Preliminary Statement

On October 29, 2018, Midcontinent Communications (Midcontinent) filed an application for designation as an Eligible Telecommunications Carrier (ETC) for the purpose of receiving Federal Communications Commission's Connect America Fund (CAF) Phase II funding in Federal Communications Commission (FCC) specified geographic blocks in rural areas of North Dakota. These CAF Phase II areas do not have access to broadband at speeds of at least 10 megabits per second (Mbps) downstream and 1 Mbps upstream.

On November 8, 2018, the Commission issued a Notice of Opportunity for Hearing (Notice) providing until December 20, 2018, for comments and requests for hearing. No comments or requests for hearing were received.

The Notice identified the following issues to be considered in this matter:

1. Is the applicant qualified under the Telecommunications Act of 1996, section 214(e) for designation as an ETC eligible to receive federal universal service funding?
2. What ETC universal service support area should be designated?
3. Is designation of the additional applicant as an ETC in the public interest?

Discussion

A telecommunications carrier is eligible to receive federal universal service support if the company meets the requirements established under 47 USC § 214(e)(1) and defined in 47 CFR. Part 54. These requirements are: (1) company must provide each of

the supported telecommunication services listed by the Federal Communications Commission (FCC); (2) company must offer and advertise the availability of, and charges for, such services throughout the supported areas; (3) company must certify that it will comply with the service requirements applicable to the support it receives; (4) submit a five-year plan that describes with specificity proposed improvements or upgrades to the applicant's network throughout the supported areas, and (5) demonstrate that it will satisfy consumer protection and service quality standards. In addition, to receive CAF Phase II funding, Midcontinent must offer minimum speeds of 100 Mbps download and 20 Mbps upload in the funded areas within a six-year period. Midcontinent's application states that it will meet its CAF Phase II broadband service obligations through its existing wired and wireless networks, and will build out new wired and wireless networks as needed to provide services under CAF Phase II.

Both federal law and state law give the Commission the authority to designate a common carrier as an ETC.

Midcontinent is a general partnership organized under the laws of the State of South Dakota with a principal office at 3901 N Louise Avenue, Sioux Falls, South Dakota. Midcontinent has filed a Fictitious Name Certificate with the North Dakota Secretary of State and a copy of the Certificate with the Commission. Midcontinent is authorized to do business in the State of North Dakota.

Midcontinent is a common carrier. Midcontinent is a competitive local exchange carrier and offers voice over internet protocol through its wired and wireless networks. Midcontinent will offer the services and functionalities detailed in 47 CFR Part 54 in the CAF Phase II areas.

Based on the evidence in this proceeding, Midcontinent is qualified for designation as an ETC eligible to receive federal universal service support under 47 CFR Part 54.

The FCC has specified the geographic areas, CAF Phase II areas, that will receive funding and Midcontinent was awarded CAF Phase II support for the areas listed in Exhibit A of its October 29, 2018 application.


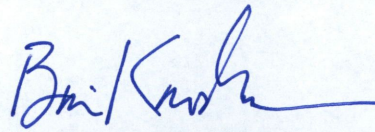
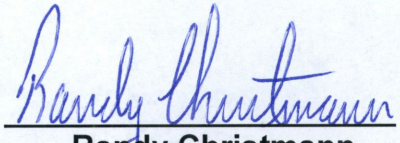
It is in the public interest that Midcontinent be designated as an ETC in the CAF Phase II areas as requested. Under North Dakota Administrative Code Section 69-09-05-12, the Commission shall determine that the designation of Midcontinent as an ETC is in the public interest. In doing so, the Commission shall consider the benefit of increased consumer choice and the unique advantages and disadvantages of the applicant's service offering. It is significant that subscribers in these CAF Phase II areas will have access to high speed broadband. The provision of adequate essential and nonessential telecommunications service in these exchanges will be facilitated and supported by the full current technical and financial capabilities of Midcontinent.

Having allowed all interested persons an opportunity to be heard and having reviewed and considered all evidence presented, the Commission makes the following:

Order

The Commission orders Midcontinent Communications' request to be designated as an eligible telecommunications carrier for the purpose of receiving Connect America Fund Phase II funding in the areas listed in Exhibit A of Midcontinent's October 29, 2018 application, attached to and made part of this Order, is APPROVED.

PUBLIC SERVICE COMMISSION

		
Julie Fedorchak Commissioner	Brian Kroshus Chairman	Randy Christmann Commissioner