

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Halstad Telephone Company
Designated Eligible Carrier Expansion
Application**

Case No. PU-21-55

ORDER ON ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION

April 14, 2021

Preliminary Statement

On January 28, 2021, Halstad Telephone Company (Halstad) filed, as a non-incumbent local exchange carrier, an application for designation as an eligible telecommunications carrier (ETC) for the purpose of receiving Federal Communications Commission's Rural Digital Opportunity Fund (RDOF) Phase I funding in Federal Communications Commission (FCC) specified census blocks in North Dakota.

On February 17, 2021, the Commission issued a Notice of Opportunity for Hearing (Notice) providing until March 29, 2021, 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 applicant as an ETC in the public interest?

Discussion

Halstad is a foreign corporation authorized to do business in North Dakota with a registered agent address of Mark Forseth, 319 4th Ave SE, Hillsboro, ND 58045 and a principal office located at 345 2nd Ave W, Halstad, MN 56548.

Halstad is in good standing with the North Dakota Secretary of State, is registered as a competitive local exchange carrier with the Commission and has provided a copy of its corporate papers with its application.

Halstad is a common carrier.

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.

To receive RDOF Phase I funding, Halstad must offer commercially at least one voice and one broadband service at speeds of at least 1 gigabit per second with a latency at or below 100 milliseconds. Halstad must offer these services to 40% of the assigned locations in North Dakota by the end of the third year of support, and an additional 20% by the end of each of the fourth and fifth years of support. By the end of year six, revised location totals will be announced. If there are fewer locations than originally estimated by the cost model, Halstad must serve the revised number of locations by the end of the sixth year of support. If there are more locations than originally estimated by the cost model, Halstad must serve the original number of locations estimated by the cost-model by the end of the sixth year of support and must serve the remaining locations by the end of the eighth year of support.

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

Halstad will offer the services and functionalities detailed in 47 CFR Part 54 in the RDOF Phase I areas. Halstad proposes to provide the service required for RDOF funding using a fiber-optic based network.

Halstad 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, RDOF Phase I areas, that will receive funding and Halstad was awarded RDOF Phase I support for the areas listed in Exhibits A and B and depicted in Exhibit C of its January 28, 2021 application.

Under North Dakota Administrative Code Section 69-09-05-12, the Commission shall determine that the designation of Halstad 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 RDOF Phase I 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

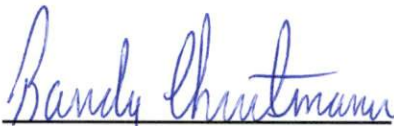
capabilities of Halstad. It is in the public interest that Halstad be designated as an ETC in the RDOF Phase I areas as requested.

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 Halstad Telephone Company's request to be designated as an eligible telecommunications carrier for the purpose of receiving Rural Digital Opportunity Fund Phase I funding in the areas listed in Exhibits A and B and depicted in Exhibit C of Halstad's January 28, 2021 application, attached to and made part of this Order, is APPROVED.

PUBLIC SERVICE COMMISSION



Randy Christmann
Commissioner



Julie Fedorchak
Chair



Brian Kroshus
Commissioner

EXHIBIT A RDOF AWARDED CENSUS BLOCK GROUPS

380170402001

380350117005

380979701001

380979703002

EXHIBIT B RDOF FUNDED CENSUS IDs

380170402001005
380170402001007
380170402001013
380170402001014
380170402001016
380170402001028
380170402001031
380170402001032
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380170402001037
380170402001081
380170402001106
380170402001114
380170402001117
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EXHIBIT C MAP OF AWARDED SERVICE AREAS

Halstad Telephone Company Rural Digital Opportunity Fund Awarded Census Blocks by Exchange

