

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE PETITION OF
AT&T OHIO SEEKING TO RELINQUISH
ITS ELIGIBLE TELECOMMUNICATIONS
CARRIER DESIGNATION IN A PORTION OF
ITS SERVICE TERRITORY.

CASE No. 17-1948-TP-UNC

ENTRY

Entered in the Journal on June 28, 2018

I. SUMMARY

{¶ 1} The Commission directs The Ohio Bell Telephone Company dba AT&T Ohio to provide notice of the petition seeking authority to relinquish its eligible telecommunications carrier designation in a portion of its service territory and provide interested persons an opportunity to file written comments on the petition by August 31, 2018.

II. DISCUSSION

{¶ 2} The Ohio Bell Telephone Company dba AT&T Ohio (AT&T Ohio or the Company) is an incumbent local exchange carrier (ILEC) pursuant to R.C. 4927.01(A)(5) that is an eligible telecommunications carrier (ETC) offering lifeline service under R.C. 4927.13. As such, AT&T Ohio's provision of lifeline service is subject to Commission jurisdiction.

{¶ 3} AT&T Ohio was designated as an ETC offering lifeline service throughout its traditional service area on December 18, 1997. *In the Matter of the Commission Investigation of the Intrastate Universal Services Discounts*, Case No. 97-632-TP-COI, Supplemental Finding and Order (Dec. 18, 1997). This designation allows AT&T Ohio to receive federal Universal Service Fund (USF) support for its provision of lifeline service to customers in Ohio.

{¶ 4} On September 7, 2017, AT&T Ohio filed a petition, pursuant to 47 USC 214(e)(4), seeking to relinquish its designation as an ETC for purposes of USF support for a majority of its service area in Ohio.

{¶ 5} AT&T Ohio explains that it is participating in the Federal Communications Commission (FCC) Connect America Fund Phase II (CAF II) program and that, as a condition of participation, the Company must retain its ETC designation in the census blocks for which it is eligible to receive CAF II funding (retained area). However, AT&T Ohio proposes to relinquish its designation for all remaining areas in which it is currently designated as an ETC in Ohio (relinquishment area).

{¶ 6} AT&T Ohio explains that it is not seeking to discontinue any legacy voice service and, in fact, the Company will continue to offer and provide legacy voice service in all of its service territory. However, the Company explains, once the petition is approved, customers in the relinquishment area will no longer receive the federal lifeline discount of \$9.25 per month on voice service from AT&T Ohio. The Company submits that the discount can be retained by the customer if the customer switches to another ETC designated in the customer's service area.

{¶ 7} Pursuant to 47 USC 214(e)(4), a state commission shall permit an ETC to relinquish its ETC designation in any area served by more than one ETC. Prior to permitting an ETC to cease providing universal service in an area served by more than one ETC, the state commission shall require the remaining ETCs to ensure that all customers served by the relinquishing carrier will continue to be served and shall require sufficient notice to permit the purchase or construction of adequate facilities by the remaining ETC(s). The state commission shall establish a time, not to exceed one year, within which such purchase or construction shall be completed.

{¶ 8} The Company claims that every wire center in the relinquishment area is served by at least 4 other ETCs, and in some cases as many as 11 other ETCs. Of the 11 other ETCs, the Commission is aware that one is a facilities based wireline carrier, one is a facilities based wireless carrier, and the remaining 9 are non-facilities based wireless carriers.

{¶ 9} In support of its relinquishment petition, AT&T Ohio asserts that over the past eight years, its Ohio lifeline subscribership decreased by 94 percent and that by the end of

2016, the Company was serving just 2.1 percent of the lifeline subscribers in the state. At the time of the petition, the Company avers that AT&T affiliates had successfully relinquished their ETC designations in ten states.¹

{¶ 10} AT&T Ohio explains that, unlike federal USF funding in the past, CAF II funding is made available by census blocks rather than by larger areas like wire centers or service areas. Census blocks are statistical areas bounded by visible features, such as streets, roads, streams, and railroad tracks, and by nonvisible boundaries such as selected property lines and city, township, school district, and county limits. AT&T Ohio seeks to define the retained and relinquishment areas by census blocks. Census block boundaries and wire center boundaries do not coincide; thus, some wire centers may be only partially relinquished or retained. The Company states that as of the end of 2016, there were 359 AT&T Ohio lifeline customers in the retained area and 10,482 AT&T Ohio lifeline customers in the relinquishment area.

{¶ 11} To ensure a smooth customer transition, AT&T Ohio proposes to provide customer notice via U.S. mail to each of its affected customers at least 60 days prior to the effective date of the relinquishment. The notice will explain the impact of the relinquishment on the customer, inform the customer that the discount can continue to be obtained from the remaining ETCs in the area, and include a list of designated ETCs in the customer's service area. AT&T Ohio will send a second notice letter and bill message at least 15 days prior to the relinquishment date. Finally, to avoid customer confusion, AT&T Ohio will stop enrolling customers in the lifeline program in the relinquishment area five days after the Commission issues an order or on December 8, 2017, whichever is later.

¹ Those ten states are Alabama, Florida, Georgia, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, and Wisconsin. AT&T Ohio has since supplemented the record by providing notice that relinquishment applications have also been granted to AT&T affiliates in Indiana, Kentucky, Louisiana, and Texas.

{¶ 12} The Commission determines that interested persons should have the opportunity to comment on AT&T Ohio's relinquishment petition. Among the issues that commenters may wish to address include:

- Any concerns associated with 9 of the 11 remaining ETCs in the relinquishment area being non-facilities based wireless providers.
- Pending proceedings at the FCC that may impact the ability of non-facilities based wireless providers to retain their ETC designation.²
- The duty of wireless providers to ensure that all customers served by AT&T Ohio will continue to be served with the federal lifeline discount.

{¶ 13} AT&T Ohio is directed to publish, within 20 days of the date of this Entry, the following notice in the non-legal notice sections of newspapers of general circulation throughout the relinquishment area:

Notice Seeking Comment on Petition of AT&T Ohio
to Relinquish its Designation as an Eligible
Telecommunications Carrier

Public notice is hereby given that The Ohio Bell Telephone Company dba AT&T Ohio has filed a petition with the Public Utilities Commission of Ohio, docketed as Case No. 17-1948-TP-UNC, seeking to relinquish its designation as an eligible telecommunications carrier (ETC) for purposes of lifeline fund support for the majority of its service area in Ohio.

On September 7, 2017, AT&T Ohio filed a petition seeking to relinquish its ETC designation for all areas in Ohio in which it currently provides wireline voice service and for which it is not receiving federal Connect America Fund Phase II program funding. This amounts to most of AT&T Ohio's service area and would affect

² See, *In the Matter of Lifeline and Link Up Reform Modernization*, FCC WC Docket No. 11-42, et al., Notice of Proposed Rulemaking at ¶67-73 (adopted Nov. 16, 2017, released Dec. 1, 2017) where the FCC is proposing to discontinue lifeline support for services provided over non-facilities based networks in order to focus the support on broadband service provided over facilities based networks that also support voice service.

approximately 10,482 lifeline customers. The federal lifeline discount offered by an ETC in Ohio is \$9.25 per month. If AT&T Ohio's relinquishment petition is approved, eligible lifeline customers of AT&T Ohio within the affected service area would no longer receive this discount from AT&T Ohio. Lifeline customers could continue to receive the federal discount if they switch to another ETC in their service area. AT&T Ohio states that every wire center in the relinquishment area is served by at least four other ETCs. AT&T Ohio is not discontinuing any wireline legacy voice service as a result of this petition.

AT&T Ohio states that it will provide each affected AT&T Ohio lifeline customers at least 60 days notice via U.S. mail prior to the effective date of the relinquishment. The notice will explain the impact of the relinquishment on the customer and will inform the customer that the discount can continue to be obtained from the remaining ETCs in the area and will include a list of designated ETCs in the customer's service area. A second notice and bill message will also be sent at least 15 days before the relinquishment date.

The Public Utilities Commission of Ohio invites interested persons to comment on the AT&T Ohio relinquishment petition. Written and electronic comments are due by August 31, 2018, and should be filed in Case No. 17-1948-TP-UNC. Further information may be obtained by contacting the Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, Ohio 43215-3793, the Commission's hotline at 1-800-686-7826, or the PUCO website at <https://www.puco.ohio.gov>.

{¶ 14} Further, the Commission directs the 11 carriers identified by AT&T Ohio as alternative ETCs in the relinquishment areas (e.g., i-wireless dba K-Wireless LLC dba Access Wireless; Air Voice Wireless, LLC; American Broadband and Telecommunications Company dba American Assistance; Virgin Mobile USA, LP, dba Assurance Wireless; Boomerang Wireless, LLC, dba enTouch Wireless; Global Connection Inc. of America; Q Link Wireless, LLC; Sage Wireless dba TruConnect; TracFone Wireless, Inc., dba Safelink Wireless; Telrite Corporation, dba Life Wireless; and Tempo Telecom, LLC) to submit comments by August 31, 2018, indicating whether they are willing and able to ensure that all customers served by AT&T Ohio in their respective service areas will continue to be served with the federal lifeline discount if the customer is eligible. Additionally, the

companies should identify whether such lifeline service will be provided on a wireline or wireless and facilities or resale basis.

III. ORDER

{¶ 15} It is, therefore,

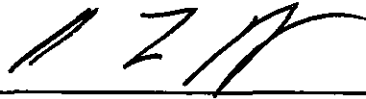
{¶ 16} ORDERED, That all interested persons wishing to file comments with the Commission on AT&T Ohio's lifeline relinquishment petition do so no later than August 31, 2018. It is, further,

{¶ 17} ORDERED, That AT&T Ohio publish public notice in accordance with Paragraph 13 and provide proof of publication. It is, further,

{¶ 18} ORDERED, That the 11 carriers identified in Paragraph 14 file comments by August 31, 2018. It is, further,

{¶ 19} ORDERED, That notice of this Entry be served via the Telephone listserv and that a copy of the Entry be served on all interested parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

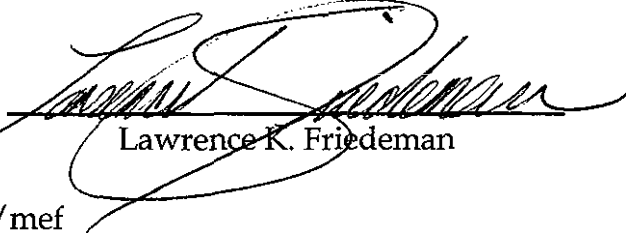


Asim Z. Haque, Chairman

M. Beth Trombold



Thomas W. Johnson



Lawrence K. Friedeman

Daniel R. Conway

JRJ/mef

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JUN 28 2018



Barcy F. McNeal
Secretary