

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
CONNECT EVERYONE LLC FOR
DESIGNATION AS A COMPETITIVE
ELIGIBLE TELECOMMUNICATIONS
CARRIER FOR PURPOSES OF RECEIVING
FEDERAL UNIVERSAL SERVICE
SUPPORT.

CASE NO. 21-26-TP-UNC

SUPPLEMENTAL FINDING AND ORDER

Entered in the Journal on December 14, 2022

I. SUMMARY

{¶ 1} The Commission revokes Connect Everyone LLC's designation as a competitive eligible telecommunications carrier.

II. APPLICABLE LAW

{¶ 2} Pursuant to 47 U.S.C. 214(e)(2), a state commission shall upon request designate a common carrier that meets the requirements of an eligible telecommunications carrier (ETC) for a service area designated by the state commission.

{¶ 3} In accordance with 47 C.F.R. 54.101, to receive federal high-cost support, an ETC must offer voice telephony service and broadband service consistent with the rule.

{¶ 4} Consistent with 47 C.F.R. 54.201, an ETC is eligible to receive universal service support in accordance with 47 U.S.C. 254 provided it offers the supported services either using its own facilities or a combination of its own facilities and resale of another carrier's services and advertises the availability of such services and charges using media of general distribution.

{¶ 5} Ohio Adm.Code 4901:1-6-09 sets forth the requirements for a competitive ETC designation. Specifically, Ohio Adm.Code 4901:1-6-09(D) contemplates the revocation or relinquishment of an ETC designation and notes that the Commission may revoke an ETC designation.

III. DISCUSSION

{¶ 6} In *Connect America Fund et al.*, WC Docket Nos. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011), the Federal Communications Commission (FCC) comprehensively reformed the universal service high-cost program in order to focus support on networks capable of providing voice and broadband services. As part of this process, the FCC created the Connect America Fund for the purpose of making voice and broadband-capable infrastructure available in high-cost areas where it is lacking. See *Connect America Fund et al.*, WC Docket Nos. 10-90 et al., Report and Order (rel. Dec. 18, 2014).

{¶ 7} Pursuant to *Connect America Fund et al.*, WC Docket Nos. 10-90 et al., Notice (rel. Feb. 1, 2018), the FCC established the parameters of the Connect America Fund Phase II (CAF Phase II) multi-round, reverse auction providing up to \$198 million in annual support for voice and broadband service in unserved, high-cost areas over a ten-year period.

{¶ 8} The FCC conducted Auction 903 from July 24, 2018 to August 21, 2018, to allocate CAF Phase II support for service providers that commit to offer voice and broadband services to fixed locations in unserved, high-cost areas. Pursuant to the auction, 103 bidders were selected to provide fixed-location broadband and voice services in unserved communities within 45 states for relatively lower levels of support. The FCC announced the winning bids on August 28, 2018.

{¶ 9} In *In re Rural Digital Opportunity Connect America Fund*, WC Docket Nos. 19-126 and 10-90, Report and Order, 35 FCC Rcd 686 (2020) (RDOF Order), the FCC established the Rural Digital Opportunity Fund (RDOF). The FCC will use the RDOF to continue to build on the success of the CAF Phase II model to connect millions more rural and small business customers to high-speed broadband networks.

{¶ 10} Pursuant to the RDOF Order, the FCC established the parameters of the RDOF Phase I single nationwide, multi-round reverse auction providing \$16 billion of support for

voice and broadband service in unserved, high-cost areas over a ten-year period. For the purpose of the RDOF Order, unserved area signifies a census block group not receiving a download speed of at least 25 Mbps and an upload speed of at least 3 Mbps.

{¶ 11} The FCC conducted auction 904 on October 29, 2020, to allocate RDOF Phase I support to service providers that commit to offer voice and broadband services to fixed locations in unserved, high-cost areas. Pursuant to the auction, 180 bidders were selected to provide fixed-location broadband and voice services in unserved communities within 49 states and one territory. The FCC announced the winning bids on December 7, 2020.

{¶ 12} Connect Everyone LLC (Connect Everyone) was one of the entities provisionally selected by the FCC as a recipient of RDOF Phase I support for census blocks in Ohio. Specifically, Connect Everyone was awarded \$38.27 million over ten years to provide RDOF supported services to the designated Ohio census block groups.

{¶ 13} On June 2, 2021, the Commission issued an order conditionally designating Connect Everyone as a competitive ETC in order to receive RDOF support in the applicable census blocks or portions thereof as determined by the FCC. The Commission conditioned Connect Everyone's designation as an ETC on "obtaining final FCC approval at the conclusion of the auction process" (Order at ¶ 39).

{¶ 14} On November 3, 2022, Connect Everyone filed a request to relinquish its designation as an ETC. In the filing, Connect Everyone explains that it will not be receiving funding under the RDOF, as it has defaulted on all of the bids that it won. Connect Everyone explains that on October 12, 2022, it notified the FCC that it would no longer pursue its winning bids. Connect Everyone states that also on October 12, 2022, the FCC issued a public notice that Connect Everyone had defaulted on its bids by stating that it would no longer pursue the bids. Connect Everyone asserts that it will not receive final FCC approval to receive RDOF support, so the Commission should revoke its ETC designation.

{¶ 15} The Commission notes that the FCC issued a public notice that Connect Everyone had defaulted on its bids. Thus, Connect Everyone will not receive final FCC approval, which was a condition of its designation as a competitive ETC in Ohio. For these reasons, the Commission finds that Connect Everyone's designation as a competitive ETC should be revoked pursuant to Ohio Adm.Code 4901:1-6-09(D).

IV. ORDER

{¶ 16} It is, therefore,

{¶ 17} ORDERED, That Connect Everyone's designation as a competitive ETC is revoked. It is, further,

{¶ 18} ORDERED, That a copy of this Finding and Order be served upon all parties of record.

COMMISSIONERS:

Approving:

Jenifer French, Chair

M. Beth Trombold

Lawrence K. Friedeman

Daniel R. Conway

Dennis P. Deters

JWS/mef

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Case No(s). 21-0026-TP-UNC

Summary: Finding & Order revoking Connect Everyone LLC's designation as a competitive eligible telecommunications carrier electronically filed by Heather A. Chilcote on behalf of Public Utilities Commission of Ohio