

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:)	
)	GT DOCKET 12-02
)	
GUAM TELECOM, LLC)	PUC COUNSEL REPORT
USAC CERTIFICATION)	
)	
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)	

BACKGROUND

On November 29, 2010, the PUC granted GT’s Petition for Designation as an Eligible Telecommunications Carrier (“ETC”) throughout the Territory of Guam.¹ In accord with such Order, GT’s annual designation as an ETC is subject to the provision of annual certifications and data submissions to the PUC.

GT has previously filed two Petitions for USAC Certification with the PUC.² On March 21, 2011, and September 19, 2011, the PUC Chairman issued “Use” Certifications indicating that Guam Telecom LLC would use federal high cost support funds only for the purposes for which the support is intended.³

On August 28, 2012, Guam Telecom, LLC (“GT”) petitioned the Guam Public Utilities Commission (“PUC”) to issue a certification that GT will use federal universal service support funds for purposes in compliance with Section 254(e) of the Telecommunications Act.⁴ GT seeks a finding by the PUC that GT will comply with §254(e), which states that universal service funds (“USF”) may be used only for the purposes designated in the Federal Act.

REQUIREMENTS AND COMPLIANCE THEREWITH

1. The requirements for an eligible telecommunications carrier to qualify for the receipt of universal service support funds are set forth in 47 C.F.R. Part 54.⁵

¹ PUC Order Approving Designation, GT Docket 10-01, issued November 29, 2010.

² GT Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 11-02, filed March 10, 2011; GT Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 11-03, filed September 8, 2011.

³ PUC “Use” Certification, CC Docket 96-45, issued March 21, 2011; PUC “Use” Certification, CC Docket 96-45, issued September 19, 2011.

⁴ GT Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 12-02, filed August 28, 2012.

⁵ 47 C.F.R. Part 54, Universal Service.

- (a) A carrier that receives federal universal service support must use that support only for the provision, maintenance and upgrading of facilities and services for which the support is intended.⁶ Attached as Exhibit A to GT's Petition for Certification is the certification and declaration by Craig R. Thompson, the Chief Executive Officer of GT, that GT will use federal high cost support funds only for the provisioning, maintenance and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Communications Act. This certification is for study area 669005.⁷
- (b) Pursuant to 47 C.F.R. §54.101(e), an eligible telecommunications carrier must offer each of the designated services in order to receive federal universal service support.⁸ In particular, an ETC is required to provide the following services in order to be supported by Federal Universal Service Support mechanisms: (1) Voice grade access to the public switched network; (2) Local Usage; (2) Dual tone multi-frequency or its functional equivalent; (4) Single-party service or its functional equipment; (5) Access to emergency services (such as 911 and enhanced 911); (6) Access to operator services; (7) Access to interexchange service; (8) Access to directory assistance; and (9) Toll limitation for qualifying low-income consumers.⁹
2. GT has certified that it complies with its ETC Designation Order Requirements as set forth in 47 C.F.R. §54.101(a).¹⁰
- (a) Local Usage. GT certifies that it currently provides throughout Guam all of the services and functionality supported by the federal universal service program enumerated in 47 C.F.R. §54.101(a).¹¹

⁶ 47 C.F.R. §54.7.

⁷ GT Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds, GT Docket 12-02, Exhibit A [Declaration of Craig R. Thompson].

⁸ 47 C.F.R. §54.101(b).

⁹ Id.

¹⁰ GT Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 12-02, filed August 28, 2011, at pgs. 2-4.

¹¹ Id., at p.2.

- (b) E911 Service. GT has certified that it currently provides its subscribers with 911 and enhanced 911 through arrangements with the incumbent local exchange carrier, GTA, which has the sole connection to the government of Guam's PSAP in the service area.¹²
- (c) Certification of Service. GT has provided a certification that it offers all of the services designated by the FCC for support pursuant to Section 254(c) of the Federal Act either using its own facilities or a combination of its own facilities and resale. It further certifies that it advertises the availability of supported services through general television advertisements and on radio stations. Lifeline Assistance Service and Operator Assisted Services are now included in its General Exchange Tariff No. 1.¹³
- (d) Notification of Inability to Provide Service to a Requesting Customer. An ETC such as GT is required to report "the number of requests for service from potential customers within the eligible telecommunication carrier's service areas that were unfulfilled during the past year."¹⁴ GT certifies that, for the period of March 1, 2011 to December 31, 2011, it had no unfulfilled requests for voice service interconnected with the public phone network.¹⁵
- (e) Filing of a Detailed Build-Out Plan Satisfying the FCC's Requirements. GT is required to submit a five year plan that describes with specificity proposed improvements or upgrades in its network.¹⁶ GT's Five Year Network Improvement Plan is set forth as Exhibit B to its Petition, filed under a claim of confidentiality with the PUC on August 28, 2012.¹⁷ The Plan provides a detailed description of the detailed improvements which GT intends to make to its network over the next five years. It will

¹² Id.

¹³ Id.

¹⁴ 47 C.F.R. §54.209(a)(3).

¹⁵ GT Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 12-02, filed August 28, 2012, at p. 2.

¹⁶ 47 C.F.R. §54.202(a)(6)(ii).

¹⁷ Confidential Submission of Exhibit B to Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 12-02, filed August 28, 2012.

¹⁷ 47 C.F.R. §54.202(a)(6)(ii).

continue with various projects designed to expand its network in Year One (this year), including to underserved area(s). It will use high cost support to expand and improve its current Hybrid-Fiber-Coax network through the placement of more fiber optic lines and equipment.¹⁸ It will increase its power back up capabilities and ability to operate during power outages by placing more fiber and optical lines in the neighborhoods.¹⁹ It will continue to place its aerial network in underground conduits.²⁰

GT indicates that its expansion plans will continue over the five year duration of the plan. Network expansion will continue to areas which are presently non-serviceable.²¹ Its network expansion and plan to increase power back up capabilities will take up to five years for completion.²²

GT plans to make various improvements to its wire centers.²³

- (f) Filing of Annual Certification under 47 C.F.R. §54.314(b). As required, GT has certified that all federal high-cost support provided to it in the Territory of Guam will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended. It will file with the PUC by August 31 of each year an annual certification verifying that high cost support will only be used for those facilities and services for which the support is intended.²⁴

- (g) Required Documentation. In accordance with the FCC ETC Designation Order²⁵ and Order Approving ETC Designation for GT²⁶, GT is required to file certain documentation to maintain its ETC Designation Status and to obtain an Order from the PUC approving its annual USAC Certification.

¹⁸ Confidential Submission of Exhibit B to Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 12-02, filed August 28, 2012, at p. 4.

¹⁹ Id. at p. 5

²⁰ Id.

²¹ Id. at pgs. 5-10.

²² Id. at p. 9.

²³ Id. at p. 10.

²⁴ GT Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 12-02, filed August 28, 2012, at p. 3.

²⁵ *In the Matter of Federal – State Joint Board on Universal Service, CC Docket No. 96-45, Report and Order, FCC 05-46(Released March 17, 2005).*

²⁶ PUC Order Approving Designation, GT Docket 10-02, filed November 29, 2010.

- (1) Five Year Network Plan. As outlined above, GT has demonstrated substantial progress in meeting its 5-year network improvement plan.²⁷ Once it receives the universal support funds anticipated, it will more likely be able to achieve its goals in the Plan.
- (2) Information on any outages. For the period of March 1, 2011, to December 31, 2011, GT had one instance of an outage lasting at least 30 minutes and potentially affecting either at least ten percent of the end users served or 911 facilities as detailed in Exhibit C, which is submitted under seal.²⁸
- (3) Unfulfilled Requests for Service. For the period of March 1, 2011 to December 31, 2011, GT did not have any unfulfilled requests for service from potential customers within GT's service area.²⁹
- (4) Complaints per 1,000 lines. For the period of March 1, 2011, to December 31, 2011, GT is not aware of any complaints filed with the PUC or any other regulatory body.³⁰
- (5) Service Quality Standards and Consumer Protection Rules. GT certifies that it is complying with applicable service quality standards and consumer protection rules.³¹
- (6) Ability to Function in Emergency Situations. GT certifies that it is able to function in emergency situations.³²
- (7) Certification of Local Usage Plan. GT includes unlimited local usage in its service rate plans and certifies that it is offering a local usage plan comparable to that offered by the incumbent local exchange carrier, GTA Telecom.³³

²⁷ GT Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 11-03, filed August 28, 2012, at p. 3; see also Exhibit B.

²⁸ Id. at p. 3; Confidential Submission of Exhibit C to Petition for Annual Certification from the Guam Public Utilities Commission Re Universal Service Funds.

²⁹ GT Petition for Annual Certification from the Guam Public Utilities Commission Re: Universal Service Funds (47 C.F.R. §54.314), GT Docket 11-03, filed August 28, 2012, at p. 3

³⁰ Id. at p. 4.

³¹ Id.

³² Id.

- (8) Equal Access Certification. GT acknowledges and certifies that the PUC may require it to provide equal access to long distance carriers in the event that no other ETC is providing equal access in the service area.³⁴

RECOMMENDATION

It is Counsel's opinion that there is a sufficient factual and evidentiary basis upon which the Commission can reasonably certify that the USF distributed to GT in calendar year 2013 will be used in accord with the purposes and requirements stated in the Federal Act and Code of Federal Regulations. Counsel recommends that GT's request for USAC certification be GRANTED.

Legal Counsel has not become aware of any contrary evidence which would contradict any of the above certifications by GT. It is Legal Counsel's belief that GT has satisfied all of the requirements set forth in the Code of Federal Regulations, the GT ETC Designation Order, and the FCC's requirements. There is no basis upon which it would be expected that USF support will not be used by GT for the purposes intended. Therefore, Legal counsel recommends approval of GT's request for USAC certification.

Dated this 8th day of September, 2012.

Frederick J. Horecky
PUC Legal Counsel

³³ Id.

³⁴ Id.