



On March 17, 2005, the FCC released its ETC (“Eligible Telecommunications Carrier”) Designation Order, which adopted specific requirements for ETCs granted designation pursuant to Section 214(e)(6) of the Federal Act.<sup>7</sup> The FCC designated nine core services that are eligible for Universal Service Fund (USF) support: single party service; local usage; voice grade access to the public switched telephone network; dual tone multifrequency signaling; access to emergency services; access to operator services; access to interexchange services, access to directory assistance; and toll limitation service for qualifying low-income consumers.<sup>8</sup>

### COMPLIANCE WITH FCC AND ETC DESIGNATION ORDER REQUIREMENTS

In its Petition, GTA certifies that, in accordance with 47 C.F.R. §54.101, GTA provides all of the core services that are designated for USF support. It offered all of the services designated by the FCC for support pursuant to Section 254 (c) of the Federal Act during calendar year 2018 and to date in 2019.<sup>9</sup> It provides those services as part of its basic residential and business local line service under its General Exchange Tariff approved by the PUC.<sup>10</sup> Through GTA’s tariff, its customers are able to purchase single party, unlimited local usage telephone services that utilize dual tone multifrequency signaling. In addition, GTA provides access to 911 as well as access to operator services, directory assistance and access to interexchange services. It provides toll limitation for domestic and international toll calls.<sup>11</sup>

The federal support received by GTA is Broadband Loop Support.<sup>12</sup> GTA further certifies that, as a recipient of Connect America Fund-Broadband Loop Support “throughout 2018, it took reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10 Mbps downstream/ 1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas and that requests for such service are met within a reasonable amount of time.<sup>13</sup>

GTA has submitted information to demonstrate that it is in compliance with the FCC requirements of the ETC Designation Order:

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<sup>7</sup> *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) (the “ETC Designation Order”).

<sup>8</sup> Id.

<sup>9</sup> GTA Petition, *supra*, at p.5.

<sup>10</sup> GTA Petition, *supra*, at p. 2.

<sup>11</sup> Id.

<sup>12</sup> Id. at p. 5.

<sup>13</sup> Attachment to GTA Petition, Response to Line 3010 – Milestone Certification (47 CFR §54.313(f)(1)(i)).

1. Progress report on the ETC's five-year Service Quality Improvement Plan. The Federal Communications Commission requires ETCs to submit a five-year build-out plan in a manner consistent with Section 54.202(a)(1)(c) of the Commission's Rules by July 1, 2014 and to submit annual progress reports thereafter.<sup>14</sup> Section 54.202(a)(1)(ii) requires the ETCs to submit a five-year plan that describes with specificity proposed improvements or upgrades to the ETC's network throughout its proposed service area, including an estimate of the area and population that will be served as a result of the improvements.<sup>15</sup>

In particular, the FCC March 5, 2013 Order specified that, for rate-of-return carriers [i.e. "GTA"], the five-year plans "should describe the carrier's network improvement plan, which should provide greater visibility into current plans to extend broadband service to unserved locations in rate-of-return service territories."<sup>16</sup> The FCC has indicated that a key component of the certification issued by entities such as the Guam PUC under Section 254(e) is whether USF support is being used to maintain and extend modern networks capable of providing voice and broadband service.<sup>17</sup>

The FCC's five-year plan requirements require the ETC to describe with "specificity" the proposed improvements or upgrades to the ETC's network throughout its service area: (1) how signal quality, coverage, or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation; (2) the projected start date and completion date for each improvement and the estimated amount of investment for each project that is funded by high-cost support; (3) the specific geographic areas where the improvements will be made; and (4) the estimated population that will be served as a result of the

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<sup>14</sup> See *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund*; WC Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-61 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*) at Para. 587; *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Order, DA 13-332 (rel. Mar. 5, 2013) ("*March 5, 2013 Order*") at Para's. 4, 6-9. Delaying Five Year Plan until July 1, 2014 see WC Docket No. 10-90, Order, DA 13-1115, Para 8 (released May 16, 2013).

<sup>15</sup> 47 C.F.R. §54.202(a)(1)(ii).

<sup>16</sup> March 5, 2013 Order at Par. 9 *citing* Section 54.202(a)(1)(ii).

<sup>17</sup> USF/ICC Transformation Order at Par. 612.

improvements.<sup>18</sup>

GTA has submitted, under seal, its Five-Year Service Quality Improvement Plan.<sup>19</sup> Appendix A, GTA's Five-Year Buildout Plan, sets forth GTA's major network improvement projects for the six calendar years 2020 through 2025, along with the start and completion dates, capital costs, project type, and areas and populations associated with those projects.<sup>20</sup>

GTA indicates that use of eligible funds for these projects will enhance its network and invest in new technology.<sup>21</sup> Numerous projects are listed for 2020-2026, including: installation of VDSL and fiber expansion.<sup>22</sup> VDSL is "Very high data rate Digital Subscriber Line." It is a "hybrid loop scenario", with Fiber to the Neighborhood, providing distribution from the central office to the neighborhood, which carries the signal the last leg to the residential premises.<sup>23</sup> GTA has also indicated a breakdown of the estimated capital expenditures associated with the projects and operating expenses.<sup>24</sup>

Submitted as an Attachment to its Petition are certifications by Teleguam Holdings LLC that it is able to function in emergency situations.<sup>25</sup> GTA also certifies that it complies with applicable service quality standards.<sup>26</sup>

2. Detailed information on any outage lasting at least 30 minutes. GTA had no outages that affected landline service in 2018. In 2019, GTA has three (3) outages that affected the landline service.<sup>27</sup> On May 16, 2019, there was a wireless outage in Tumon for 1.5 hours. Approximately 384 ports and 427 landlines were affected. The cause was an Occam transport issue, and the fix was the reload of Occam blade software. On June 29, 2019, there

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<sup>18</sup> *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, FCC 05-46 (rel. Mar. 17, 2005) ("2005 ETC Order").

<sup>19</sup> GTA Petition, *supra*, GTA Docket 19-01, EVIDENTIARY SUBMISSION, Appendix A, GTA's Five-Year Buildout Plan.

<sup>20</sup> *Id.*

<sup>21</sup> GTA Petition, *supra*, at pg. 5.

<sup>22</sup> GTA Petition, *supra*, EVIDENTIARY SUBMISSION, Appendix A, GTA's Five-Year Buildout Plan.

<sup>23</sup> Newton's Telecom Dictionary (25<sup>th</sup> Anniversary Edition 2009), definition of VDSL.

<sup>24</sup> Appendix A, GTA's Five-Year Buildout Plan; see also EVIDENTIARY SUBMISSION, GTA Audited Financial Plan.

<sup>25</sup> GTA Petition, *supra*, Attachment, and also at GTA Petition, pg. 4.

<sup>26</sup> GTA Petition, *supra*, at pg. 4.

<sup>27</sup> GTA Petition, *supra*, at p. 3.

was an Agat REC outage for four hours, impacting 133 landlines. The cause was RCC card failure, and the fix was replacement and reload of RCC cards. On September 7, 2019, there were wireline outages of the Yigo REC for four hours, impacting 96 landline subscribers and 3,168 Adtran customers (assuming all ports were provisioned). The cause was a backup power failure at the Yigo remote.

3. The number of requests for service from potential customers that were unfulfilled for the past year. There were no requests for service from potential customers that were unfulfilled for the past year, other than requests that GTA was unable to fulfill due to the subscriber's inability to pay the required deposits for delivery of service or service drops for new subscribers.<sup>28</sup>
4. The number of complaints per 1,000 handsets or lines. During calendar year 2018 and to date 2019, GTA was not aware of any end user complaints filed with the PUC or any other regulatory body.<sup>29</sup>
5. Certification that the ETC is complying with applicable service quality standards. GTA certifies that it adheres to all applicable PUC service quality standards.<sup>30</sup>
6. Certification that ETC is able to function in emergency situations. GTA certifies that it has the ability to remain functional in emergency situations. Through the use of its backup electricity generators, buried copper and fiber plant, and backup battery power at its Central Office and Remote Equipment Centers, GTA has the necessary infrastructure and equipment to remain functional in situations that include fires, earthquakes or typhoons.<sup>31</sup>
7. Certification that the ETC is offering a local usage plan that is comparable to the incumbent LEC. GTA is the incumbent LEC and offers an unlimited local usage plan to its subscribers.<sup>32</sup>

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<sup>28</sup> Id.

<sup>29</sup> Id. at p. 4.

<sup>30</sup> Id.

<sup>31</sup> Id.

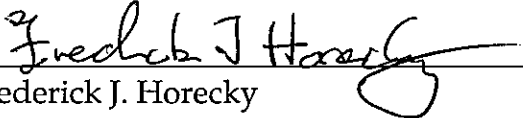
<sup>32</sup> Id.

8. Certification that the carrier acknowledges that the Commission may require it to provide equal access. GTA currently offers equal access to all of its subscribers and therefore is in compliance with this requirement.<sup>33</sup>

GTA has also provided the required certification that it has advertised the availability of the supported services and charges through general media distribution, including direct mailing, Internet, newspaper advertising, and radio.<sup>34</sup>

GTA indicates that, for calendar year 2018, it received \$6,273,522.00 in Broadband Loop Support.<sup>35</sup> For the 2019 calendar year to date, GTA received a total of \$4,623,377.00 in Broadband Loop Support.<sup>36</sup> GTA has also submitted audited financial data for 2018 as an attachment to its Petition to demonstrate that all funds are being used to support core services.<sup>37</sup> Based upon the Petition and supporting exhibits submitted by GTA, it appears that the USF received in calendar year 2018 has been used as intended. The Administrative Law Judge is not aware of any evidence which contradicts the above certifications by GTA and believes that such certifications should be accepted. It is the Administrative Law Judge's recommendation that GTA's request for USAC Certification be granted. The Commission may reasonably certify that future USF received by GTA will be appropriately used. A draft letter to the FCC approving Teleguam Holdings LLC "Use" certification is submitted herewith.

Dated this 24<sup>th</sup> day of September, 2019.

  
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Frederick J. Horecky  
Administrative Law Judge

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<sup>33</sup> Id.

<sup>34</sup> Id.

<sup>35</sup> Id.at p. 5

<sup>36</sup> Id.

<sup>37</sup> EVIDENTIARY SUBMISSION, GTA Audited Financial Statements, attached to GTA Petition (GTA Audited Financial Data).

**Guam Public Utilities Commission**

**To: Marlene H. Dortch  
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**RE: CC Docket 96-45/WC Docket No. 10-90 –Annual State-Certification of  
Support for Eligible Telecommunications Carriers Pursuant to 47 C.F.R.  
§54.314**

Pursuant to the requirements of 47 C.F.R §54.314, the Guam Public Utilities Commission hereby certifies to the Federal Communications Commission and the Universal Service Administrative Company that Teleguam Holdings, LLC, is eligible to receive federal high-cost support / broadband loop support for the program years cited.

The Guam Public Utilities Commission certifies for Teleguam Holdings, LLC, that all federal high cost support/ broadband loop support provided to such carrier within Guam was used in the preceding calendar year (2018) and will be used in the coming calendar year (2020) 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.

I am authorized to make this certification on behalf of the Guam Public Utilities Commission. This certification is for study area 663800 for the Territory of Guam.

Dated this 26th day of September, 2019.

  
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Jeffrey C. Johnson  
Chairman  
Guam Public Utilities Commission