

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

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| IN RE: COMMUNICATIONS 1 NETWORK, INC. (WIRELESS) | DOCKET NO. 199 IAC 39.2(4) |
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ORDER DESIGNATING ELIGIBLE CARRIER

(Issued December 28, 2005)

On November 7, 2005, Communications 1 Network, Inc. (Wireless) (Communications 1), filed with the Utilities Board (Board) an application for universal service eligible carrier status in Iowa. Communications 1 requests the Board designate it as an eligible telecommunications carrier pursuant to 199 IAC 39.2(4).

On August 25, 2003, the Board initiated a rule making, In re: Eligible Telecommunications Carrier Designation for Wireless Carriers, Docket No. RMU-03-13, which was intended to bridge the gap that existed between wireless and wireline companies with respect to the receipt of universal service funding by allowing wireless companies to serve parts of incumbent service areas pursuant to their operating licenses issued by the Federal Communications Commission (FCC). On May 24, 2004, the Board adopted 199 IAC 39.2(5)"c," which describes when eligible telecommunications carrier (ETC) status will be granted to wireless telecommunications carriers that apply for that status, based on their certification from the FCC.

Board rule 39.2 provides a means by which the Board can designate Iowa telecommunications companies to be eligible to receive funding from the universal service fund, as defined by the Telecommunications Act of 1996, 47 U.S.C. § 254. Under the Act (and FCC regulations implementing the Act), the Board must determine that a carrier meets the following service requirements before it may be designated an eligible carrier as set forth in subrule 39.2(4):

- 1) Offer the services supported by the federal universal service fund;
- 2) Offer the services using its own facilities or a combination of its own facilities and resale (47 C.F.R. § 54.201(c) provides that "own facilities" includes purchased unbundled network elements);
- 3) Advertise the availability of the supported services; and
- 4) Offer the services throughout the designated service area.

An ETC must also offer a minimum amount of local exchange service, defined in usage minutes, provided with no additional charge to customers. See FCC 98-272, October 26, 1998. See also 199 IAC 39.2(1)"b." The FCC has not yet quantified a minimum amount of local usage required to be included in a universal service offering, but has initiated a separate rule making proceeding to address this issue. Id. Any minimum local usage requirements established by the FCC as a result of that rule making would be applicable to all designated ETCs. The Board understands that Communications 1 will comply with any and all minimum local usage requirements adopted by the FCC. The Board also understands that until the

FCC establishes a minimum requirement, Communications 1 will offer at least one universal service offering with unlimited local calling.

In its request for designation, Communications 1 states that it satisfies each of these named requirements. Based upon these unopposed representations and the company's commitment to follow the minimum local usage requirements when adopted by the FCC, the Board finds that Communications 1 offers the services supported by the federal universal service fund, using its own facilities or a combination of its own facilities and resale of the facilities of another carrier.

Communications 1 states that it is licensed by the FCC to serve the area of ISA 121 in Iowa and that it intends to provide universal service fund-supported services throughout its licensed service areas. The Board finds that this assertion by Communications 1 satisfies 199 IAC 39.2(5).

Communications 1 also states that it will provide to the Board, for informational purposes, a description of the service and rate plan(s) when it commences providing universal service fund offerings to Iowa customers. The Board finds these commitments by Communications 1 adequate to assure that public interest concerns will be satisfied.

The Board also notes that pursuant to a federal mandate, Communications 1 is required to file a certification regarding its use of universal service funds with the Board. This filing will be made pursuant to 199 IAC 22.2(7), as described in Docket No. RMU-01-14, In re: Certification of Rural and Non-Rural Telecommunications Carriers.

IT IS THEREFORE ORDERED:

1. Eligible telecommunications carrier status is granted to Communications 1 Network, Inc. (Wireless), as requested in its application filed November 7, 2005, subject to the voluntary commitments described in the body of this order.

2. The designated service area for Communications 1 Network, Inc. (Wireless), shall be the area in Iowa where Communications 1 Network, Inc. (Wireless), is licensed by the Federal Communications Commission to provide service.

3. The Executive Secretary of the Utilities Board shall mail copies of this order to Communications 1 Network, Inc. (Wireless), the Universal Service Administration Company, the Federal Communications Commission Universal Service Branch, and the Federal Communications Commission Office of the Secretary.

UTILITIES BOARD

/s/ John R. Norris

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Curtis W. Stamp

Dated at Des Moines, Iowa, this 28th day of December, 2005.