

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1217

In the Matter of )  
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PUBLIC UTILITY COMMISSION OF )  
OREGON )  
 )  
Staff Investigation to Establish )  
Requirements for Initial Designation and )  
Recertification of Telecommunications )  
Carriers Eligible to Receive Federal )  
Universal Service Support. )

ORDER

**DISPOSITION: REQUIREMENTS ESTABLISHED**

In this docket, the Public Utility Commission of Oregon (Commission) considered the requirements that must be met by carriers seeking certification and recertification as Eligible Telecommunications Carriers (ETCs). After careful consideration of the testimony and briefs in this case, as well as decisions of the Federal Communications Commission (FCC), the Commission establishes the ETC requirements as set forth in this order, and as specified in Appendix A to this order.

**Background**

The Telecommunications Act of 1996 (the Act) provides for the designation of carriers eligible to receive Universal Service Fund (USF) support. *See* 47 USC § 214(e). USF support is designed to promote quality services at just, reasonable, and affordable rates; access to advanced telecommunications and information services; access to services in rural areas comparable to services in urban areas; and other policies as are developed over time. *See* 47 USC § 254(b). Universal service is further defined as “an evolving level of telecommunications services.” 47 USC § 254(c)(1). Designated ETCs are eligible to receive USF support, but must “use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.” 47 USC § 254(e).

An ETC that is an incumbent local exchange carrier (ILEC) receives USF support based the cost of providing supported services. A competitive ETC (CETC) only receives USF support for customers that it serves in areas where USF support is distributed to ILEC ETCs. *See* 47 CFR § 54.307(a). The ETC can offer services, either using its own facilities or through a combination of its own facilities and resale of another

carrier's services. *See* 47 USC § 214(e)(1). An ETC does not receive support if it serves a customer through resale of another carrier's services, but only if it serves the customer using its own facilities. *See* 47 CFR § 54.307(a)(3). The amount of support provided to the CETC for a customer line mirrors the amount provided to the in ILEC for that customer line. *See* 47 CFR § 54.307(a)(4).

The basic test for whether an applicant should be designated as an ETC is (1) whether it offers the services supported by federal universal service support mechanisms, and (2) whether it advertises those services. *See* 47 USC § 214(e)(1). The Act then requires two different standards for granting ETC designation depending on what type of ILEC serves the area in which ETC status is sought. Where a non-rural ILEC serves the area, the state commission shall designate more than one ETC “upon request and consistent with the public interest, convenience, and necessity.” 47 USC § 214(e)(2). Where a rural ILEC serves the area, the state commission may choose to designate more than one ETC only after a specific finding “that the designation is in the public interest.” *Id.*

Because some states did not have jurisdiction over certain classes of carriers, generally wireless carriers, the FCC issued several decisions reviewing state ETC applications. In particular, the FCC articulated a cream-skimming test in denying designation for certain applicants in some areas. *See Federal-State Joint Board on Universal Service; Highland Cellular, Inc. Petition for Designation as an Eligible Telecommunications Carrier for the Commonwealth of Virginia*, FCC 04-37, 19 FCC Rcd 6422 (rel April 12, 2004); *Federal-State Joint Board on Universal Service, Virginia Cellular, LLC, Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*, FCC 03-338, 19 FCC Rcd 1563 (rel Jan 22, 2004). While those decisions are not required to be applied by state commissions in reviewing ETC designations, this Commission has used them for guidance. *See, e.g.*, UM 1083, Order No. 04-355, 11 (RCC Minnesota); UM 1084, Order No. 04-356, 11 (United States Cellular Corporation (USCC)).

On March 17, 2005, the FCC adopted recommendations by the Federal-State Joint Board on Universal Service (Joint Board) regarding mandatory requirements for ETC designation proceedings and recertification filings, discussed throughout this order. *See In the Matter of Federal-State Joint Board on Universal Service*, FCC 05-46, 20 FCC Rcd 6371 (rel March 17, 2005). The FCC clearly stated that it did not mandate that state commissions adopt its requirements for ETC designation and recertification. *See id.* at ¶ 61. Further, although state commissions retain the flexibility to impose additional eligibility requirements, *see id.*, the FCC discouraged states from adopting certain standards just for “regulatory parity for parity’s sake,” *see id.* at ¶ 30.

In this case, the Commission opened the docket at the public meeting on August 16, 2005, following a recommendation by Staff. Citizens’ Utility Board filed a notice of intervention pursuant to ORS 774.180. RCC Minnesota, Qwest Corporation (Qwest), Sprint, Oregon Telecommunications Association (OTA), Frontier, VCI Company, Verizon Northwest Inc. (Verizon), USCC, Edge Wireless, Wantel, Cingular

Wireless, Malheur Home Telephone Company also intervened in the docket. An issues list was adopted October 28, 2005. Testimony was filed on December 13, 2005, and February 8, 2006, and a hearing was held on March 9, 2006. Briefs were filed on April 17 and May 1, 2006. Based on the evidence in the record, the Commission adopts the following requirements for ETC certification and recertification, following the issues list as set forth in this docket.

- I. What policy objectives should the Commission attempt to achieve through this docket?

The parties are in general agreement that the basic policy objectives of this docket should be consistent with FCC orders and relevant portions of the 1996 Telecommunications Act. In its testimony, Staff outlined eight basic principles to guide this proceeding. No party raised significant objections to Staff's principles.

As such, the parties agree that the Commission should strive to ensure that the ETC designation and recertification process and guidelines:

- (1) Are consistent with the universal service principles in the 1996 Telecommunications Act;
- (2) Incorporate principles of competitive and technological neutrality;
- (3) Reflect the mandatory requirements and constraints imposed by the Act and the FCC rules;
- (4) Result in the most-cost-effective and efficient use of support funds;
- (5) Direct support into areas with the greatest need based on local characteristics, not on whether the area is served by a "rural" or "non-rural" carrier;
- (6) Encourage growth and expansion of telecommunications platforms capable of providing broadband and advanced services into areas where the market economics may not justify deployment without support;
- (7) Provide support only to carriers that are able to provide required services and are committed to the responsibilities that accompany support; and
- (8) Create clear expectations regarding their responsibilities associated with the receipt and use of support funding.

Several parties proposed additional guidelines to be considered in this docket. RCC and USCC filed a joint brief in which they suggest the Commission's guidelines should ensure "complete and thorough accountability of the use of all USF support received by both competitive ETCs and ILEC ETCs." *See* RCC-USCC/4, Wood/6. Staff replies that this is reflected in the third objective listed above.<sup>1</sup> *See* Staff

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<sup>1</sup> RCC and USCC also propose the following policy object: "reporting requirements that reflect the market power and position of each competitive ETC or ILEC ETC." *See* RCC-USCC/4, Wood/6. Staff states that this proposal is unclear how market power and position should result in different reporting requirements. *See* Staff Opening Brief, 3. Reporting requirements are discussed further in section III.

Opening Brief, 2. Verizon contends that the guidelines should be consistent with Governor Kulongoski's directive that Oregon administrative agencies should seek the elimination of any unnecessary paperwork or review requirements. *See* Verizon Opening Brief, 5. Staff agrees and states that directive was considered appropriately in the reporting requirements discussed in section III. *See* Staff Response Brief, 1-2. Verizon also proposes consideration of the maintenance and sustainability of the USF. *See* Verizon Opening Brief, 4 n 3. Staff disagrees that the impact on the USF should be considered, as discussed more fully in section II.B.1. *See* Staff/1, Marinos/18-19.

### *Conclusion*

The parties have generally agreed to the eight principles set out above. Disagreements are discussed in the relevant sections later in this order. We find that these eight principles should guide future Commission decisions regarding ETC designation and recertification.

## II. Initial Designation of ETCs

### *A. What specific basic eligibility requirements should the Commission adopt for the initial designation of ETCs?*

The parties agree that the Commission should adopt the minimum federal requirements for initial designation set forth in Section 214(e)(1) of the Act. The parties also agree that the Commission should adopt the nine supported services listed in FCC's rules. *See* 47 CFR § 54.101(a). The Commission is authorized to adopt additional requirements.

#### 1. Should the Commission adopt any, or all, of the requirements proposed by the FCC in Order No. 05-46?

In FCC Order 05-46, there are five permissive eligibility requirements for initial designation of ETCs, which state commissions are encouraged to adopt:

- (1) Commitment and ability to provide supported services throughout the proposed service area, including a 5-year network improvement plan;
- (2) Ability to remain functional in emergency situations;
- (3) Commitment to meeting consumer protection and service quality standards;
- (4) Offering of local usage plan comparable to the ILEC in the serving area; and
- (5) Acknowledgment that it may be required to offer equal access to long distance carriers in the event no other ETC is providing equal access within the service area.

The parties generally agree that the Commission should adopt the requirements in FCC Order 05-46, with one modification. The Order's requirements call

for a five year network improvement plan, including detailed information regarding planned improvements. Staff endorses a five year plan for ETCs applying for initial designation, but recommends that detailed information only be required for the first two years. In addition, Staff supports eliminating the FCC's proposed requirement for wire-center level of detail for investments. *See* Staff Opening Brief, 4. Parties generally support requiring details for only the first two years, asserting that locking in to a five year plan will not allow them to respond to market forces in improving their facilities.

Parties disagree as to how to apply the fourth requirement, the offering of comparable local usage, to carriers that offer different kinds of service. The FCC has not provided definitive guidance in this area, but has noted that state commissions are not prohibited from prescribing some amount of local usage for ETCs. *See* FCC Order 05-46, ¶ 34. Incumbent wireline LECs are required to provide unlimited local calling on a flat-rate basis, *see* ORS 759.235, and wireline CLECs offer similar service. The Commission has found that wireless carriers may not provide unlimited local calling for a flat rate, but other benefits of the service offset that for a finding of comparable service. *See, e.g.,* UM 1177, Order No. 05-965, 8 (no day time local minutes were provided, but unlimited calls to emergency services, road reports, and plans for calls to social service agencies were provided). Staff's recommendation, modified after comments by RCC and USCC, is to put the burden on a wireless ETC applicant to show how its local usage calling plan is "comparable" to those offered by the ILECs in its proposed service area, to be analyzed on a case by case basis. Further, Staff suggests that all ETCs should have at least one affordable offering similar to an ILEC's basic local service offering, as an alternative for low-income customers. *See* Staff Opening Brief, 5.

Cingular objects to the fifth requirement, contending that wireless carriers are expressly not required to provide equal access to toll service providers. It argues that only the FCC has the authority to require equal access of wireless carriers. Staff disagrees, stating that the Commission's adoption of this FCC-originated requirement is lawful, and points out that it is good public policy to ensure all ETCs are willing and able to provide equal access. The FCC has stated that, if an ETC relinquishes that designation, the Commission must examine whether the remaining customers will be served by the remaining ETCs. "As part of that process, the Commission might also examine whether it is necessary to require the remaining ETC to provide equal access." FCC Order 05-46, ¶ 36.

### *Conclusion*

Consistent with the comments made by parties, the requirements for initial designation in the FCC order should be adopted, with the modification proposed by Staff. Only new applicants for ETC status should present a five year plan with details for the first two years, and ETCs applying for recertification should present a detailed two year plan for build out of their facilities. Regarding the third requirement, regarding service quality, we note that at least one past ETC applicant has adopted the Cellular Telecommunication and Internet Association's (CTIA) Consumer Code for Wireless

Service, which sets forth particular service quality standards for wireless providers.<sup>2</sup> *See* Order No. 05-965, 7 (Edge Wireless). We encourage future applicants to adopt that code. Further, applicant ETCs should specify their local service offerings, which will be analyzed on a case by case basis. At least one affordable basic local service offering should be made available for low-income customers.

As to Cingular's objection to providing equal access to long distance carriers if there are no other ETCs in the area, we note that carriers that are designated ETCs are given the benefits of funding from the USF, in exchange for taking on certain responsibilities. For instance, in an area where there is more than one ETC, and one ETC relinquishes that status, the remaining ETC must be able to serve all customers of the relinquishing ETC within one year. *See* 47 USC § 214(e)(4). In such a case, particularly if the remaining ETC were the only one designated in the area, the remaining ETC would bear the responsibility for providing universal service in that area. We conclude that it is appropriate to put ETCs on notice that, in such a case, and in accordance with the FCC's recommendation, the last remaining ETC may be responsible for providing equal access to wireless carriers in that instance.

2. Should the Commission adopt other basic eligibility requirements?

Staff recommends, and all parties agree, that the Commission adopt seven additional eligibility requirements for initial ETC designation:

- (1) A statement demonstrating that the applicant is an authorized common carrier including types of services provided;
- (2) Commitment to offer all required services including disclosure of required services not currently offered and when they will be made available;
- (3) Commitment to advertise;
- (4) Commitment to offer all supported services throughout the service area;
- (5) Explicit identification of the proposed designated service area;
- (6) A description of facilities to be used to provide service;
- (7) Commitment to offer required low-income customer services.

OTA proposes service quality standards for wireless ETCs, similar to those imposed on wireline ETCs. Specifically, OTA recommends held order and provisioning requirements, trouble reports by wire center, repair clearing time standards, an equivalent standard for blocked calls by wire center, access to business office and

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<sup>2</sup> Under the CTIA Consumer Code, wireless carriers agree to the following terms: (1) disclose rates and terms of service to customers; (2) make available maps showing where service is generally available; (3) provide contract terms to customers and confirm changes in service; (4) allow a trial period for new service; (5) provide specific disclosures in advertising; (6) separately identify carrier charges from taxes on billing statements; (7) provide customers the right to terminate service for changes to contract terms; (8) provide ready access to customer service; (9) promptly respond to consumer inquiries and complaints received from government agencies; and (10) abide by policies for protection of consumer privacy.

repair centers, and standards for switching equipment. *See* OTA Opening Brief, 3. OTA contends that it is inequitable to impose service quality standards only for wireline services, and that a wireless standard is appropriate to satisfy the service quality condition on the receipt and use of universal service funds. OTA acknowledges that the Commission does not generally have jurisdiction to establish service quality standards for wireless ETCs, however it argues that jurisdiction attaches in order to ensure compliance with the Act as part of the ETC certification process. OTA notes that the Minnesota and Oklahoma Commissions have used their jurisdiction to impose such service quality standards on wireless carriers, and that the decision in *Tex. Off. of Pub. Util. Counsel v. FCC*, 183 F3d 393, 418 (5<sup>th</sup> Cir 1999), *cert granted sub nom, GTE Serv. Corp. v. FCC*, 530 US 1213 (2000), *cert dismissed*, 531 US 975 (2001) (*TOPUC*), permits state commissions to add conditions when it reviews ETC applications.

Staff, RCC, and USCC disagree with OTA's proposal, contending that the application of additional wireless service quality standards will constitute parity only for parity's sake and is neither necessary nor useful. Staff acknowledges that service quality is a condition of the receipt and use of universal service funds; however, Staff argues that requiring ETCs to file a network improvement plan and account for how funds are spent will satisfy this condition. Staff adds that the Commission does not have jurisdiction to apply additional service quality standards for wireless ETCs, and that such a standard is not necessary in any case because market forces will persuade wireless carriers to provide satisfactory quality service. Further, RCC and USCC point out that a wireless service quality standard will require wireless carriers to change the way they measure their service, constituting a significant and unnecessary burden. The FCC cautioned state commissions against imposing additional service quality requirements for CETCs, "encourag[ing] states that impose requirements on an ETC to do so only to the extent necessary to further universal service goals." *See* FCC Order 05-46, ¶ 30.

OTA responds that while identical standards may be inordinately burdensome, equivalent standards are not. Moreover, OTA contends that the standards are critical to providing universal service. OTA also contends that many wireless customers are stuck in long-term contracts and are not able "vote with their feet" as argued by Staff.

### *Conclusion*

We adopt the seven eligibility requirements for initial ETC designation proposed by Staff and recommended by the parties. As to OTA's proposal for additional service quality standards for wireless carriers, we hesitate to adopt those requirements at this time, due to questions of our legal authority. Moreover, the impact of market forces tempers any concerns that we have regarding wireless service quality issues. We will monitor the provision of wireless service through detailed reports, as discussed below.

3. Should the same requirements apply to applications for designations in rural and non-rural ILEC service areas?

In general, the parties agree that the same requirements should apply for ETC designation areas served by rural and non-rural ILECs. The FCC has stated “that many of the same factors should be considered in evaluating the public interest for both rural and non-rural designations, except that cream-skimming effects will be analyzed only in rural study areas.” See FCC Order 05-46, ¶ 11.

*Conclusion*

In reviewing applications, we should review them in their entirety and apply the same requirements in areas served by rural ILECs and non-rural ILECs.

4. Should the same requirements apply regardless of the type of support (traditional high-cost, interstate access/common line, low-income) that the ETC will receive?

Parties generally agree that the same requirements should apply to carriers who receive any kind of USF support, except those who receive low-income support. As to those carriers, parties agree that they should not be required to provide a network build-out plan. A plan is simply not applicable to these ETCs because low-income support flows directly to low-income customers and is not used to expand or improve the carrier’s network.

OTA also recommends a shorter application process for applicants seeking only low-income support to encourage outreach to low-income customers. Staff counters that OTA did not provide sufficient justification for, and the necessary specifics behind its recommendation. Further, Staff argues that the FCC makes no such distinction; therefore the Commission should not adopt OTA’s suggestion.

*Conclusion*

We agree that carriers who receive only low-income support should not be required to provide build out plans because such support goes directly to the customers and is not used for developing the carrier’s network. As for the suggestion that we implement a shorter application process for carriers seeking only low-income support, we instead adopt OTA’s final suggestion that we take this issue under advisement while the FCC considers the issue further. After the FCC issues its recommendations on the subject, we may hold a workshop to consider implementation of a shorter process for carriers seeking only Lifeline support in Oregon.

*B. What specific criteria should the Commission adopt to determine whether designation of a competitive ETC is in the public interest, as required by Section 214(e)(2) of the Telecom Act?*



1. Should the Commission adopt the criteria proposed by the FCC in Order No. 05-46?

The FCC applies two criteria to determine whether designation of a carrier is in the public interest: (1) the benefits of increased consumer choice; and (2) the advantages and disadvantages of the particular service offerings made available by the designation. *See* FCC Order 05-46, ¶ 41. The parties agree that the Commission should apply these criteria when making designations. The Commission may also consider other public interest criteria.

OTA proposes that the Commission assess the impact on the size of the fund when applying the public interest criteria. It argues that because all consumers pay into this fund, ignoring the impact of additional designations on the fund is fiscally irresponsible. Staff counters that the designation of any particular ETC is not likely to have a significant impact on the fund. Instead, the Commission should consider the benefits of each applicant to Oregon consumers. RCC and USCC agree with Staff, contending that the solution to the size of the fund, if it is a problem, should be determined on a national level.

*Conclusion*

We have acknowledged the growing concern related to ETC designation and its impact on the federal USF. *See, e.g.*, Order No. 04-355, 11. However, we also note that the designation of ETCs in Oregon would have a limited impact on the federal fund. As Staff notes, this issue must be addressed on the national level. In the meantime, we will continue to balance the public interest criteria and consider the value added to Oregon customers.

2. Should the criteria differ between designations in rural and non-rural ILEC service areas?

OTA proposes that in addition to the above criteria, a cream-skimming test should be applied before an ETC designation is made in rural ILEC service areas. Cream-skimming refers to the possibility that a competitive ETC will serve a disproportionate share of the high-density portion of a rural service area. Support for each line is based on the ILEC's average costs for serving the entire service area.<sup>3</sup> By "cream-skimming" the lower-cost lines, an ETC may receive more support than is reflected in the ILEC average cost. The test would consist of a density analysis to review cream-skimming potential and would require an ETC to demonstrate that it will not occur where the ETC proposes to serve only a portion of a rural ILEC's service area. The FCC has proposed that this test be applied in cases where an ETC proposes to serve only a portion of a rural ILEC's study area. *See* FCC Order 05-46, ¶¶ 48-53.

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<sup>3</sup> Support is only calculated in this manner where an ILEC has not disaggregated support below the study area level. Where support has been disaggregated, the amount of support per line is more reflective of the actual costs of providing service.

OTA contends that the test is necessary because cream-skimming will unfairly affect an ILEC's ability to serve the rest of its customers. If an ILEC loses its lower-cost lines, it is still obligated to serve the remaining higher-cost lines. OTA argues that as a result, an ILEC's actual cost will increase while support levels will remain the same and competitive ETCs will receive a "windfall." OTA also offers a number of state commission decisions to support the adoption of this test.

RCC and USCC strongly urge the Commission to reject a cream-skimming test. RCC and USCC contend that the test is unnecessary because it is not cost-effective for competitive carriers to engage in this type of strategy. It explains that because network costs vary according to discrete geographical areas, it is simply not possible to identify and "creamskim" certain low-cost customers. RCC and USCC also point out that the state decisions cited by OTA all regard *potential* cream-skimming, and that OTA was unable to produce one example of actual cream-skimming.

Staff recommends that the Commission not apply a cream-skimming test as part of its public interest determination, after the Commission mandates disaggregation. In support, Staff raises three arguments. First, Staff contends that, if cream-skimming occurs, ILECs will not be impacted as OTA predicts. Due to the high fixed costs of the communications industry, if an ILEC loses lines, its per-line costs are likely to increase, making the ILEC entitled to higher support per line. Also, because many new competitive ETCs are wireless, the likelihood of lost wirelines is minimal. Second, disaggregation of per-line costs represents a practical way to eliminate any potential cream-skimming. Staff allows that in the interim, prior to disaggregation, if an ETC proposes to serve only part of a rural service area, it should include a cream-skimming analysis in the application. OTA disagrees, arguing that disaggregation may alleviate, but will not solve, the potential for cream-skimming, and that ILECs should not have to bear the cost of disaggregation.<sup>4</sup> Finally, Staff argues that the test is anti-competitive and will block competitors from funds, to the detriment of Oregon consumers.

### *Conclusion*

The true difference between the positions represented by OTA and Staff are their underlying positions regarding disaggregation, further discussed below. Staff argues that compulsory disaggregation will be appropriate after another docket to consider the issue, and disaggregation will negate the cream-skimming problem. OTA counters that disaggregation will be a very costly step for ILECs and not an appropriate remedy to the cream-skimming problem. We have used cream-skimming tests in the past to determine whether the application of an ETC was in the public interest. *See* Order No. 04-356, 10-12. We further conclude that, until a final decision regarding disaggregation has been made, we will undertake a cream-skimming analysis for any

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<sup>4</sup> Disaggregation is discussed in depth below in section II.B.4.

ETC applicant that proposes to serve less than an entire study area of a rural ILEC. We will revisit this decision in the disaggregation docket.

3. Should the Commission require an ETC to include entire ILEC wire centers in its service area, regardless of the boundaries of its licensed area?

OTA proposes that, consistent with the FCC's position, the Commission should require that an ETC include the entire ILEC wire center in its service area. Staff agrees that this should be the rule, but an applicant may ask for an exception if it will serve the public interest.

*Conclusion*

We have previously reviewed this issue with regard to areas served by rural ILECs, and have preferred that ETCs should include entire wire centers in their service areas, in keeping with FCC guidance. *See* Order No. 04-356, 11 (Commission approved amended application after applicant revised to cover only entire wire centers). However, we will continue to consider exceptions and evaluate each in light of whether the public interest would be served by granting the application.

4. Whether and to what extent the Commission should require incumbent local exchange carriers to disaggregate and target support in a different manner, as permitted by 47 CFR Section 54.315(c)(5).

Staff, RCC, and USCC recommend that the Commission should require rural ILECs to disaggregate their support on a wire center basis resulting in varying per-line support amounts for CETCs. Conceptually, disaggregation will align the costs of serving each individual wire center with the amount of support available. Staff, RCC, and USCC contend that this is desirable because it will give competitive ETCs proper economic signals to expand into high-cost areas to obtain corresponding support amounts. In this way, the USF will have maximum beneficial impact as funds will be targeted for areas where they are needed most, in accordance with the principles established in this order.

OTA responds that the theory that disaggregation will send the "correct" economic signals ignores two fundamental facts that effectively divorce a competitive ETC's decision to serve a given area from the available per-line support. First, the economic incentive for wireless ETCs is the number of customers in the market, not the cost of service per line. Second, competitive ETC support is based on the ILEC's costs, not the competitive ETC's costs. OTA also argues that disaggregation could result in a windfall for existing competitive ETCs. Staff rejects this argument by re-characterizing what OTA calls a "windfall," as the appropriate economic support associated with the cost of providing service for a given line.

OTA and Verizon contend that the Commission does not have sufficient information on the record in this proceeding to make any decision as to whether ILECs should be required to disaggregate. OTA points out that there has been no cost/benefit analysis of disaggregation, and that a useful and accurate disaggregation may be very complex and costly. Staff responds that it is recommending only that the Commission determine that there is a need for disaggregation, not that the Commission conduct a cost/benefit analysis. Staff recommends that a new docket be opened to address the cost/benefit analysis needed to accomplish disaggregation.

*Conclusion*

The record contains evidence that disaggregation could be a substantial undertaking by ILECs, particularly rural ILECs and those that serve a diverse geographical area. The record also contains evidence to the contrary. However, this docket was opened to resolve requirements for ETC designation and recertification, not to directly address disaggregation. For this reason, we will not decide whether disaggregation should be undertaken at this time, but will instead open a new docket to consider that issue, as well as any impacts on the cream-skimming test.

5. Should the Commission adopt an upper limit on the number of ETCs that can be designated in any given area? Any party proposing adoption of an upper limit should explain its proposal in detail, including the legal basis for its position.

Staff recommends that the Commission should not adopt a cap on the number of ETCs. Staff explains that doing so would be discriminatory and that the public interest test and eligibility requirements will provide a reasonable and equitable method of limiting the number of ETCs. RCC and USCC agree with Staff, adding that the number of ETCs will also be capped by market forces.

OTA suggests that serious consideration be given to the potential exponential growth of the federal USF. OTA also raises a question as to the impact of ETC designation on the Oregon USF. Staff responds that OTA's "cryptic question" cannot be answered based on the evidence presented in this docket, as this docket is not designed to address the impact on the Oregon USF. *See* Staff's Reply Brief, 9-10. Further, eligibility to receive funds from the Oregon USF operates differently than receipt of funds from the federal USF; there is no comparison between the two, according to Staff. *See id.* at 10.

*Conclusion*

We agree that there should be no upper limit on the number of ETCs designated for a particular area. ETCs only receive funds from the USF based on the number of customers they serve in a particular area with their own facilities. A carrier will make a business decision as to whether there are sufficient customers that it believes it can sign up with its service. Market forces will serve as an appropriate cap on the number of ETCs in a given area.

As to OTA's contention that we should consider the impact of ETC designation on the Oregon USF, we agree that is not the subject of this docket and there is insufficient evidence on the record to make any decisions based on the impact on the Oregon USF.

### III. Annual Certification of ETCs

#### *A. What specific requirements should the Commission adopt for the annual recertification of ETCs?*

The Commission must certify to the FCC every year that certain of the state's ETCs are eligible to continue receiving federal universal service fund dollars. Non-rural ILECs and competitive ETCs that are designated in only non-rural ILEC areas certify directly with the FCC. Therefore, the Commission is responsible for the certification of rural ILECs and competitive ETCs that are designated in rural ILEC areas. Currently, these ETCs submit affidavits stating that they will use the funds for intended purposes. In addition, some CETCs must submit certain annual reports. *See, e.g.,* Order No. 04-355, 14. The question before the Commission is whether and how the current procedure should be changed.

Staff recommends that the Commission adopt some additional requirements for all ETCs. Staff believes these requirements will ensure that each ETC is fulfilling its universal service obligation in accordance with the Act and the FCC's rules while minimizing the reporting burden to the extent possible.

OTA, Verizon, and Qwest generally believe the current recertification process is sufficient and if new requirements are necessary, they should be as minimal as possible. These parties wish to avoid duplicative regulatory and reporting requirements for ILECs and believe the current Commission oversight is sufficient to ensure that universal service fund dollars are spent appropriately.

#### 1. Should the Commission adopt any, or all, of the FCC reporting requirements proposed in Order No. 05-46?

Staff recommends, with general agreement from all parties, that the Commission should adopt the following eight FCC reporting requirements for all ETCs, with some modifications:

- (1) Certification that the ETC will use universal service support for its intended purpose;
- (2) Certification that the ETC is complying with applicable service quality standards and consumer protection rules;
- (3) Certification that the ETC is able to function in emergency situations;
- (4) Certification that the ETC is offering a local usage plan comparable to that offered by the ILEC in the relevant service area;

- (5) An annual outage report;
- (6) An annual report on the number of requests for service that were unfulfilled;
- (7) An annual report on the number of “trouble reports” per 1,000 handsets or lines by switch or wire center;
- (8) A progress report and update on the ETC build-out plan.

See FCC Order 05-46, ¶ 69.

Staff recommends that the first four “certification statements” should be adopted as the FCC recommends. Staff suggests modifications to the other required reports. First, consistent with Staff’s network improvement plan requirement, the progress report should include only detailed build-out plan information for two years, rather than five. Second, complaints can be reported as “trouble reports” within four broad categories – no service, network busy, interruption of service (including dropped calls), and poor reception. Staff believes that these categories will provide enough flexibility for trouble reporting for wireless carriers, but if a carrier believes it needs different categories, it can request approval from Staff to use them prior to filing its annual certification report.<sup>5</sup>

OTA states that the requirements recommended by Staff should be adopted for wireless ETCs only. Wireline LECs should not be subject to new reporting requirements, argues OTA, because they have a longer history of providing service. These arguments are discussed further below.

### *Conclusion*

We agree that carriers should submit the certification statements and annual reports as outlined above. The build-out plans are essential to show that USF support is being used to promote the purposes of the fund, but the plans need only contain plans for the next two years so that the plans can be adjusted to respond to market forces. Further, we support Staff’s flexibility in allowing complaint reports to be filed in several categories and encourage wireless carriers to adapt to those categories before requesting modifications. As for arguments that wireline ILECs need not file these reports, we address those below in section III.A.3.

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<sup>5</sup> Cingular provided briefs, but no formal testimony in this docket. In its brief, Cingular argues that annual outage reports should not be submitted to the Oregon commission and already can be obtained through the Department of Homeland Security (DHS). Staff responds that Cingular’s brief is inappropriate testimony and should not be admitted to the record. In the event that it is admitted, Staff responds that obtaining outage reports from DHS is not practical and the FCC does not even accept these reports. Staff adds that other users that have participated fully in the docket indicate that they are able to meet the complaint reporting requirements. We agree that Cingular’s statement on this subject constitutes belated testimony with no opportunity for cross-examination, and is therefore not admitted into the record.

2. Should the Commission adopt other reporting requirements?

Staff recommends, with general party approval, that the Commission adopt three additional requirements:

- (1) Advertising documentation;
- (2) A progress report from competitive ETCs on any special commitments or conditions related to initial designation;
- (3) Reporting on aspects relating to low-income support.

Verizon takes issue with the first and third requirements. Verizon contends that people are generally aware that an ILEC provides supported services, that public notice sufficiently satisfies the FCC's requirements, and that advertising dollars should not be spent reminding people of what they already know. Furthermore, Verizon suggests that because the FCC has already launched an investigation into effective forms of outreach for the low-income programs, the Commission should defer its decision.

Qwest argues that the low-income program reporting requirements are not necessary because the Residential Service Protection Fund (RSPF) Staff already ensures low-income obligations are met.

Cingular contends that the advertising documentation requirement is not necessary because Cingular's advertising is readily apparent to the general public and requiring documentation is an unnecessary regulatory burden. In addition, Cingular asserts that reporting the number of Lifeline subscribers by ILEC service area is an unnecessary burden at too granular a reporting level.

Staff responds that these reporting requirements reflect the fact that there is currently little monitoring as to whether an ETC is meeting its low-income advertising obligations. Furthermore, the FCC has found that Verizon and CenturyTel have been derelict in performing required advertising of supported services in some instances. *See In re Verizon Communications Inc.*, DA 05-525, 20 FCC Rcd 4244 (rel Mar 2, 2005). Staff contends that this demonstrates the need for the Commission to monitor adherence to this requirement. Staff also recommends that this requirement not be delayed due to the current FCC investigation because the basic requirement that ETCs advertise these programs is not likely to change as a result.

*Conclusion*

We note that advertising service throughout the service area is one of the basic elements that must be shown by an ETC applicant. *See* 47 USC § 214(e)(1). In light of that pre-existing requirement, Staff's request that carriers show documentation that they have provided such advertising is not unreasonable. We agree that advertising documentation should be provided with the annual recertification filing, as well as any necessary progress reports on conditions that were attached to initial designation.

Further, providing service to low-income customers is one of the most basic reasons for USF support. It is especially vital that these customers are aware of the services provided by ETCs. Staff proposes an annual report in which the ETC states the number of Lifeline and Link Up customers at the end of the previous year, by ILEC study area; a description of how and where low-income services were advertised; and examples of advertised low-income service offerings. The second and third items do not require any particular method of advertising – it may be outreach to community health, welfare, employment offices, and other social service agencies and related organizations, *see* Order No. 04-355, 5 – but require reporting to ensure that such advertising occurs. The first item is a report that can be used to measure the effectiveness of the carrier’s advertising efforts. Because provision of service to low-income customers is an essential component of USF support, we conclude that these reporting requirements should apply to all carriers.

3. Should the same reporting requirements apply to all types of ETCs – ILEC ETCs and competitive ETCs?

RCC and USCC argues that the same reporting requirements should apply to both ILECs and competitive ETCs because reports already filed do not contain critical information regarding exactly how universal service support was used. RCC and USCC argues that this information is necessary in order for the Commission to certify to the FCC that ILEC ETCs complied with universal service obligations.

Staff recommends that the same, or appropriately similar, requirements should apply to both ILECs and competitive ETCs, with one exception: ILECs should be exempt from filing a network improvement plan. Staff explains that this is because the level of support given to ILECs is objectively determined based on federal standards and ILECs have no obligation to expand their networks, as do competitive ETCs.

Both Verizon and OTA strongly oppose any additional reporting requirements for ILECs. Already, ILECs submit detailed cost studies to the Commission that support investments made under universal fund requirements. These parties contend that requiring ILECs to resubmit this information for recertification would be redundant and unnecessary, and that if an ILEC ceased to offer universal service, the Commission would know. Further, the parties urge the Commission to recognize the long history of ILEC service quality, from years of Commission oversight and ILEC cooperation. OTA also reminds the Commission of its obligation to minimize the burden on small commercial incumbents. Both parties believe that the Commission should re-certify ILECs so long as they comply with the existing regulatory scheme.

*Conclusion*

All carriers should be subject to the same reporting requirements, with the exception that wireline ILECs need not provide a build out plan because their USF support is not expressly provided to build out their networks. As to the other requirements, they should apply to each carrier that receives USF support. To eliminate



duplicative filing requirements, wireline ILECs that file reports with the Commission may refer to those in lieu of a similar reporting requirement for ETCs.

4. Should the same reporting requirements apply regardless of the type of support (traditional high-cost, interstate access/common line, low income) received by the ETC?

Staff recommends that the same reporting requirements apply regardless of type of support, with one exception. An ETC that receives only low-income support should not be required to submit annual updates to its network improvement plan. Low-income support flows directly to the customer and is not intended to be used for system improvement. OTA, RCC, and USCC agree with this principle.

Verizon and Qwest argue that reporting requirements should only apply to recipients of traditional high-cost support. The parties explain that because Interstate Access Support (IAS) and Interstate Common Line Support (ICLS) are substitutes for implicit interstate access support, they have nothing to do with traditional high-cost support. Verizon goes on to argue that because IAS certification is done by the FCC, state Commissions have no role, and any state recertification of IAS is duplicative and unnecessary. Qwest, in a footnote, admits that there are some similarities between traditional high-cost support and IAS and appears to support annual Commission recertification as long as ILECs receiving IAS and traditional high-cost support are treated similarly.

RCC and USCC disagree with Verizon and Qwest, contending that the same reporting requirements should apply regardless of type of support. RCC and USCC argue that all ETCs must be able to demonstrate that funds were expended appropriately, and this can be done through reporting requirements. They assert that IAS/ICLS are in fact high-cost support, representing a portion of access charges that used to be implicit universal service subsidies. The Act divorced these amounts from carrier rates, making the subsidies explicit.

Staff agrees with the analysis put forth by RCC and USCC. Staff further explains that interstate access charges are recovered through the USF, as is traditional high-cost support, and as such, an ETC receiving access support should be obligated to meet all ETC requirements.

#### *Conclusion*

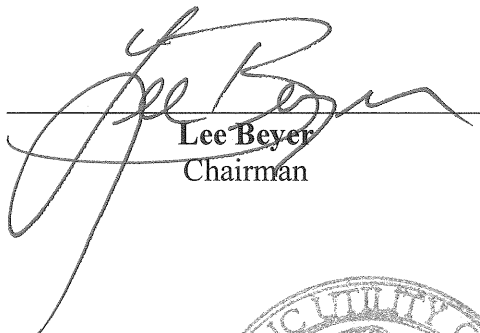
The parties agree that those receiving only low-income support should not be subject to the reporting requirement regarding network build out plans, and we decline to adopt that requirement for those carriers. However, as to carriers that receive IAS and ICLS funds, we conclude that because that support is recovered from the USF, the same requirements apply to carriers receiving that support as to carriers receiving traditional high-cost support.


**ORDER**


IT IS ORDERED that:

1. The requirements for initial designation of eligible telecommunications carriers, as set forth in this order, shall apply to any applications currently pending with the Commission as well as any others filed from this date forward;
2. The requirements for recertification, as set forth in this order, shall apply to all carriers, beginning with reports due this year; and
3. All carrier reports for recertification shall be filed by July 15 of each year or, if that date is not a business day, the next business day; and
4. A new docket shall be opened to consider whether rural incumbent local exchange carriers should disaggregate their universal service support.

Made, entered, and effective JUN 13 2006.

  
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**Lee Beyer**  
Chairman

  
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**John Savage**  
Commissioner

  
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**Ray Baum**  
Commissioner



A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

**Initial Designation – Application Requirements (Issues II.A., II. B. 1 &2)**

Requirements apply to all applicants (wireline and wireless) in all ILEC service areas (rural and non-rural) regardless of type of federal universal service support sought unless specifically noted.

1. Common carrier status
  - 1.1. Demonstration of the applicant's common carrier status.
  - 1.2. Description of the general types of services and geographic area for which the applicant is authorized in the state of Oregon.
  
2. Commitment and ability to provide all supported services
  - 2.1. Statement of commitment to offer all required supported services and description of each supported service currently offered (voice grade access to the public switched network, local usage, dual tone multi-frequency signaling or its functional equivalent, single-party service or its functional equivalent, access to emergency services, access to operator services, access to interexchange service, access to directory assistance, and toll limitation for qualifying low-income consumers).
  - 2.2. Identification of any required supported services that are not currently offered, and an explanation of when and how such services will be made available.
  - 2.3. Identification and description of each of applicant's service offerings (e.g., calling plans) that will qualify for federal universal service support (the name the plan is marketed under, the number of minutes and included calling area, and the price).
  - 2.4. Demonstration that the applicant offers a local usage plan that is comparable to the basic local service offerings of the ILEC in the proposed designated service area.
  - 2.5. Acknowledgment that applicant may be required to provide equal access if it is the only remaining ETC in an area (non-LEC applicants only).
  
3. Commitment and ability to provide supported services throughout the designated service area
  - 3.1. Explicit identification of the proposed designated service area through:
    - 3.1.1. Map showing applicant's licensed area boundaries and its requested designated service area boundaries overlaid on the boundaries of all ILEC wire centers it proposes to include in its designated service area, and
    - 3.1.2. List of ILEC wire centers (by ILEC name, wire center name and CLLI code), with indications for each wire center, whether it will be fully or partially included in the ETC's proposed designated service area.
  - 3.2. Commitment to offer supported services throughout the proposed service area and to provide service to all customers consistent with the requirements of 47 CFR Section 54.202(a)(1)(i). This section of the FCC rules includes the six-step process that must be used when service is requested within the applicant's designated service area, but outside its existing network coverage.

4. Types of facilities used to offer supported services
  - 4.1. Description of types of network facilities currently used to provide service.
  - 4.2. Map showing extent of current network coverage and, for wireless applicants, signal strengths.
  - 4.3. Identification of current relevant resale or interconnection agreements.
  
5. Commitment to use support funds only for the intended purposes
  - 5.1. Affidavit, signed by responsible corporate officer, certifying that support funds received pursuant to 47 C.F.R. Part 54, Subpart D, and Part 36, Subpart F, will be used only for the intended purposes.
  - 5.2. Copy of certification required by FCC pursuant to 47 C.F.R. Subpart 54.809 to receive Interstate Access Support, or pursuant to 47 C.F.R. Subpart 54.904 to receive Interstate Common Line Support.
  - 5.3. Formal network improvement plan demonstrating how applicant will use support funds (all federal support types except low-income support).
    - 5.3.1. Detailed plan covering each of first 2 years of designation.
      - 5.3.1.1. Current counts of eligible lines/handsets in service in each ILEC wire center with disaggregated per-line support, and in each ILEC study area where support is averaged, by residence, single-line business, and multi-line business categories.
      - 5.3.1.2. Forecast of support amount, by type other than low-income, and by ILEC service area, that the applicant expects to receive, as well as an explanation of how the forecast was derived.
      - 5.3.1.3. Detailed information for each project that will use support funds:
        - 5.3.1.3.1. Description and purpose of the project, its physical location and the ILEC serving that area.
        - 5.3.1.3.2. The start date and completion data (by quarter).
        - 5.3.1.3.3. Amount of support money allocated to the project, in total and broken down by investment and expense types.
        - 5.3.1.3.4. The amount of company's own funds that will be used for each supported project.
        - 5.3.1.3.5. Brief explanation of why the carrier would not make these improvements without the availability of support funding.
        - 5.3.1.3.6. Quantification of resulting service improvements by type (increased coverage, signal strength, capacity, etc.), population benefited, and geographic area benefited (shown on map).
    - 5.3.2. Overview plan for years 3-5, consisting of descriptions of how applicant plans to expand or improve services 3-5 years into future, using its own money and future support funds. This is a higher level plan to share the applicant's vision and objectives for its operations in Oregon.

6. Commitment to advertise supported services throughout the service area
  - 6.1. Statement of commitment to advertise supported services throughout the service area.
  - 6.2. Brief description of advertising plans for supported services (excluding low-income service offerings).
  
7. Commitment to offer and advertise Lifeline, Link Up, and OTAP services
  - 7.1. Statement of commitment to offer and advertise required low-income services.
  - 7.2. Identification and description of specific services that will be offered to qualifying low-income customers.
  - 7.3. Description of advertising plans designed to reach the target low-income population.
  
8. Ability to remain functional in emergencies
  - 8.1. Demonstration of ability to remain functional in emergencies specifically addressing:
    - 8.1.1. Amount of backup power available.
    - 8.1.2. Ability to reroute traffic around damaged facilities.
    - 8.1.3. Ability to manage traffic spikes during emergency periods.
  - 8.2. Description of current status of E911 deployment and compliance; if full deployment has not been attained, describe plans to achieve full deployment.
  
9. Commitment to meet service quality and consumer protection standards
  - 9.1. Commitment to specific, objective measures for service quality and consumer protection, e.g., the CTIA Consumer Code for wireless carriers or the applicable Commission rules for wireline carriers.
  - 9.2. Commitment to resolve complaints received by PUC, and designation of specific contact person to work with PUC's Consumer Services Division for complaint resolution.
  
10. Public interest showing
  - 10.1. Demonstration that designation would be in the public interest; this must address:
    - 10.1.1. Specific ways in which consumer choices will be increased.
    - 10.1.2. Specific advantages and disadvantages of applicant's service offerings.
    - 10.1.3. Any other specific criteria determined by the Commission.
  - 10.2. Creamskimming analysis for cases in which the applicant's proposed designated service area will not include the entire study area of a rural ILEC.

**Annual Recertification Requirements (Issue II.A.)**

Requirements apply to all applicants (wireline and wireless) in all ILEC service areas (rural and non-rural) regardless of type of federal universal service support received unless specifically noted.

1. Supported services offerings

- 1.1. Local usage plans: Identification of basic local usage plan offerings, including each offering's name, advertised public description, number of local minutes included, calling area, and rates. ETCs that file tariffs for basic local service offerings can meet this requirement by providing specific tariff references.
- 1.2. CETCs only: status report on provision of supported services that were not available at designation (e.g., toll restriction for qualifying low-income consumers).
- 1.3. CETCs only: acknowledgment that carrier may be required to provide equal access if it is the only remaining ETC in an area. This is a one-time requirement and does not apply if the CETC provided such acknowledgment at initial designation.

2. Provision of supported services throughout the designated service area

- 2.1. Report on the number of unfulfilled service requests.
  - 2.1.1. Wireless carriers: report on number of unfulfilled service requests during past calendar year, noting location of each such request, and description of ETC's attempts to provide service; a brief description of how the ETC ensures that every request for service that cannot be immediately fulfilled is recorded and processed further under the 6-step process set forth in 47 C.F.R. Section 54.202(a)(1)(i).
  - 2.1.2. Wireline carriers that file service quality reports to the PUC: reference reports filed for primary held orders over 30 days.
  - 2.1.3. Wireline carriers that do not file service quality reports to the PUC: report conforming to requirements in either 2.1.1. or 2.1.2. above.

3. Advertisement of supported services throughout the service area

- 3.1. Demonstration that supported service offerings (excluding low-income offerings) were advertised during the past calendar year throughout all geographic areas in the state where the carrier is designated as an ETC. This demonstration should identify the types of media used (e.g., newspaper, radio, internet) and the general frequency of advertising for supported services. It should also include examples of actual advertisements for supported services (noting dates, specific distribution methods, and target geographical populations) sufficient to demonstrate the geographical extent of the ETC's advertising during the past year.

4. Offering and advertisement of Lifeline, Link Up, and OTAP services

- 4.1. Report on the number of customers in the Lifeline program, by ILEC study area, during December of the previous calendar year.

- 4.2. Brief description of how and where low-income program service offerings were advertised.
  - 4.3. Copies of all actual advertisements for Lifeline, Link Up, and OTAP service offerings that were run during the previous calendar year. These may include newspaper advertisements, radio announcements, pamphlet distributions, website postings, etc.
5. Ability to remain functional in emergencies
- 5.1. Statement certifying that ETC is able to remain functional in emergencies.
  - 5.2. Outage report:
    - 5.2.1. Wireless ETCs: annual outage report consistent with definitions and details in 47 C.F.R. § 54.209(a)(2).
    - 5.2.2. Wireline ETCs subject to PUC outage reporting requirement: reference to PUC outage reporting requirement, with indication of whether any reports were filed during previous calendar year.
    - 5.2.3. Other ETCs: annual outage report conforming to requirements in either 5.2.1. or 5.2.2. above.
  - 5.3. CETCs only: E911 implementation status if not complete at time of application.
6. Commitment to service quality and consumer protection
- 6.1. Statement certifying compliance with specific, objective measures for service quality and consumer protection, e.g., the CTIA Consumer Code for wireless ETCs or applicable Commission rules for wireline ETCs.
  - 6.2. Trouble report:
    - 6.2.1. Wireless ETCs: annual report of troubles per 100 handsets, by wireless switch, experienced by customers of the ETC within the designated service area. Troubles should be categorized into 4 general types: no service, network busy, interruption of service, and poor reception. If the ETC cannot report by the 4 categories listed, it should obtain Staff's approval for any different categorizations prior to filing.
    - 6.2.2. Wireline ETCs that file PUC trouble reports: reference filed trouble reports.
    - 6.2.3. Other ETCs: submit annual trouble report conforming to requirements in either 6.2.1. or 6.2.2. above.
7. Use of support funds
- 7.1. Affidavit, signed by responsible corporate officer, certifying that support funds received pursuant to 47 C.F.R. Part 54, Subpart D, and Part 36, Subpart F, will be used only for the intended purposes.
  - 7.2. Copy of most recent certification submitted to FCC pursuant to 47 C.F.R. Subpart 54.809 for Interstate Access Support, or pursuant to 47 C.F.R. Subpart 54.904 for Interstate Common Line Support.
  - 7.3. CETCs only: Network improvement plan update consisting of:
    - 7.3.1. Demonstration of use of support funds (other than low-income funds) received during previous calendar year, including:
      - 7.3.1.1. The amount of support funds, by type, received during the year.

- 7.3.1.2. Year-end counts of eligible lines/handsets in service for each ILEC service area as they were reported to USAC for the past December.
  - 7.3.1.2. Identification of each project for which the support was used, the actual support expenditures (by amount and type) for each project, and status of project (completed or still in progress).
  - 7.3.1.3. The resulting benefits to consumers (qualitative and quantitative) from each project and updates to coverage and signal strength maps.
  - 7.3.1.4. Explanation of how and why actual spending of support funds differed from spending proposed in the previous network improvement plan.
  - 7.3.2. Updates to network improvement plan for the current calendar year and the following year:
    - 7.3.2.1. Forecast of support amount, by type (LSS, HCL, ICLS, IAS), that the applicant expects to receive during each of the next 2 years, as well as an explanation of how the forecast was derived.
    - 7.3.2.2. Detailed information for each project that will use support funds:
      - 7.3.2.2.1. Description and purpose of the project, its physical location and the ILEC serving that area.
      - 7.3.2.2.2. The start date and completion data (by quarter).
      - 7.3.2.2.3. Amount of support money allocated to the project, in total and broken down by investment and expense types.
      - 7.3.2.2.4. The amount of company's own funds that will be used for each supported project.
      - 7.3.2.2.5. Brief explanation of why the carrier would not make these improvements without the availability of support funding.
      - 7.3.2.2.6. Quantification of resulting service improvements by type (increased coverage, signal strength, capacity, etc.), population benefited, and geographic area benefited (shown on map).
8. Public interest factors
- 8.1. Report on any special commitments or requirements imposed at initial designation or during the previous annual recertification process.