

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1306

In the Matter of)	
)	
EAGLE TELEPHONE SYSTEM, INC., dba)	
Snake River PCS)	ORDER
)	
Application for Designation as an Eligible)	
Telecommunications Provider, Providing)	
Services to Customers under the Federal)	
Lifeline/Link Up Program and the State of)	
Oregon Telephone Assistance Program.)	

DISPOSITION: APPLICATION APPROVED

On November 18, 2006, Eagle Telephone System, Inc., dba Snake River PCS (Snake River), filed an application with the Public Utility Commission of Oregon (Commission) requesting designation as a federal eligible telecommunications provider (ETP) pursuant to OAR 860-033-0005. Designation as a federal ETP will authorize Snake River to participate in the federal Lifeline/Link Up program, as well as the Oregon Telephone Assistance Program (OTAP). A description of the filing and its procedural history is contained in the Staff Report, attached as Appendix A, and incorporated by reference.

In order to be designated as a federal ETP, a telecommunications service provider must be designated as a federal eligible telecommunications carrier (ETC) by a state public utility commission. Staff finds that Commission Order No. 06-680 designated Snake River as an ETC on December 21, 2006. In order to be designated as a state ETP, a telecommunications service provider must comply with the federal requirements contained in C.F.R. § 54.101. The applicant must also demonstrate that it will comply with OAR 860-033-0005 through OAR 860-033-0100. Staff finds that Snake River has satisfied the requirements to provide OTAP to qualifying customers, as further provided in Appendix A.

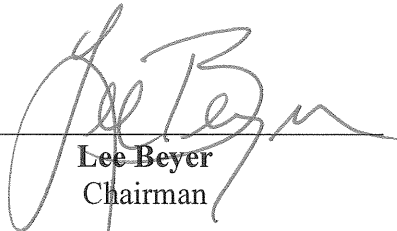
Staff recommends that the Commission grant Snake River’s request to be designated as an ETP pursuant to OAR 860-033-0005. Granting the petition will authorize Snake River to participate in the federal Lifeline/Link Up program and OTAP.

At its Public Meeting on March 13, 2007, the Commission adopted Staff’s recommendation and approved Snake River’s application for designation as an ETP in the proposed designated service area.

ORDER

IT IS ORDERED that the application submitted by Eagle Telephone System, Inc., dba Snake River PCS, for designation as a federal Eligible Telecommunications Provider in the wire centers listed in Appendix A is approved.

Made, entered, and effective MAR 16 2007.



Lee Beyer
Chairman



John Savage
Commissioner



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.

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: March 13, 2007**

REGULAR _____ CONSENT X EFFECTIVE DATE March 13, 2007

DATE: March 6, 2007

TO: Public Utility Commission

FROM: Jon Cray, RSPF Manager

THROUGH: Rick Willis, PUC Executive Director 
 David Poston, Central Services Division Administrator

SUBJECT: EAGLE TELEPHONE SYSTEM INC.: Designation as an Eligible Telecommunications Provider, Providing Services to Customers Under the Federal Lifeline/Link-Up Program and the State of Oregon Telephone Assistance Program (OTAP).

STAFF RECOMMENDATION:

Staff recommends that the Commission grant Eagle Telephone System, Inc.'s request to be designated as an Eligible Telecommunications Provider (ETP) pursuant to Oregon Administrative Rule (OAR) 860-033-0005. Granting the petition will authorize Eagle Telephone System Inc., doing business as Snake River PCS (Snake River), to participate in the Federal Lifeline/Link-Up Program. Granting the petition will also authorize Snake River to participate in the Oregon Telephone Assistance Program in the areas they were designated as an Eligible Telecommunications Carrier (ETC).

DISCUSSION:

A. The Application of Snake River

Commission Order No. 06-680 designated Snake River a federal ETC December 21, 2006. The company now seeks designation as an ETP in order to participate in the Federal Lifeline/Link-Up Program and the State of Oregon Telephone Assistance Program (OTAP). The corporation submitted their application to provide OTAP services on November 18, 2006. Snake River is an Eastern Oregon based wireless telecommunications provider and has wire centers in Richland, Granite, Halfway, Oxbow, Baker City, Elgin, Imbler, LaGrande, Cove, Union, Haines, Medical Springs, Huntington, Durkee, and North Powder.

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D. Oregon Telephone Assistance Program

In states that maintain their own low-income support programs, the FCC requires customers to meet state eligibility requirements in order to receive Federal Lifeline/Link-Up support. In states that do not have their own income support programs, customers are required to meet default federal eligibility requirements. In Oregon, customers are eligible to receive OTAP and Lifeline/Link-Up assistance if they are currently receiving federal food stamps or assistance from another low-income program for which eligibility requirements do not exceed 135% of the federal poverty level. In addition to food stamps, customers receiving assistance such as Temporary Assistance to Needy Families, Supplemental Security Income or coverage under an approved medical program may qualify.

E. The Federal ETC Designation Process

Before a telecommunications service provider can receive federal USF support (whether high cost support or Lifeline/Link-Up), it must be designated as a federal ETC by a state public utility commission. On December 21, 2006, Snake River was granted an ETC designation by the Commission through Order No. 06-680, Docket UM 1237.

F. The State ETP Designation Process

In order to be designated as a state ETC to participate in OTAP, a telecommunications service provider must comply with the federal requirements contained in C.F.R. § 54.101. The applicant must also demonstrate that it will comply with OAR 860-033-0005 through OAR 860-033-0100, which includes the rules applicable to OTAP. Snake River filed its completed OTAP ETP Application form on November 18, 2006. The application is attached to this memo.

Staff found that the application was complete and responsive. As part of the application, Snake River agreed to abide by the PUC Oregon Administrative Rules pertaining to OTAP. These rules specifically apply to procedures for approving, denying and terminating OTAP recipients, timelines for submitting reports, requirements regarding customer confidentiality and expectations pertaining to Link-Up. In summary, Snake River has satisfied the requirements to provide OTAP to their qualifying customers.

PROPOSED COMMISSION MOTION:

Approve Snake River's application for designation as an ETP, so it can provide services to customers under the Federal Lifeline/Link-Up Program and the State of Oregon Telephone Assistance Program.

Oregon Telephone Assistance Program (OTAP) Application
for Eligible Telecommunications Provider (ETP) to provide OTAP Services

Part I. Application Information and Service Plan

- 1. Legal name of applicant: Eagle Telephone System, Inc.
- 2. Name or names that applicant is doing business as: Snake River PCS
- 3. Contact information pertaining to your designated staff who would be handling OTAP communication:

Name: Michael L. Lattin

Address: P.O. Box 178

City: Richland State: OR Zip: 97809

Phone number: (541)893-6115 Fax: (541)893-6203

E-Mail: eagle@pinetel.com

- 4. Are you authorized to provide telecommunications services in the State of Oregon

Yes Oregon PUC Telecommunications Service Provider ID No. 143002617

No **Stop.** You must apply for and obtain Oregon PUC approval to offer telecommunications services in the State of Oregon before you can participate in the OTAP program.

- 5. Are you currently designated as a federal Eligible Telecommunications Carrier (ETC) by Oregon Public Utility Commission in the service areas where you intend to participate in OTAP?

Yes Docket No. UM1237 Order No. 06-680

No **Stop.** OTAP is an adjunct to the federal universal service fund Lifeline and Linkup programs. You must apply for and obtain designation as a federal eligible telecommunications carrier (ETC) in those service areas where you intend to participate in OTAP.

- 6. List the specific Oregon exchanges where you seek to participate in OTAP. If your current federal ETC service area is not coextensive with specific Oregon exchanges, please list the incumbent local exchange carrier (ILEC) wire centers

where you are authorized as a federal ETC and intend to participate in OTAP. If additional space is required, please use a separate sheet of paper

- Exchange or Wire Center
- Richland (RCLDOR)
- Granite (GRANOR)
- Halfway (HLWYOR)
- Oxbow (OXBWOR)
- Baker City (BAKROR)
- Elgin (ELGNOR)
- Imbler (IMBLOR)
- LaGrande (LGROR)
- Cove (COVEOR)
- Union (UNINOR)
- Haines (HANSOR)
- Medical Springs (MDSPOR)
- Hunington (HNTNOR)
- Durkee (DURKOR)
- North Powder (NPWROR)

- Incumbent ILEC
- Eagle Telephone Systems, Inc.
- Pine Telephone Systems, Inc.
- Pine Telephone Systems, Inc.
- Pine Telephone Systems, Inc.
- Owest Corporation.
- Verizon Northwest, Inc.
- Verizon Northwest, Inc.
- Verizon Northwest, Inc.
- Verizon Northwest, Inc.
- Verizon Northwest, Inc.
- Cascade Utilities, Inc.
- Cascade Utilities, Inc.
- CenturyTel of Eastern Oregon, Inc.
- CenturyTel of Eastern Oregon, Inc.
- CenturyTel of Eastern Oregon, Inc.

7. OAR 860-033-0005 states that an ETP must offer services under 47 CFR §54.101 using either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications provider throughout the service area). Pursuant to 47 C.F.R. §54.201(f), the requirement of using their "own facilities" includes, but is not limited to, purchasing unbundled network elements from another carrier. On a separate sheet of paper, please provide the following for the service area in which the applicant seeks to participate in OTAP.
 - a. A general description of the telecommunications facilities owned and operated by the applicant (for example, switches, outside plant assets, fiber optic transmission equipment, ILEC collocations, etc.);
 - b. A list of the ILECs from whom the applicant purchases unbundled network elements;
 - c. A list of the ILECs or other ETCs the applicant uses to provide resale service;
 - d. A list of interconnection agreements the applicant maintains with Oregon ILECs and the effective date of such agreements;
 - e. A list of interexchange carriers the applicant will use to provide interstate and intrastate toll services for its OTAP customers.

OTAP APPLICATION
SNAKE RIVER PCS 1-3-07
SPIN# 143002617

- 7. a. Our facility at Snake River Pcs, Richland OR consists of multiple wireless cell sites and associated micro-wave equipment.
- b. None
- c. None
- d. Qwest Corporation, effective January 20, 2003
- e. Inter-exchange carriers and toll providers:
 - 1) UCN formerly TelAmerica for both inter-state and intra-state toll provider.
 - 2) Qwest provides our local NXX EAS traffic

8. The number of residential, business and tribal basic service customers served by the applicant as of December 31, of the most recent calendar year. Specify whether these customers are served by wireline service or wireless instruments.

Part II. Conditions to Provide OTAP Services to Qualifying Oregonians

These conditions apply in addition to the general conditions of certification. Violating these conditions, or misrepresenting information provided to PUC in the course of administering the OTAP programs may result in cancellation of your Telecommunications Provider's Certificate, your authority to provide OTAP Services and/or an order requiring you to refund with interest and penalties of any OTAP support distributed under false information.

1. The applicant agrees to offer reduced residential rates to eligible low-income customers pursuant to the Oregon Telephone Assistance program (OTAP). See OAR 860-033-0001 through 0046.
2. The applicant understands that only PUC may approve OTAP benefits for the consumer and provide benefits to OTAP consumers after PUC has notified the applicant of their eligibility. A telecommunication provider who grants OTAP benefits to ineligible customers will have the total amount of the OTAP benefits that were given to those customers deducted from the monthly or quarterly OTAP reimbursement invoices that the telecommunications provider submits to the Commission (OAR 860-033-0045 (1) (d)).
3. The applicant agrees that they will ensure the consumer will see their OTAP credit within 30 days from the date that the applicant has been notified of the consumer's eligibility status, and to remove consumers within 30 days after they no longer qualify for OTAP benefits.
4. The applicant agrees that if an OTAP consumer did not receive his or her benefits from the applicant after being approved by the Commission, that the applicant will reimburse the consumer up to a maximum of one year of OTAP benefits credited to their telephone line (OAR 860-033-0030 (7)).
5. The applicant agrees that they will submit reports for reimbursement quarterly (if they have less than 1,000 OTAP consumers) or monthly (if they have more than 1,000 OTAP consumers). Reports are expected to be submitted even if there are zero consumers (OAR 860-033-0045 (1)).
6. The applicant agrees that upon request, a qualifying OTAP recipient shall be entitled to toll limitation service from an eligible telecommunications carrier, when available, at no additional charge. Further, the applicant agrees not to deny or disconnect basic service to an OTAP customer for failure to pay toll charges, or require a deposit from OTAP consumers who voluntarily elect to receive toll-blocking services. (OAR 360-021-0200 (5), and 360-021-0335 (4) (b)).

- 7. An OTAP recipient is required to be the named subscriber to the local telecommunication service in order for that household to qualify for OTAP benefits. PUC may waive this requirement if it determines that good cause exists. Applicant agrees to comply with reimbursing OTAP consumers who are not named subscribers at the Commission's request.
- 8. The applicant agrees to ensure that confidential information (including phone number, addresses, contact information and social security numbers) of OTAP recipients is protected (OAR 360-033-0030 (5)). The applicant agrees to maintain a written policy to ensure that the applicant's staff does not breach the confidentiality of OTAP consumers, and to do background checks on employees who have access to customer records.
- 9. The applicant agrees to have in place database encryption and firewall technologies to protect customer service information stored electronically.

M.

APPLICANT UNDERSTANDS ALL OF THE ABOVE CONDITIONS AND AGREES TO ABIDE BY ALL APPLICABLE COMMISSION RULES, STATE LAW AND THE CONDITIONS OF CERTIFICATION. PLEASE INITIAL BOX AT LEFT.

[Signature]
Signature of person authorized to represent applicant

ASST. MANAGER
Title

MIKE LATTIN
Printed Name

12-26-06
Date