

ORDER NO. 24-078

ENTERED Mar 21 2024

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 2295

In the Matter of

GRASE COMMUNICATIONS, LLC, dba  
MIWAVE,

Application for Designation as an Eligible  
Telecommunications Carrier and Eligible  
Telecommunications Provider.

ORDER

**DISPOSITION: STAFF'S RECOMMENDATION ADOPTED**

At its public meeting on March 19, 2024, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



**Nolan Moser**

Chief Administrative Law Judge



A party may request rehearing or reconsideration of this order under 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 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA15

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: March 19, 2024**

**REGULAR** \_\_\_\_ **CONSENT**   X   **EFFECTIVE DATE** \_\_\_\_\_ **N/A** \_\_\_\_\_

**DATE:** March 4, 2024

**TO:** Public Utility Commission

**FROM:** Jon Cray

**THROUGH:** Bryan Conway and Melissa Nottingham **SIGNED**

**SUBJECT:** GRASE COMMUNICATIONS, LLC:  
(Docket No. UM 2295)  
Application for Designation as an Eligible Telecommunications Carrier and  
Eligible Telecommunications Provider.

**STAFF RECOMMENDATION:**

Staff recommends that the Commission grant the request of Grase Communications, LLC d/b/a MiWave (MiWave) for designation as a federal Eligible Telecommunications Carrier (ETC) for the limited purpose of receiving low-income support (Lifeline) from the federal universal service fund and for designation as Eligible Telecommunications Provider (ETP) to participate in the Oregon Telephone Assistance Program (OTAP), in the census blocks listed in Exhibit A of the Company's ETC and ETP petition filed on July 11, 2023, excluding any Tribal lands that may be within the served area.

**DISCUSSION:**

Issue

Whether the Commission should designate MiWave as an ETC and ETP in the census blocks listed in Exhibit A of the Company's ETC and ETP petition.

Applicable Law

Section 214(e)(2) of the Federal Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the Act), delegates authority to state commissions to designate common carriers that are eligible to receive federal universal service support, i.e., ETCs. State commissions may confer federal ETC status on incumbent local

Docket No. UM 2295  
March 4, 2024  
Page 2

exchange carriers or competitive common carriers that meet the conditions set out in Section 214(e)(1) of the Act. In general, those conditions require that the ETC offer and advertise, throughout its designated service area, the services that are supported by federal universal service support mechanisms. The carrier must provide the supported services using either its own facilities or a combination of its own facilities and resale of another carrier's service.

Each state may adopt specific requirements for ETC designation that are consistent with requirements of the Act. The Commission updated its own set of requirements for federal ETC designation in Docket No. UM 1648, Order No. 15-382, entered December 1, 2015 (ETC Order). These are outlined in Appendix A to the ETC Order.

To offer federal Lifeline discounts to eligible low-income customers in Oregon, a carrier must be designated as an ETP to participate in the OTAP, which is the state-mandated counterpart to the Federal Communication Commission's (FCC's) Lifeline program. OTAP requirements are based on Residential Service Protection law and found in Chapter 290, Section 6 and 16, Oregon Laws 1987, as amended. Commission rules governing OTAP are prescribed in Chapter 860, Division 033 of the Oregon Administrative Rules (OAR).

### Analysis

#### *The Applicant*

Grase Communications is an Oregon limited liability company founded in 2016 by a Burns native, operating today under the d/b/a MiWave. Grase Communications' principal address is 1804 W. Monroe Street, Burns, Oregon 97720. MiWave provides broadband internet access using fiberoptic or fixed wireless technology to residents, businesses, and government entities of Harney County.

#### *The Current Application*

MiWave submitted the application at issue here on July 11, 2023. The company requests designation as a federal ETC for the sole purpose of receiving low-income support (Lifeline) from the federal universal service fund, as well as ETP designation to participate in the OTAP and offer supplemental discounts from the Residential Service Protection Fund (RSPF) to all eligible low-income customers who reside in the census blocks listed in Exhibit A of the Company's ETC and ETP petition. MiWave does not request high-cost support from either the federal or Oregon universal service funds.

#### *Review*

Staff reviewed the application and met with MiWave on August 8, 2023, to discuss the Commission's operational and reporting requirements for participation in the OTAP.

Docket No. UM 2295  
March 4, 2024  
Page 3

Staff finds that MiWave's application demonstrates that the Company satisfies the requirements for ETC and ETP designation as discussed below. The following numbers correspond to the application requirements in Appendix A of the ETC Order No. 15-382.

1. Information regarding applicant and its common carrier status: MiWave commits that it will offer voice and broadband internet access service on a common carrier basis throughout the Company's designated service area. MiWave generates revenue from current services provided to subscribers of voice and broadband internet access service; the company will not rely exclusively on disbursements from the federal universal service or Residential Service Protection funds. MiWave also has the ability to leverage debt financing and apply for grants, where available. Therefore, Staff finds that the company is financially and technically capable of providing the supported services in compliance with FCC and Commission rules.
2. Type of Federal Universal Service support for which designation is requested: In the Company's application, MiWave requests certification as an Affordable Connectivity Provider (ACP) service provider. Staff clarified that ETC designation is not a prerequisite for participation in the FCC's ACP. Nevertheless, MiWave maintained interest in seeking limited ETC designation to receive federal Lifeline low-income support.
3. Commitment and ability to provide all supported services: MiWave commits to provide the supported services within the proposed designated service area, which includes eligible voice telephony service as required in 47 CFR §54.101 (a). MiWave also offers broadband internet access service.
4. Identification and definition of proposed designated service and commitment to serve: MiWave identifies its proposed designated service area in terms of census blocks in Exhibit A to its application. The application also includes a map (Exhibit B) of the proposed designated service area on which MiWave commits to provide the supported services throughout to all eligible low-income customers. As MiWave expands to offer voice and broadband internet access service beyond the boundaries of the company's designated service areas, MiWave may petition the Commission with a request to expand the company's designated service area.
5. Types of facilities used to provide supported services: Pursuant to 47 C.F.R. §54.201(d)(1), an ETC may offer supported services using its own facilities or a combination of its own facilities and resale of another carrier's services. MiWave is a facilities-based broadband internet access service provider that operates a

Docket No. UM 2295  
March 4, 2024  
Page 4

fiber-to-the-premise network within the city limits of Burns, Oregon. MiWave also operates a fixed wireless network using MiWave-owned licensed microwave backhaul facilities throughout most of Harney County. MiWave will offer the supported voice service through Skyswitch as a voice over internet protocol reseller.

6. Commitment to use support in accordance with rules: MiWave certifies that, in accordance with 47 U.S.C. § 254(e) and 47 C.F.R. § 54.7(a), the company will use federal universal service funds only for the provision of low-income support. MiWave's application includes an affidavit certifying that it will use the support funds only for the intended purposes. MiWave also certifies in its application that it will comply with the service requirements applicable to the support it receives, including without limitation, the Commission's rules and orders governing ETCs and ETPs, and the applicable provisions of the FCC rules, 47 C.F.R. § 54.101, et seq., including all applicable limitations on use of funds and reporting requirements.

Additionally, the ETC Order requires an applicant for high-cost support to submit a five-year network plan demonstrating how the applicant will use the support funds. Although MiWave proffered information in its application, it is not germane to the company's eligibility for designation. MiWave is not seeking high-cost support; therefore, the five-year plan requirement does not apply.

7. Commitment to advertise high-cost supported services throughout the service area: MiWave is not requesting high-cost support from the federal or Oregon universal service fund; therefore, this application requirement is inapplicable to the company.
8. Commitment to offer and advertise Lifeline and OTAP services: MiWave commits to abide by all FCC regulations delineated in 47 C.F.R. § 54.400, et seq., as well as RSPF and OTAP rules and procedures. The Company will train its employees accordingly, with guidance from Staff.

MiWave commits to offer Lifeline and OTAP discounts on all its bundled and standalone voice and broadband internet access service plans in accordance with the FCC and Commission rules in census blocks listed in Exhibit A of the Company's ETC and ETP petition. MiWave affirms it will also advertise the availability of Lifeline and OTAP discounts in a manner reasonably designed to reach those likely to qualify for the service. MiWave will advertise the availability of the Lifeline and OTAP discounts via media of general distribution, including, but not limited to physical bill inserts and electronic notices to existing customers,

Docket No. UM 2295  
March 4, 2024  
Page 5

which Staff has observed is an effective method for increasing awareness and participation. The company will use digital marketing strategies such as social media that is designed to reach prospective customers.

9. Ability to remain functional in emergencies: MiWave attests that it has sufficient 24-hour backup power to ensure continued functionality. All subscribers are afforded an opportunity to purchase a 24-hour battery that powers their optical network terminal and voice telephone adapter during power outages. The company has sufficient excess capacity and redundancy to manage traffic spikes and reroute traffic if its facilities are damaged.

MiWave commits to comply with Oregon's Emergency Communications Tax (E911) reporting requirements pursuant to Oregon Revised Statute 403.200 through 403.230.

10. Commitment to service quality and consumer protection standards: MiWave commits to abiding by all applicable federal and state service quality and consumer protection standards. Furthermore, MiWave commits to resolve customer complaints received by the Commission's Consumer Services Division and to designate an individual, currently Justin Chase, as the point of contact for resolution of customer complaints.
11. Designation on Tribal Lands: These requirements do not apply as MiWave is not seeking designation on Tribal Lands and will not offer Tribal Lifeline Service. Any Tribal lands included in the served area are excluded from the designated service area. If MiWave seeks to offer Tribal Lifeline service in the future, it will need to file a supplemental application to request designation on Tribal lands.
12. Public interest showing: MiWave's requested designation is in the public interest. The company currently offers the voice and broadband internet access services that are required for ETC status in its proposed designated service area. MiWave can begin to offer Lifeline and OTAP discounts shortly after Commission designation. Furthermore, MiWave is an Oregon-based company that will be an additional option for eligible low-income households in rural areas that would otherwise be limited to discounted services from the incumbent local exchange carrier and other radio common carriers, if available.
13. Commitment to provide reports as required: MiWave agrees to abide by all annual reporting requirements in 47 CFR §54.422, which was adopted by the Commission, for ETCs that receive low-income support. MiWave, in good faith, will collaborate with Commission Staff in providing special weekly, monthly, or

Docket No. UM 2295  
March 4, 2024  
Page 6

quarterly reports that Commission Staff may reasonably find necessary based on program requirements and the circumstances of the Company.

Conclusion

Staff finds MiWave's application demonstrates the company has satisfied eligibility requirements for ETC and ETP designation for the limited purpose of receiving Lifeline and OTAP support and is in the public interest. MiWave's desire to support its eligible low-income customers so they can subscribe to and maintain access to voice and broadband internet access service is commendable and demonstrates the Company's commitment and likelihood of success in providing Lifeline and OTAP discounts to more Oregon households.

**PROPOSED COMMISSION MOTION:**

Approve the request of Grase Communications, LLC to be designated as a federal ETC for the sole purpose of receiving low-income support (Lifeline) from the federal universal service fund, and for designation as ETP to participate in the OTAP, in the census blocks listed in Exhibit A of the Company's petition, excluding any Tribal lands that may be within the served area.