

served. Therefore, Staff recommended the Commission grant Mercury Wireless' request to relinquish its ETC designation for high-cost purposes in the census block service areas listed in Exhibit 1 to Mercury Wireless' Application.³

4. Mercury Wireless' Application requests to relinquish its ETC designation in the RDOF Census Blocks portion of its service area in Kansas.⁴ Pursuant to 47 U.S.C. § 214(c)(4), is entitled to relinquish its ETC designation.⁵

5. Mercury Wireless represented that its relinquishment request: 1) is based on changes in both federal and state high-cost support in the census blocks identified in Exhibit 1;⁶ 2) will not adversely affect the ability of other ETCs to participate in state or federal universal service programs, or state or federal Lifeline programs;⁷ and 3) will not adversely affect any existing customers, as Mercury Wireless does not serve any customers in the census blocks to be relinquished.⁸

6. The Commission's jurisdiction and standard for approving ETC designation relinquishment is found in 47 U.S.C. § 214(e)(4):

A State Commission... shall permit an eligible telecommunications carrier to relinquish its designation as such a carrier **in any area served by more than one eligible telecommunications carrier**. An eligible telecommunications carrier that seeks to relinquish its eligible telecommunications carrier designation for an area served by more than one eligible telecommunications carrier shall give advance notice to the State Commission... of such relinquishment. Prior to permitting a telecommunications carrier designated as an eligible telecommunications carrier to cease providing universal service in an area served by more than one eligible telecommunications carrier, **the State Commission... shall require the remaining eligible telecommunications carrier or carriers to ensure that all customers served by the relinquishing carrier will continue to be served...** (emphasis added).

³ R&R, p. 5.

⁴ *Id.*, p. 4.

⁵ Application, p. 3.

⁶ Nex-Tech Application, p. 2.

⁷ *Id.* pp. 3–4.

⁸ *Id.*, p. 4

7. The Commission must determine that the proposed RDOF census blocks will be served by at least one other ETC, and that customers in the RDOF census blocks will continue to be served with high-cost service(s) by an ETC. The Commission finds that it has jurisdiction over Mercury Wireless as a telecommunications carrier providing competitive local exchange services pursuant to its Certificate of Convenience and Authority issued by the Commission.⁹

8. The Commission finds that the recommendations contained in Staff's July 21, 2025, R&R are reasonable and adopts the same as additional findings herein.

9. The Commission finds that there is at least one high-cost ETC that can provide high-cost support to customers in the RDOF census blocks, consistent with the requirements of 49 U.S.C. § 214(e)(4).

10. The Commission finds that Mercury Wireless does not currently serve any customers within high-cost service(s) in the RDOF census blocks consistent with the requirements of 49 U.S.C. § 214(e)(4).

11. The Commission concludes that Mercury Wireless' Application meets the requirements of 49 U.S.C. § 214(e)(4) for relinquishment of its ETC designation in the RDOF census blocks.

THEREFORE, THE COMMISSION ORDERS:

A. Mercury Wireless' request for ETC relinquishment in the census blocks specified in Exhibit 1 of its Application is granted.

B. Mercury Wireless shall serve this Order upon the remaining ETCs in the RDOF census blocks within 14 days of this Order being issued and will file an Affidavit in this Docket confirming this notice was given.

⁹ See Application, p. 1.

C. The parties have 15 days from the date of electronic service of this Order to file a petition for reconsideration.¹⁰

BY THE COMMISSION IT IS SO ORDERED.

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: 08/19/2025



Celeste Chaney-Tucker
Executive Director

BWB

¹⁰ K.S.A. 66-118b; K.S.A. 77-529(a)(1).

**REPORT AND RECOMMENDATION
UTILITIES DIVISION**

TO: Andrew J. French, Chairperson
Dwight D. Keen, Commissioner
Annie Kuether, Commissioner

FROM: Drennan Dolsky, Telecommunications Analyst
Steve Garrett, Deputy Chief of Telecommunications
Janet Buchanan, Deputy Director of Utilities
Justin Grady, Director of Utilities

DATE: July 21, 2025

SUBJECT: Docket No. 25-MWKT-402-ETC
In the Matter of Mercury Wireless Kansas, LLC's Application to Amend its ETC Designated Service Area and for Approval to Relinquish ETC Designation in RDOF Census Blocks Being Returned.

EXECUTIVE SUMMARY:

On May 12, 2025, Mercury Wireless Kansas, LLC d/b/a Mercury Broadband (Mercury Wireless) filed an Application with the Kansas Corporation Commission (Commission) requesting approval to revise its service area for its existing designation as an Eligible Telecommunications Carrier (ETC) and for approval to relinquish its ETC designation in Rural Digital Opportunities Fund (RDOF) census blocks being returned.

Staff has conducted a review of the company's Application and issued a Data Request (DR) to gather additional information necessary for evaluation of Mercury Wireless' request. Based on a review of information provided by Mercury Wireless, Staff recommends that the Commission issue an Order approving Mercury Wireless' request to relinquish the Company's ETC designation and require the remaining ETCs to ensure that all customers served by Mercury Wireless will continue to be served.

Although all ETCs should know and understand the obligations they committed to when they applied to become an ETC, Staff recommends the Commission serve the Order on all competitive ETCs designated in the exchanges approved for relinquishment so that they fully understand their ongoing ETC obligations and requirement to serve Mercury Wireless' remaining customers.

BACKGROUND:

On August 2018, the Federal Communications Commission (FCC) announced Mercury Wireless as one of the winning bidders of the FCC's Connect America Fund Phase II (CAF II) Auction. On September 28, 2018, Mercury Wireless filed an application with the KCC seeking designation as an ETC for purposes of becoming authorized to receive CAF II funding support to deploy its high-speed broadband and voice services for residents of rural Kansas in the census blocks for which it received CAF II funding awards. On February 14, 2019, the KCC granted Mercury Wireless's application for ETC designation for CAF II support.

On December 2020, the FCC named Mercury Wireless a winning bidder of support in the RDOF program. On January 7, 2021, Mercury Wireless filed an application with the KCC seeking the KCC's approval to expand Mercury Wireless's designation as an ETC in the Chapman, Abilene, Kingsman, and Manhattan exchanges in the Southwestern Bell Telephone Company d/b/a AT&T Kansas (AT&T) service area for purposes of becoming authorized to receive RDOF support. On March 11, 2021, the KCC granted Mercury Wireless's application for ETC designation for RDOF support.

As a result of the KCC granting the order on March 11, 2021, Mercury Wireless received federal RDOF support to expand its broadband network into certain rural census blocks in Kansas that are currently unserved by high-speed broadband service. Additionally, as a condition to receive the RDOF support, Mercury Wireless became an ETC in the RDOF Census Blocks in which it received RDOF support.¹

On May 12, 2025, Mercury Wireless filed an Application seeking to revise its service area for its existing designation as an ETC and for approval to relinquish its ETC designation in RDOF census blocks being returned. Mercury Wireless' principal office is located at 6329 Glenwood St, Suite 200, Mission, Kansas 66202. Mercury Wireless has an "Active and Good Standing" status with the Kansas Secretary of State Office.²

Mercury Wireless requests ETC relinquishment for certain census blocks in the exchanges identified in Exhibit 1 of the current Application. Mercury Wireless stated that its request for relinquishment is due to unforeseen circumstances beyond the company's control, as described in the letter to the FCC on November 6, 2024. As a result, Mercury Wireless seeks to amend its ETC-designated service area so that the list of census blocks Mercury Wireless maintains ETC obligations for only reflects its CAF II census blocks.³

Mercury Wireless' relinquishment request will not adversely affect any existing customers; there are remaining companies designated as ETCs which could serve any potential customers in the RDOF Census Blocks being relinquished by Mercury Wireless with this Application. The RDOF Census Blocks in Kansas for which Mercury Wireless seeks approval for relinquishment with this Application are census blocks where Mercury Wireless does not serve any customers. Mercury

¹ See Application, I.

² Kansas Secretary of State, Mercury Wireless Kansas, LLC., <https://www.sos.ks.gov/eforms/BusinessEntity/Search.aspx>. Last viewed July 16, 2025.

³ See Application, II, ¶ A.

Wireless does not serve any Lifeline customers in Kansas. No additional facilities are implicated or required by this relinquishment.⁴

The Commission derives its authority to permit an eligible telecommunications carrier to relinquish its designation pursuant to 47 U.S.C. § 214(e)(4), which requires:

A State commission...shall permit an eligible telecommunications carrier to relinquish its designation as such a carrier in any area served by more than one eligible telecommunications carrier. An eligible telecommunications carrier that seeks to relinquish its eligible telecommunications carrier designation for an area served by more than one eligible telecommunications carrier shall give advance notice to the State commission...of such relinquishment. **Prior to permitting a telecommunications carrier designated as an eligible telecommunications carrier to cease providing universal service in an area served by more than one eligible telecommunications carrier, the State commission ... shall require the remaining eligible telecommunications carrier or carriers to ensure that all customers served by the relinquishing carrier will continue to be served, and shall require sufficient notice to permit the purchase or construction of adequate facilities by any remaining eligible telecommunications carrier.** The State commission ... shall establish a time, not to exceed one year after the State commission ... approves such relinquishment under this paragraph, within which such purchase or construction shall be completed. (emphasis added).

In order to grant relinquishment, the Commission must: (1) find that the area is served by at least one other ETC; and (2) that all customers served by the relinquishing carrier will continue to be served. As is evident in the statute and further articulated by the FCC,

...the section 214(e)(4) relinquishment process allows for the states (or the [FCC], if applicable) to conduct an inquiry at a sufficiently granular level to ensure that the customers in that area ‘will continue to be served.’ The relinquishment process not only entails an evaluation of what service providers are present in an area at a given point in time, but of the practical ability of those providers to take on additional consumers as might be needed once the relinquishing carrier is no longer an ETC subject to associated obligations in that area. Indeed, section 214(e)(4) not only involves an inquiry regarding the capabilities of other service providers, but, to the extent needed, includes a grant of authority to obligate remaining ETCs to acquire adequate facilities within a defined time period.⁵

The Commission derives its authority to order a carrier or carriers to provide service to an unserved community or portion thereof pursuant to 47 U.S.C. § 214(e)(3), which requires:

If no common carrier will provide the services that are supported by Federal universal service support mechanisms under section 254(c) of this title to an unserved community or any portion thereof that requests such service, the Commission, with respect to interstate services or an area served by a common

⁴ See *Id.*, II, ¶ B.

⁵ *US Telecom Forbearance Order*, FCC 15 166, ¶ 111.

carrier to which paragraph (6) applies, or a State commission, with respect to intrastate services, shall determine which common carrier or carriers are best able to provide such service to the requesting unserved community or portion thereof and shall order such carrier or carriers to provide such service for that unserved community or portion thereof. Any carrier or carriers ordered to provide such service under this paragraph shall meet the requirements of paragraph (1) and shall be designated as an eligible telecommunications carrier for that community or portion thereof. (emphasis added).

ANALYSIS:

On July 9, 2025, Mercury Wireless responded to a Staff Data Request (DR). Staff requested a copy of a letter that Mercury Broadband sent to the FCC, how much RDOF support was received, and proof that it was in compliance with 47 CFR § 54.804(c)(4)(i).

Reason for Request

Mercury Wireless requests ETC relinquishment for certain census blocks in the exchanges identified in Exhibit 1 of the current Application. Mercury Wireless stated that its request for relinquishment is due to unforeseen circumstances beyond the company's control, as described in the letter to the FCC on November 6, 2024. As a result, Mercury Wireless seeks to amend its ETC-designated service area so that the list of census blocks Mercury Wireless maintains ETC obligations that only reflects its CAF II census blocks.⁶

Existence of Another ETC in Areas Served by Mercury Wireless

In order to approve Mercury Wireless' request for relinquishment, 47 U.S.C. § 214(e)(4) dictates that there must be one or more ETCs in the service area covered by the company. In an area served by more than one ETC (including Mercury Wireless), the remaining ETC(s) are required to ensure that all customers served by the relinquishing carrier will continue to be served. Staff contends that Mercury Wireless' relinquishment request will not adversely affect any existing customers because there are remaining companies designated as ETCs which could serve any potential customers in the RDOF Census Blocks being relinquished by Mercury Wireless shown in Exhibit 2 of the Application.⁷

Benefit Transfers

The USAC database defines a benefit transfer as when one service provider transfers a subscriber's Lifeline program benefit from another service provider. The benefit transfer must be at the request of the subscriber. The subscriber's new service provider initiates the transaction in the National Lifeline Accountability Database (NLAD) on the subscriber's behalf. Prior to initiating a benefit transfer in NLAD, the service provider must obtain the consent of the subscriber and obtain proper documentation of consent.⁸ The RDOF Census Blocks in Kansas for which Mercury Wireless seeks approval for relinquishment with this Application are census blocks where Mercury Wireless

⁶ See Application, II, ¶ A.

⁷ See *Id.*, II, ¶ B.

⁸ <https://www.usac.org/lifeline/national-lifeline-accountability-database-nlad/benefit-transfers/>.

does not serve any customers. No additional facilities are implicated or required by this relinquishment.⁹

RECOMMENDATION:

Staff is satisfied that Mercury Wireless has met the requirements for relinquishment as identified in § 214(e)(4). Staff recommends the Commission find: (1) that the census blocks in question are served by at least one other ETC; and (2) that all customers currently served by Mercury Wireless will continue to be served. Thus, Staff recommends the Commission grant Mercury Wireless' request to relinquish its ETC designation for RDOF purposes in the census blocks listed in Exhibit 1 of the Application.

Staff recommends the Commission issue an Order granting Mercury Wireless' request to relinquish its ETC designation in the RDOF census blocks, effective upon Commission Order.

Although all ETCs should know and understand the ETC obligations that they committed to when they applied to become an ETC, Staff recommends the Commission serve the Order on all ETCs designated in the AT&T service area so that they fully understand their ongoing obligations.

⁹ See Application, II, ¶ B.

CERTIFICATE OF SERVICE

25-MWKT-402-ETC

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of electronic service on 08/19/2025.

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/S/ KCC Docket Room
KCC Docket Room