## BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of the Application of IdeaTek ) Telcom, LLC as an Eligible ) Telecommunications Carrier for Purposes of ) Receiving Federal Universal Service Support ) Awarded under the Rural Digital ) as Opportunity Fund Auction (Auction 904) ) Program )

Docket No. 21-WLDT-343-ETC

## **NOTICE OF FILING OF STAFF'S REPORT AND RECOMMENDATION (PUBLIC)**

The Staff of the Kansas Corporation Commission (Staff and Commission, respectively) hereby submits the attached Report and Recommendation (R&R) in the above captioned matter. Staff recommends approval of IdeaTek's Application for high-cost ETC designation expansion in the 12 census blocks it requested in order to participate in the Rural Digital Opportunity Fund Phase I (RDOF I) subsidy program. Staff also recommends the Commission remind IdeaTek that it must use its RDOF I support for its intended purpose and annual certify that it used the support as intended.

WHEREFORE, Staff respectfully requests the Commission adopt its recommendations.

Respectfully Submitted,

<u>/s/ Michael Neeley</u> Michael Neeley, S. Ct. #25027 Senior Litigation Counsel Kansas Corporation Commission 1500 S.W. Arrowhead Road Topeka, Kansas 66604-4027 Phone: 785-271-3173 Fax: 785-271-3167 Andrew J. French, Chairperson Dwight D. Keen, Commissioner Susan K. Duffy, Commissioner



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Laura Kelly, Governor

## **REPORT AND RECOMMENDATION UTILITIES DIVISION**

- TO: Chairperson Andrew J. French Commissioner Dwight D. Keen Commissioner Susan Duffy
- **FROM:** Sandy Reams, Assistant Chief of Telecommunications Jeff McClanahan, Director of Utilities
- **DATE:** May 12, 2021
- **SUBJECT:** Docket No. 21-WLDT-343-ETC In the Matter of the Application of IdeaTek Telecom, LLC For Designation as an Eligible Telecommunications Carrier In Kansas.

## EXECUTIVE SUMMARY

On March 9, 2021, IdeaTek Telcom, LLC (IdeaTek) filed an Application seeking to expand its high-cost Eligible Telecommunications Carrier (ETC) designation to include 12 census blocks served by Southwestern Bell Telephone Company, Inc. d/b/a AT&T Kansas (AT&T).<sup>1</sup> IdeaTek explained expansion of its high-cost ETC designation allows it to be eligible to receive \$23,590.60 of federal Rural Digital Opportunity Fund Phase I (RDOF I) support for a ten-year period to deploy voice and broadband service to 89 locations in Reno and Sedgwick Counties. IdeaTek is required to be designated as a high-cost ETC in the census blocks within 180 days of the release of the Public Notice announcing its winning bid<sup>2</sup> and submit all required documentation to the FCC no later than June 7, 2021. Staff notes no party opposed IdeaTek's Application.

Staff recommends the Commission approve IdeaTek's request and expand its high-cost ETC designation to include the census blocks identified in Exhibit A to Staff's Report and Recommendation. Staff is providing both a redacted and confidential Exhibit B, which includes the Company's responses to Data Requests (DRs) Staff relied on to formulate its recommendations. IdeaTek is a currently a high-cost ETC subject to the FCC and Commission's oversight, including its deployment of the RDOF I supported services and compliance with federal and Commission high-cost ETC obligations, including any additional ETC requirements ordered by the FCC or this Commission.

<sup>&</sup>lt;sup>1</sup> Application of IdeaTek Telcom, LLC for Designation as an Eligible Telecommunications Carrier in Kansas, March 9, 2021 (Application).

<sup>&</sup>lt;sup>2</sup> *Public Notice*, "Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes, Winning Bidders Announced," DA 20-1422, Dec. 7, 2020 (RDOF I Public Notice).

## BACKGROUND

## **Rural Digital Opportunity Fund**

In 2011, the FCC began to comprehensively reform the Federal Universal Service Fund (FUSF) support mechanisms to ensure robust, affordable voice and broadband service, both fixed and mobile, are available nationwide.<sup>3</sup> On August 2, 2019, the FCC proposed the RDOF as a reverse auction to build on its Connect America Fund Phase II (CAF II) auction and bring broadband service to Americans living in areas that need it most.<sup>4</sup> The total RDOF budget is \$20.4 billion, for a ten-year period, to support areas that lack both fixed voice and 25 Megabits per second down (Mbps) and 3 Mbps up (25/3) broadband service. The RDOF auction, also referred to as Auction 904, funds an increase in the minimum, supported broadband service speed, from 10/1 Mbps to 25/3 Mbps, in areas where no unsubsidized company provides 25/3 Mbps broadband service. Auction 904 also implements a framework to prioritize faster broadband speeds of up to one 1,000/500 Mbps, or one Gigabit per second (Gbps).

Auction 904 is being conducted in two phases. Phase I has a \$16 billion budget and focuses on deploying broadband service to wholly unserved areas. Phase II has a budget of \$4.4 billion, plus any monies remaining from Phase I, and will focus on partially-served areas and areas not won in Phase I.<sup>5</sup>

Performance Tier	Speed	Usage Allowance	
Minimum	≥ 25/10 Mbps	$\geq$ 250GB or U.S. average of fixed broadband, whichever is higher	
Baseline	≥ 50/5 Mbps	$\geq$ 250 GB or U.S. medium of fixed broadband, whichever is higher	
Above Baseline	≥ 100/20 Mbps	$\geq 2 \text{ TB}$	
Gigabit	$\geq$ 1 Gbps/500 Mbps	$\geq 2 \text{ TB}$	
Latency <sup>7</sup>	Requirement		
Low Latency	$\leq$ 100 millisecond		
High Latency	$\leq$ 750 milliseconds and Mean Opinion Score of $\geq$ 4		

Auction 904 opened on October 29, 2020, and closed on November 25, 2020. Bids were accepted for the following service tiers, speeds, usage allowances, and latency:<sup>6</sup>

On December 7, 2020, the FCC announced the RDOF I winning bidders, awarding \$9.23 billion to 180 companies for the ten-year period to deploy voice and broadband service to 5,295,771 locations in 61,766 census blocks in 49 states and one territory. Twelve companies were awarded

<sup>&</sup>lt;sup>3</sup> See FCC Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, released Nov. 18, 2011. <sup>4</sup> See Report and Order, ¶ 4, FCC 20-5, released Feb. 7, 2020 (RDOF I Order).

 $<sup>^{5}</sup>$  Id., ¶ 5.

<sup>&</sup>lt;sup>6</sup> *Id.*, ¶ 31, 39.

<sup>&</sup>lt;sup>7</sup> *Id.*,  $\P$  32. Latency is a networking term to describe the total time it takes a data packet to travel from one node to another. In other contexts, when a data packet is transmitted and returned back to its source, the total time for the round trip is known as latency.

a total of \$62.1 million to deploy service to 46,827 Kansas locations.<sup>8</sup>

The FCC presumes a winning bidder acted in good faith if it filed an ETC application within 30 days of the RDOF Public Notice's release, or January 6, 2021, but recognized awardees may not be able to do so within the 30-day period. An RDOF I awardee was required to provide specific information through a Long-Form Application to the FCC by January 29, 2021,<sup>9</sup> and provide documentation supporting its high-cost ETC designation for the awarded census blocks to the FCC by 6:00 p.m. ET on Monday, June 7, 2021.<sup>10</sup>

An Auction 904 recipient may divide its winning bids and assign them to related entities. IdeaTek was the Auction 904 winning bidder, therefore, no bid assignment was necessary.<sup>11</sup>

The FCC requires an RDOF I recipient to serve all eligible locations, stating,

After the auction, we will require Phase I support recipients to offer the required voice and broadband service to all eligible homes and small businesses within the awarded areas, without regard to the number of locations identified by the CAM, and instead as determined subsequently by the Bureau.<sup>12</sup>

An Auction 904 awardee must be able to provide the RDOF I supported services within the following timeframe:

- 40% of the required number of locations in a state by the end of the third year of support; and
- An additional 20 percent by the end of each of the fourth and fifth years.

The FCC will announce a location deployment true-up in year six. If the number of locations served is less than the number identified by the Connect America Model (CAM) for Auction 904, deployment must occur to 100% of the locations by the end of the sixth year. Alternatively, if the number of locations served is greater than those identified by the CAM for Auction 904, the awardee must serve 100% of the identified locations by the end of year six and the remaining locations by the end of year eight.<sup>13</sup> Failure to meet the terms and conditions for RDOF support can result in increased reporting obligations and withholding and/or recovery of RDOF support.

The FCC explained an Auction 904 winner "may be the only ETC offering voice in some areas and not all consumers may want to subscribe to broadband service,"<sup>14</sup> and requires an RDOF I

<sup>&</sup>lt;sup>8</sup> RDOF I Public Notice, Attachment B. KanOkla Telephone Association was also awarded a Kansas bid; however, the Company is not identified in the FCC's Long Form Application Results.

<sup>&</sup>lt;sup>9</sup> Id.

<sup>&</sup>lt;sup>10</sup> FCC Form 683, Application for Rural Digital Opportunity Fund Phase I Support Auction 904 Instructions (Auction 904 Instructions), ¶ 24, <u>https://docs.fcc.gov/public/attachments/DA-20-1422A4.pdf</u>, last viewed April 2, 2021, stating a Long Form Applicant may file a Petition for Waiver of the 180-day ETC designation deadline if the Applicant demonstrates it acted in good faith efforts to obtain such designation, but the proceeding is not yet complete. When considering a Waiver, the FCC will presume the Applicant acted in good faith if it filed its ETC Application within the 30-day period of the Auction 904 Public Notice.

<sup>&</sup>lt;sup>11</sup> Assigned Bids.

<sup>&</sup>lt;sup>12</sup> Id., ¶ 6.

<sup>&</sup>lt;sup>13</sup> RDOF Order, ¶ 45-53.

<sup>&</sup>lt;sup>14</sup> *Id.*, ¶ 43.

recipient to offer stand-alone voice service, offer voice and broadband services at rates reasonably comparable to urban rates,<sup>15</sup> and comply with all relevant federal Lifeline Program rules.<sup>16</sup>

The FCC relieved the incumbent price cap local exchange carrier (ILEC) of its ETC obligations to offer voice telephony service in census blocks awarded to an RDOF I bidder.<sup>17</sup> AT&T is the incumbent local exchange carrier (ILEC) in the census blocks awarded to IdeaTek. AT&T continues to offer legacy voice services, however, the Commission granted AT&T's request to be relieved of its high-cost ETC designation in the majority of its service area census blocks. AT&T is, therefore, a high-cost ETC only in its CAF II census blocks and an additional 856 census blocks that no other high-cost ETC served at the time of its relinquishment.<sup>18</sup>

## IdeaTek's ETC Designation Application

IdeaTek filed its Application on March 9, 2021, and provided the following information to the FCC in its Long-Form Application:<sup>19</sup> (1) ownership information, including financial and technical qualifications; (2) ETC designation status for the awarded census blocks; (3) an overview of the project; (4) a description of project funding and available funding; (5) detailed technology and system design descriptions; (6) spectrum access within a state, if applicable, and spectrum access certification; (7) Auction 904 participation agreements; (8) various statutory and regulatory requirement certifications, including ETC requirement and public interest obligation compliance.<sup>20</sup> IdeaTek is also required to provide audited financials<sup>21</sup> and an irrevocable letter of credit from an eligible bank for the annual RDOF I support. The letter of credit must remain open for the deployment term, however, the letter of credit may be reduced if IdeaTek meets and, USAC verifies, the Company completed its service milestones.<sup>22</sup> Failure to meet the required milestones can result in the FCC requiring an increase in the letter of credit, issuing a letter evidencing the failure, and declaring default.

IdeaTek, headquartered in Buhler, Kansas, is a subsidiary of IdeaTek Equity Group, LLC. IdeaTek is registered as a limited liability company and has an "Active and in Good Standing" status with

<sup>19</sup> Application, ¶ 14, and FCC Auction 904, Assigned bids,

<sup>&</sup>lt;sup>15</sup> *Id.*, ¶ 42.

<sup>&</sup>lt;sup>16</sup> *Id.*, ¶ 44.

<sup>&</sup>lt;sup>17</sup> RDOF Order, ¶ 135. The FCC declined to preempt "any state regulations or obligations" to which a price cap ILEC may be subject. An ILEC remains subject to its Title II obligations, Carrier of Last Resort, and all remaining ETC obligations not forborne until the ILEC relinquishes its ETC designation pursuant to § 214(e)(4) (¶ 136), including maintaining existing voice service until granted discontinuance authority under § 214(a) and § 63.71.

<sup>&</sup>lt;sup>18</sup> Order on AT&T's Request to Relinquish its Eligible Telecommunications Carrier (ETC) Designation, March 14, 2019; and Order on Nex-Tech, LLC's Petition to Intervene and on Petitions for Reconsideration from Nex-Tech and AT&T, April 23, 2019, Docket No. 17-SWBT-158-MIS.

https://auctiondata.fcc.gov/public/projects/auction904/reports/assigned\_bids, last viewed April 5, 2021 (Assigned Bids).

<sup>&</sup>lt;sup>20</sup> Auction 904 Instructions, p. 23, authorizing Applicants to submit a detailed description of the "technology and system that will be used to meet the Auction 904 public interest obligations, including a network diagram certified by a professional engineer meeting the relevant requirements" and an irrevocable letter of credit no later than February 15, 2021.

<sup>&</sup>lt;sup>21</sup> *Id.*, p. 5.

<sup>&</sup>lt;sup>22</sup> RDOF Order, ¶ 96-106.

the Kansas Secretary of State.<sup>23</sup> In 2006, IdeaTek was granted a Certificates of Convenience to provide Competitive Local Exchange (CLEC) services and, in 2008, it was granted a Certificate of Convenience to provide Interexchange and operator services in Kansas.<sup>24</sup>

IdeaTek was granted high-cost ETC designation in Kanas in 2007 for FUSF support purposes in the United Telephone Company of Kansas d/b/a CenturyLink's (CenturyLink) Buhler, Burrton, Haven and Inman exchanges.<sup>25</sup> In 2008, IdeaTek's high-cost ETC designation was expanded to include eligibility for Kansas Universal Service Fund (KUSF) support in the same CenturyLink exchanges.<sup>26</sup> IdeaTek is also a high-cost ETC in 597 census blocks in eight exchanges served by CenturyLink and eight exchanges served by A&T in rural western Reno and Sedgwick Counties for CAF II purposes.<sup>27</sup>

Through this Application, IdeaTek seeks to expand its high-cost ETC designation for RDOF I support purposes to be eligible to receive \$23,590.60 for the ten year period, or 2,359.06 per year, to deploy services to an additional 89 locations in 12 census blocks located in western, rural Reno and Sedgwick Counties.<sup>28</sup> IdeaTek committed to providing voice and Gigabit tier broadband service with low-latency in the awarded census blocks.<sup>29</sup>

## ANALYSIS

## **Federal ETC Requirements**

## Common Carrier

The Federal Act, § 214(e)(1), provides that a common carrier designated as an ETC shall be eligible to receive FUSF support in accordance with § 254 of the Federal Act and shall, throughout the service area for which ETC designation is received: (A) offer the services that are supported by Federal universal service support mechanisms under section 254(c) of the Federal Act, either using its own facilities or a combination of its own facilities and resale of another carrier's service (including the services offered by another eligible telecommunications carrier); and (B) advertise the availability of such service and the charges therefore using media of general distribution.<sup>30</sup>

States are empowered to designate a common carrier as an ETC under 47 U.S.C. § 241(e)(2), which states:

Upon request and consistent with the public interest, convenience, and necessity, the State commission may, in the case of an area served by a rural telephone

<sup>&</sup>lt;sup>23</sup> Application, Exhibit A; Kansas Office of the Secretary of State, Business Entity Search,

https://www.kssos.org/filed\_doc\_viewer/view\_entity.aspx?id=02102006389838412&submit=View+History+and+D ocuments, last viewed April 5, 2021.

<sup>&</sup>lt;sup>24</sup> Application, ¶ 2.

<sup>&</sup>lt;sup>25</sup> Order Approving Application of Wildflower for Designation as an Eligible Telecommunications Carrier, Docket No. 07-WLDT-1395-ETC, Nov. 2, 2007.

<sup>&</sup>lt;sup>26</sup> Order Granting Wildflower Application for ETC Eligible for KUSF Support, Docket No. 08-WLDT-724-ETC, March 7, 2008.

 <sup>&</sup>lt;sup>27</sup> Order Granting Eligible Telecommunications Carrier Status, Docket No. 19-WLDT-102-ETC, Dec. 28, 2018.
 <sup>28</sup> Application, ¶ 13, Exhibit B.

<sup>&</sup>lt;sup>29</sup> *Id.*, ¶ 30. *See also* Assigned Bids.

<sup>&</sup>lt;sup>30</sup> 47 U.S.C. § 254.

company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the State commission.

A company must be a "common carrier" as defined in 47 U.S.C. § 153(11) in order to be designated as an ETC. The term "common carrier" or "carrier" means any person engaged as a common carrier for hire, in interstate or foreign communication by wire or radio or interstate or foreign radio transmission of energy; but a person engaged in radio broadcasting shall not, insofar as such person is so engaged, be deemed a common carrier.

IdeaTek provided the following explanation to support that it is a common carrier:

IdeaTek meets the Federal ETC requirements as it is a telecommunications carrier as defined in 47 U.S.C. § 153(44) and 47 C.F.R. § 51.5(a), and is a telecommunications carrier for the purposes of Part 54 of the FCC's rules. IdeaTek is, therefore, considered a common carrier under the Act.<sup>31</sup>

IdeaTek provides telecommunications services on a "for hire" basis. The Company is a certificated CLEC and a high-cost ETC in Kansas. Staff believes IdeaTek continues to satisfy the common carrier requirement.

## Service or Functionalities

The FCC identifies the following services or functionalities that shall be supported by the FUSF support mechanisms, pursuant to 47 U.S.C. § 254(c):<sup>32</sup>

- (a) Voice telephony services shall be supported by the Federal Universal Service support mechanisms. Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E of this part.
- (b) An eligible telecommunications carrier eligible to receive high-cost support must offer voice telephony service as set forth in paragraph (a) of this section in order to receive Federal universal service support.
- (c) An eligible telecommunications carrier (ETC) subject to a high-cost public interest obligation to offer broadband internet access services and not receiving Phase I frozen high-cost support must offer broadband services within the areas where it receives high-cost support consistent with the obligations set forth in this subpart and subparts D, K, L, and M of this part.

IdeaTek must offer a stand-alone voice service and broadband service that meets the performance

<sup>&</sup>lt;sup>31</sup> Application, ¶ 16.

<sup>&</sup>lt;sup>32</sup> 47 C.F.R. § 54.101(a).

standards for the Gigabit service for which its award was granted. Broadband service must include latency "suitable for real-time applications, including Voice over internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, at rates that are reasonably comparable to rates for comparable offerings in urban areas."<sup>33</sup> IdeaTek is subject to the same 47 C.F.R. § 54.314 annual certifications, record retention, audit requirements, and support reductions for untimely filings as required for all other high-cost ETCs<sup>34</sup> and must meet all relevant federal Lifeline Program requirements.

IdeaTek provided the following statements regarding the provision of the required services:

**Voice-grade access to the public switched network** – The Company "certifies it will offer the voice telephony" supported by the FUSF mechanisms.<sup>35</sup> IdeaTek's voice network includes a switch and media gateways interconnected to long distance carriers, an ILEC's tandem, and end-office switches to allow customers to access the Public Switched Telephone Network (PSTN). IdeaTek uses digital IP-based voice technology to transport service using fiber optic lines from the customer to IdeaTek's switch, with the Company's voice services including "traditional functional-equivalent voice landline or POTS service as well as other more advanced voice services such as hosted PBX and SIP trunking that all have access to the PSTN."<sup>36</sup>

**Local usage** – IdeaTek certifies it will offer local calling throughout its local calling service area, which is larger than the ILEC's local calling area, free of charge.<sup>37</sup>

Access to emergency services – All counties in Kansas have implemented 911 or NG911, therefore, IdeaTek must provide access to emergency services throughout the awarded census blocks. IdeaTek certifies it provides 911 services to all voice customers and is directly connected with the 911 tandems associated with its service areas.<sup>38</sup>

**Toll limitations for qualifying low-income consumers** – IdeaTek certifies it "can block toll calling for any customer upon that customer's request," free of charge.<sup>39</sup>

**Broadband Internet Access Services** – IdeaTek certifies it offers the Gigabit tier services it committed to providing for RDOF I purposes to residential customers.<sup>40</sup> Traffic is routed from a fiber Optical Network/modem located at a customer's premise to the Company's internal network and to multiple providers' internet service Points of Presence, where the traffic is handed-off to another Internet carrier for access to/from all or, substantially all, Internet endpoints.<sup>41</sup>

IdeaTek has certified it will offer the required services or functionalities to all customers, including

- <sup>36</sup> *Id.* ¶ 18(a).
- <sup>37</sup> *Id.*, ¶ 18(b).
- $^{38}$  *Id.*, ¶ 18(c).

- <sup>40</sup> *Id.*, ¶ 18(e).
- <sup>41</sup> Id.

<sup>&</sup>lt;sup>33</sup> 47 C.F.R. § 54.805(a).

<sup>&</sup>lt;sup>34</sup> RDOF Order, ¶ 57.

<sup>&</sup>lt;sup>35</sup> Application, ¶ 17.

<sup>&</sup>lt;sup>39</sup> *Id.*, ¶ 18(d).

eligible low-income subscribers, in the 12 census blocks consistent with its RDOF I commitments. Staff is satisfied IdeaTek demonstrated its ability to provide the service or functionalities, including Lifeline services, supported by the RDOF I program.

## **Reasonable Comparability Benchmarks**

All high-cost ETCs are required to offer voice and broadband services at rates that are reasonably comparable to rates offered in urban areas<sup>42</sup> and annually certify its supported basic residential voice and broadband service rates are within two standard deviations of the FCC's annual Reasonable Comparability Benchmarks rates for services offered in urban areas.

The 2021 voice service Reasonable Comparability Benchmark is \$54.75.<sup>43</sup> IdeaTek offers residential voice service, with unlimited local and long distance services, seven digit dialing within the same area code, 911 service, Caller ID, Call Waiting, Voicemail, 3-way calling, and operator and directory assistance for \$25.00 per month.<sup>44</sup> IdeaTek's residential service rate is less than the 2021 Reasonable Comparability Benchmark rate and AT&T's monthly rate of \$33.00.<sup>45</sup>

IdeaTek's offers 25/5 Mbps service for \$45.00 per month, fiber-based broadband Gigabit service (labeled as Super Gig service) for \$125.00 per month,<sup>46</sup> and wireless-based 100/10 Mbps broadband service for \$125.00 per month. IdeaTek states it does not throttle customer usage or require subscribers to bundle services.<sup>47</sup> IdeaTek's monthly rate for 25/5 Mbps is below the 2021 Reasonable Comparability Benchmark rate of \$94.89 and its fiber-based Gigabit service rate is lower than the 2021 Reasonable Comparability Benchmark rate of \$133.52.<sup>48</sup>

The FCC requires ETCs to meet voice and minimum broadband speed and usage allowances for Lifeline-supported services to ensure low-income consumers have access to the same level of services subscribed to by a substantial majority of American consumers.<sup>49</sup> Effective December 1, 2020, the Lifeline minimum service standards for fixed broadband service is 25/3 Mbps with 1,024 GB of usage and, for mobile broadband, 3 GB data with 4.5 GB usage per month.<sup>50</sup>

A qualifying low-income subscriber may purchase any voice or broadband service plan (or bundle)

<sup>&</sup>lt;sup>42</sup> RDOF Order, ¶ 42.

<sup>&</sup>lt;sup>43</sup> Public Notice, Wireline Competition Bureau and Office of Economics and Analytics Announce Results of 2021 Urban Rate Survey for Fixed Voice and Broadband Services, DA 20-1409, rel. Nov. 30, 2020, <u>https://docs.fcc.gov/public/attachments/DA-20-1409A1.pdf</u> (Reasonable Comparability Rates).

<sup>&</sup>lt;sup>44</sup> Application, ¶ 19, Staff Exhibit B, response to DR 2.

<sup>&</sup>lt;sup>45</sup> AT&T Kansas Guidebook, Part 4 - Exchange Access Services, Section 1 - Exchange Service Areas, <u>http://cpr.att.com/pdf/ks/0004-0001.pdf</u>, and Section 2 - Exchange Lines and Usage, <u>http://cpr.att.com/pdf/ks/0004-0002.pdf</u>, last viewed April 8, 2021.

<sup>&</sup>lt;sup>46</sup> Application, ¶ 19, IdeaTek website, Residential Service, <u>https://ideatek.com/residential/</u>, last viewed April 8, 2021 (IdeaTek website).

<sup>&</sup>lt;sup>47</sup> Id.

<sup>&</sup>lt;sup>48</sup> Calculating the 2021 Broadband Reasonable Comparability Benchmark, <u>https://www.fcc.gov/economics-analytics/industry-analysis-division/urban-rate-survey-data-resources</u>, last viewed April 7, 2021.

<sup>&</sup>lt;sup>49</sup> Universal Service Administrative Company (USAC), Lifeline Service Obligations,

https://www.usac.org/lifeline/get-started/eligible-services/lifeline-supported-voice-service/, last viewed March 30, 2021.

<sup>&</sup>lt;sup>50</sup> Order, DA 20-1358, Rel. Nov. 17, 2020; and USAC, Broadband Minimum Service Speeds,

https://www.usac.org/lifeline/get-started/eligible-services/provide-high-speed-broadband/#minimum, last viewed March 30, 2021.

and IdeaTek will apply the federal Lifeline Program credit to the subscriber's monthly bill.<sup>51</sup> The Company's 25/3 Mpbs broadband service offering, with unlimited usage and no throttling, meets the FCC's minimum Lifeline Program service offering and is priced lower than the 2021 Reasonable Comparability Benchmark.

Staff's review of IdeaTek's Application and responses to Staff DRs support the Company's commitment and ability to offer the supported services to all customers, including to low-income customers, consistent with the Reasonable Comparability Benchmark requirements. IdeaTek has also demonstrated an ability to meet the federal Lifeline Program standards, including by applying the entire monthly Lifeline credit to subscribers' bills.<sup>52</sup>

## **Facilities Used to Provide Service**

IdeaTek has a facilities-based fiber optic telecommunications network, with fiber to the home or fiber to the premise,<sup>53</sup> to provide voice and high-speed broadband services using a voice network switch and media gateways interconnected with interexchange carriers, ILEC tandem and end office switches to allow voice customers access to the PSTN.<sup>54</sup> IdeaTek transports voice services using digital IP-based voice technology and fiber optic lines. The Company's fiber network is scalable, on an Internet protocol (IP) and ethernet standards infrastructure, and telephony service is delivered on an IP-based network Session Initiation Protocol (SIP). A typical fiber installation consists of a 1 Gbps up/1 Gbps down fiber Optical Network Terminal (ONT)/modem at a customer's premises and Ethernet ports, WIFI capability, and telephony/Plain Old Telephone Service (POTS) jacks. The infrastructure and service nodes, generally served by redundant equipment/hardware, multiple network service points (ring network or mesh network topology), and multiple power sources (utility, battery, generator) help ensure service is available to consumers.<sup>55</sup> Furthermore, the Company's distributed network design does not rely on a single point or core, as feasible, but distributes resource needs and loads, ensuring multiple, redundant network egress/ingress points are maintained. Additional network design and plan information is provided in confidential Exhibit B, response to DR 4.56 IdeaTek will own the facilities deployed for RDOF I purposes.<sup>57</sup>

#### Service Areas

An ETC must offer the supported services throughout the service area for which the designation is received, consistent with 47 U.S.C. § 214(e)(1). The Federal Act, § 214(e)(5), defines "service area" as:

The term "service area" means a geographic area established by a State commission (or the\_Commission\_under paragraph (6)) for the purpose of determining universal service obligations and support mechanisms. In the case of an area served by a rural telephone company, "service area" means such company's "study area" unless

<sup>52</sup> Id.

<sup>55</sup> Id., ¶ 20.

<sup>&</sup>lt;sup>51</sup> Exhibit B, response to DR 3.

<sup>&</sup>lt;sup>53</sup> Application, ¶ 22.

<sup>&</sup>lt;sup>54</sup> *Id.*, ¶ 18(a).

<sup>&</sup>lt;sup>56</sup> Confidential Exhibit B, response to DR 4.

<sup>&</sup>lt;sup>57</sup> Exhibit B, response to DR 4.

and until the [Federal Communications] Commission and the States, after taking into account recommendations of a Federal-State Joint Board instituted under section 410(c) of this title, establish a different definition of service area for such company.

An ETC is required by 47 U.S.C. §214(e)(1) to offer the supported services throughout the service area for which designation is received. For RDOF I purposes, the FCC forbore an ETC from conforming to the service area of any telephone company serving the same area, eliminated the need to redefine any telephone company area,<sup>58</sup> and determined the eligible service area for RDOF I purposes is a census block.<sup>59</sup> Specifically, the FCC stated:

The Rural Digital Opportunity Fund will target support to areas that lack access to both fixed voice and 25/3 Mbps broadband services in two stages. For Phase I, we target census blocks that are wholly unserved with broadband at speeds of 25/3 Mbps. For Phase II, we target census blocks that we later determine through the Digital Opportunity Data Collection, or suitable alternative data source, are only partially served, as well as census blocks unawarded in the Phase I auction.<sup>19</sup> Because we will have an additional opportunity to seek comment on how best to target Phase II support as we gather more granular data on where broadband has been actually deployed, we focus here on the areas eligible for Phase I of the auction.<sup>60</sup>

IdeaTek requests high-cost ETC designation in 12 census blocks it was awarded in Auction 904 and, through its Auction 904 Applications, committed to providing the required services throughout each awarded census block. The Commission's Geological Information Systems Division verified each census block is located within the AT&T exchanges listed in Staff Exhibit A.

## Advertising

Eligibility for Federal USF support is addressed by § 214(e)(1) of the Federal Act, which states:

(1) ELIGIBLE TELECOMMUNICATIONS CARRIERS – A common carrier designated as an eligible telecommunications carrier under paragraph (2) (3) or (6) shall be eligible to receive universal service support in accordance with section 254 of this title and shall, throughout the service area for which the designation is received – (A) offer the services that are supported by Federal universal service support mechanisms under section 254(c) of this title, 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 carrier); and (B) advertise the availability of such services and the charges therefor using media of general distribution.

In addition to the federal requirements, this Commission requires competitive ETCs must develop

<sup>&</sup>lt;sup>58</sup> RDOF Order, ¶ 9.

<sup>&</sup>lt;sup>59</sup> Id.

<sup>&</sup>lt;sup>60</sup> Id.

"meaningful language so that consumers will understand what they can expect from an ETC."<sup>61</sup> Competitive ETCs are required to include contact information for the Commission's Office of Public Affairs and Consumer Protection (PACP) in advertisements to ensure customers know where to turn with questions and complaints.

IdeaTek advertises the supported services and, will continue to advertise the supported services throughout its designated ETC service areas using media of general distribution.<sup>62</sup> Media of general distribution includes digital advertising, websites, newspaper, radio, public exhibits and displays, direct mailings, and bill inserts.<sup>63</sup>

IdeaTek advertises and, will continue to advertise, Lifeline services using the same media of distribution, including its website, to reach low-income consumers and meet the FCC's Lifeline Program requirements.<sup>64</sup> The Company will advertise on its website to ensure consumers can find information, including qualifications, and how to apply for the Lifeline program.<sup>65</sup>

IdeaTek includes the following information in its ETC-related advertisements:

IdeaTek offers discounts to customers who qualify for income-assisted programs and is also required to provide service to all reasonable requests in its designated service area(s). Unresolved questions concerning service availability can be directed to the Kansas Corporation Commission's Office of Public Affairs and Consumer Protection department at 800.662.0027 or public.affairs@kcc.ks.gov.<sup>66</sup>

Staff is satisfied with IdeaTek's advertising language.

### **Consumer Protection and Service Quality Standards**

IdeaTek's advanced fiber optic infrastructure is the basic component of service quality and reliability.<sup>67</sup> IdeaTek's core value and mission is "reaching and providing unserved and underserved customers with fiber-based and high-speed wireless broadband services,"<sup>68</sup> with the Company often the only gigabit provider in its service territory. IdeaTek "provides always available customer support and maintains at all times a network operation center which monitors its network, responds to trouble, and mitigates network issues."<sup>69</sup>

#### **Emergency Situation Functionality**

IdeaTek maintains a network operation center to monitor its network, respond to trouble, and mitigate network issues. Emergency equipment, mobile generators and material stock are maintained for disaster situations (i.e. tornado, ice storm) and has operation plans and

<sup>&</sup>lt;sup>61</sup> Order Adopting Requirements for Designation of Eligible Telecommunications Carriers, Docket No. 06-GIMT-446-GIT, Oct. 2, 2006.

<sup>&</sup>lt;sup>62</sup> Application, ¶ 26.

<sup>&</sup>lt;sup>63</sup> Exhibit B, response to DR 3.

<sup>&</sup>lt;sup>64</sup> Id., ¶ 25.

<sup>&</sup>lt;sup>65</sup> Exhibit B, response to DR 3.

<sup>&</sup>lt;sup>66</sup> Id., ¶ 27.

<sup>&</sup>lt;sup>67</sup> *Id.*, ¶ 20.

<sup>&</sup>lt;sup>68</sup> *Id.*, ¶ 7.

<sup>&</sup>lt;sup>69</sup> Id., ¶ 21.

response/staging locations for emergencies.<sup>70</sup> Additionally, the Company's network includes redundant hardware, equipment, network service points, and power sources (utility, battery, and generator).<sup>71</sup> The distributed network design distributes resources and loads based on service availability.

## **Public Interest**

The FCC, in its *Virginia Cellular Order*,<sup>72</sup> made findings regarding the public interest determination. The FCC's decision is not binding on this Commission, however, the Commission found it reasonable to examine the additional factors enumerated in the FCC's Order.<sup>73</sup> One public interest determination - the impact multiple ETC designations have on the FUSF support mechanisms – is rendered moot through the FCC's adoption of the RDOF budget and its determination of the RDOF awardees. Since the targeted Auction 904 census blocks are in areas where the incumbent price cap carrier declined to bid or did not win the RDOF I bid, no duplication of FUSF support exists. Federal Lifeline Program expenditures are based on the number of eligible customers and only one benefit is allowed per household, regardless of the number of ETCs serving an area. Thus, expansion of IdeaTek's ETC designation does not directly impact the federal Lifeline Program.

IdeaTek provided the following explanations regarding its ability to meet the guidelines adopted by the FCC in the *Virginia Cellular Order* and by this Commission:

**Benefits of Increased Competitive Choice** – IdeaTek won the Auction 904 award for areas where an unsubsidized competitor currently provides the supported services to the census block.<sup>74</sup> Expansion of IdeaTek's high-cost ETC designation means the supported services will be deployed to these areas and the incumbent provider will have competition from IdeaTek. Innovation and investment tends to follow competition, benefitting the public interest. IdeaTek's experience has been that after it enters a market, an incumbent provider offering service below the FCC's standards increases its service levels to compete with IdeaTek.

**Unique Advantages and Disadvantages of the Competitor's Service Offering** – IdeaTek does not believe there are any disadvantages to its service deployment since it committed to deploying Gigabit tier services for the RDOF I Program.<sup>75</sup> IdeaTek's deployment to the awarded census blocks that will allow consumers to obtain broadband services, including highly-competitive offerings that include the fastest speeds available in the state, with scalability to meet future needs.

**Commitments Made Regarding High-quality Telecommunications Services By Company** – IdeaTek has operated its facilities-based fiber optic telecommunications

<sup>&</sup>lt;sup>70</sup> Application, ¶ 21.

<sup>&</sup>lt;sup>71</sup> *Id.*, ¶ 20.

<sup>&</sup>lt;sup>72</sup> Order, DA 03-338, Rel. Jan. 22, 2004.

<sup>&</sup>lt;sup>73</sup> Order Granting ETC Designation and Addressing Additional Issues, Docket No. 04-ALKT-283-ETC, Sept. 24, 2004; and Order No. 14 Order Granting ETC Designation and Addressing Additional Issues, Docket No.04-RCCT-338-ETC, Sept. 30, 2004.

<sup>&</sup>lt;sup>74</sup> Application, ¶ 29.

<sup>&</sup>lt;sup>75</sup> *Id.*, ¶ 30.

network in Kansas since 2005.<sup>76</sup> The Company provides voice, data transport, and broadband services to a wide-range of Kansas customers, including to residential households, small businesses, Fortune 100 enterprises, schools, and local governments.<sup>77</sup> IdeaTek focuses on providing service to unserved and underserved customers and is often the only provider offering Gigabit service. IdeaTek will use the RDOF funds to invest in fiber optic and other telecommunications infrastructure in rural and remote areas of Kansas, as well as invest private funding, and hire local workers for high-paying technology jobs, and use local and regional contractors and small businesses for its projects and ongoing operations.<sup>78</sup> The FCC will continue to review IdeaTek's financial and technical capabilities.<sup>79</sup>

**Competitive ETC's Ability to Provide the Support Services Throughout the Designated Service Area Within a Reasonable Time Frame** – IdeaTek has experience operating its network in Kansas and has constructed over 3,300 miles of fiber the past 15 years and provides service to low-density/high-cost areas.<sup>80</sup> IdeaTek's deployment models and methodology has allowed the Company to provide service in areas other providers have not deployed. The Company anticipates completing its RDOF I commitment in the census blocks in approximately 3 years.

IdeaTek committed to timely pay all applicable state regulatory fees, including its regulatory assessments, contributions to the KUSF, and E911 fees.<sup>81</sup> The Company "complies with 47 C.F.R. §254(d) and K.S.A. 66-2008(a)" for FUSF and KUSF contribution purposes.<sup>82</sup> IdeaTek will report revenue for its VoIP and Plain Old Telephone Service voice services, along with "all other telecommunications service classified as a service assessable under these rules."<sup>83</sup>

Staff suggests IdeaTek is committed to meeting the public interest obligations associated with expanding its high-cost ETC designation to include the 12 census blocks it was awarded in Auction 904.

## **Evaluation of Awardees for Higher Gigabit Tier Service**

The FCC expressed concerns regarding distance limitations, spectrum bands attributes, channel bandwidths requirements, backhaul and medium haul requirements, tower siting requirements, capacity constraints, required upstream speeds, required minimum monthly usage allowances, and other issues,<sup>84</sup> related to providing Gigabit service, stating RDOF I bidders "face a high burden to persuade Commission staff that they are reasonably capable of meeting the public interest obligations in rural areas and[,] thus[,] qualified to bid for the Gigabit performance tier."<sup>85</sup> The

<sup>&</sup>lt;sup>76</sup> Application,  $\P 2$ .

<sup>&</sup>lt;sup>77</sup> Id., ¶ 7.

<sup>&</sup>lt;sup>78</sup> Id., ¶ 32.

<sup>&</sup>lt;sup>79</sup> Id., ¶ 31.

<sup>&</sup>lt;sup>80</sup> *Id.*, ¶ 31.

<sup>&</sup>lt;sup>81</sup> Exhibit B, response to DR 5.

<sup>&</sup>lt;sup>82</sup> Id., response to DR 6.

<sup>&</sup>lt;sup>83</sup> Id.

<sup>&</sup>lt;sup>84</sup> Public Notice, Notice and Filing Requirements and Other Procedures for Auction 904, ¶ 106, FCC 20-77, Rel. June 11, 2020.

<sup>&</sup>lt;sup>85</sup> Id.

FCC stated an entity could face additional challenges to ensure it can meet the obligation to provide services to a mass market, especially if an entity has no experience offering service in rural areas<sup>86</sup> and explained its Staff could initiate follow-up discussions with an applicant and engineers involved with a bidder's application about the company's network plans. The FCC reminded applicants they must certify, under penalty of perjury, they are able to meet the "public interest obligations for each performance tier and latency combination they select," and are subject to enforcement proceedings."<sup>87</sup>

Staff asked IdeaTek to address the FCC's concerns. IdeaTek responded that the awarded census blocks are adjacent to its existing service area and fiber optic network.<sup>88</sup> The Company will not offer services using wireless technology; instead, it will rely on its network, electronics, and connectivity to offer services in the awarded census blocks.

## **Non-Compliance with RDOF I Commitment**

The FCC may find IdeaTek is ineligible or unqualified to receive RDOF I support if it is in default or violation of its commitments.<sup>89</sup> A violation is defined as, "any form of default with respect to each geographic unit subject to a bid.<sup>90</sup> The base forfeiture is 5% of a bidder's total bid amount for the support term. The FCC required each RDOF I bidder to acknowledge it is subject to forfeiture in the event of default.<sup>91</sup>

## **RECOMMENDATION:**

Based on its review of IdeaTek's Application and responses to Staff DRs, Staff recommends the Commission grant IdeaTek's request and expand its high-cost ETC designation to include the 12 census blocks identified in Staff Exhibit A. Staff is satisfied the Company demonstrated its ability to meet the requirements to be designated as a high-cost ETC for RDOF I purposes. IdeaTek should be reminded that its RDOF I support must be used for its intended purpose and that the Company must annually certify to the Commission that it used and, will use, the RDOF I support as intended. The Company must also file an annual certification regarding its quality of service and emergency functionality obligations. The Commission should also remind IdeaTek that it is subject to future FCC or Commission requirements that may impact the Company's high-cost ETC designation.

<sup>&</sup>lt;sup>86</sup> Public Notice, ¶ 106.

<sup>&</sup>lt;sup>87</sup> Id., ¶ 107, 108.

<sup>&</sup>lt;sup>88</sup> Exhibit B, response to DR 4.

<sup>&</sup>lt;sup>89</sup> RDOF I Order, ¶ 114.

<sup>&</sup>lt;sup>90</sup> Id., ¶ 115.

<sup>&</sup>lt;sup>91</sup> *Id.*, ¶ 117.

## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of the Application of IdeaTek)Telcom, LLC as an Eligible Telecommunications)Carrier for Purposes of Receiving Federal)Universal Service Support As Awarded Under)the Rural Digital Opportunity Fund Auction)(Auction 904) Program)

Docket No. 21-WLDT-343-ETC

## REDACTED

## EXHIBIT A

Census Block					
Group ID	Locations	Census Block ID	County	ILEC	Exchange
201550001003	36	201550001003012	Reno	AT&T	Hutchinson
		201550001003018	Reno	AT&T	Hutchinson
201550012002	4	201550012002005	Reno	AT&T	Hutchinson
		201550012002010	Reno	AT&T	Hutchinson
		201550012002012	Reno	AT&T	Hutchinson
201730095071	10	201730095071001	Sedgwick	AT&T	Parkview Zone (Wichita)
		201730095071002	Sedgwick	AT&T	Parkview Zone (Wichita)
201730107002	39	201730107002008	Sedgwick	AT&T	Cheney
		201730107002024	Sedgwick	AT&T	Cheney
		201730107002101	Sedgwick	AT&T	Cheney
		201730107002110	Sedgwick	AT&T	Cheney
		201730107002111	Sedgwick	AT&T	Cheney
Total	89				

## THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

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In the Matter of the Application of IdeaTek Telcom, LLC as an Eligible Telecommunications Carrier for Purposes of Receiving Federal Universal Service Support As Awarded Under the Rural Digital Opportunity Fund Auction (Auction 904) Program

Docket No. 21-WLDT-343-ETC

## **REDACTED**

EXHIBIT B

Information Request

Request No: 1

Company Name	WILDFLOWER TELECOMMUNICATIONS, LLC	WLDT		
Docket Number	21-WLDT-343-ETC			
Request Date	April 8, 2021			
Date Information Needed	April 19, 2021			
RE: Awarded Census Blocks				

#### **Please Provide the Following:**

Please review the Attachment to this Request and confirm the information is correct or provide corrections. The attached awarded census block information has been reviewed and confirmed as correct.

Submitted By Sandy Reams

Submitted To Daniel Friesen

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

#### Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

6/2 8.12

Signed: \_

Date: <u>4/16/2021</u>

Information Request

### Request No: 2

Company Name	WILDFLOWER TELECOMMUNICATIONS, LLC	WLDT
Docket Number	21-WLDT-343-ETC	
Request Date	April 8, 2021	
Date Information Needed	April 19, 2021	

RE: Monthly Voice Service

## **Please Provide the Following:**

IdeaTek's Application, paragraph 19, states the Company offers "residential voice base-rate service is \$25 per month for all-inclusive unlimited long distance and features including nationwide free local calling, seven digit dialing within the same area code, 911 service, Caller ID, Call Waiting, Voicemail, 3-way calling, Operator and directory assistance for a fee."

Please clarify if all of the identified features and services are included for the \$25/month or which services are offered separately for a fee and the applicable fee.

All of the above features are included for the \$25 per month fee.

Submitted By Sandy Reams

Submitted To Daniel Friesen

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

#### Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

6/2 8.12

Signed: \_

Date: \_\_\_\_\_4/16/2021\_\_\_\_

Information Request

### Request No: 3

Company Name	WILDFLOWER TELECOMMUNICATIONS, LLC	WLDT
Docket Number	21-WLDT-343-ETC	
Request Date	April 8, 2021	
Date Information Needed	April 19, 2021	

RE: Advertising

### **Please Provide the Following:**

IdeaTek's Application references advertising materials in Exhibit C to its Application; however, Exhibit C includes a map with the awarded census blocks. IdeaTek's Application also states it will advertise the Federal Lifeline Program on its website and other advertisements comparable to the sample advertisement provided with its Application.

A. Identify each method of general distribution IdeaTek has or currently uses to advertise its services to consumers. We apologize for the error in Exhibit C submission. To address the advertising materials question, on our website at https://ideatek.com/low-income-internet/ future and current customers can find information regarding the Lifeline program, how to apply and the documentation needed to become eligible. In addition to the Lifeline program, we are participating in the Emergency Broadband Benefit (EBB) program and are committed to providing assistance to those who qualify. Our ongoing advertisement of the program is in our fiber brochure that is distributed to community locations in connected towns, such as City offices, Chamber of Commerces, and Community Centers.

B. Provide a sample copy of the advertising IdeaTek uses for media of general distribution.

See attachment "Low income website screenshot"

See attachment "IdeaTek Fiber Brochure"

C. Provide a list of all service plans the Company will provide in the awarded census blocks and include the monthly service rate for each offering.

Super Gig, 1000 Mbps download/500 Mbps upload, \$125 per month

Gigabit, 1000 Mbps download/100 Mbps upload, \$70 per month

### Intro, 25 Mbps download/5 Mbps upload, \$45/month

D. Does IdeaTek offer separate Lifeline service plans or is a subscriber able to purchase any eligible service plan or bundle? If the Company offers separate Lifeline service plans, identify each Lifeline service offering (stand-alone voice, voice and Internet bundle, etc.), the minutes of use, broadband speed, and monthly price for each plan. If the Company does not offer separate Lifeline service offerings, confirm the Company does and will apply the applicable federal Lifeline Program credit to subscriber's monthly service bill.

The subscriber is able to purchase any service plan, including phone service, and the credit applied in accordance with state and federal standards. Then, depending on the service/service plan chosen, IdeaTek will apply the appropriate monthly credit to their bill.

Submitted By Sandy Reams

Submitted To Daniel Friesen

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

#### Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

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Signed.	6/-	1-1-	
Signeta.			_

Date: <u>4/16/2021</u>



RESIDENTIAL BUSINESS

## IdeaTek Low-Income Assistance

**Discounted Service for Low-Income Households** 

Being connected is essential. And our mission of internet freedom for all means we think everyone should have access to fast, reliable internet and phone service and the opportunities it provides. That's why we offer Lifeline and Emergency Broadband Benefit discounts to qualifying lowincome households in our service area.



OUR STORY

## **Lifeline Program**



Lifeline is the FCC's program to help make communications services more affordable for low-income residents. Lifeline provides subscribers a discount on monthly telephone service or broadband Internet service. The discount helps ensure that low-income residents can afford 21st century broadband and the access it provides to jobs, healthcare, and educational resources.

#### Discount per month

Phone service: \$13.02 discount off of monthly bill Internet service: \$5.25 discount off of monthly bill

## How Do I Qualify for Lifeline?

If you participate in one of these following government programs, you qualify for Lifeline:

- Supplemental Nutrition Assistance Program (SNAP)
- Medicaid
- Supplemental Security Income (SSI)

- Federal Public Housing Assistance (FPHA)
- Veterans Pension or Survivors Pension Benefit
- Bureau of Indian Affairs (BIA) General Assistance

-

Tribal Programs

To prove participation in one of the above programs, you must submit a document that, at a minimum, includes:

#### If your household income is at 135% or less of the federal poverty guidelines, you qualify for Lifeline. Guidelines are as follows:

Number of people in household	Income same or lower than the amount listed for household size
1	\$17,226
2	\$23,274
3	\$29,322
4	\$35,370
5	\$41,418
6	\$47,466
7	\$53,514
8	\$59,562
If more than 8, add this amount for each extra person	Add \$6,048

135% of the 2020 Federal Poverty Guidelines

To prove your household income is at 135% or less of the federal poverty guidelines, you must submit one or more of the following documents:

## How Do I Sign Up for Lifeline?

To complete the online application please click here. If you would like to complete a paper application, please call us.

## **Emergency Broadband Benefit Program**

The Emergency Broadband Benefit is an FCC program to help households struggling to pay for internet service during the pandemic. This new benefit will connect eligible households to jobs, critical healthcare services, and virtual classrooms. Eligible households will receive up to \$50 per month towards broadband service.

The EBB program is a temporary emergency federal government benefit program operated by the FCC and, upon its conclusion, customers will be subject to the provider's regular rates, terms and conditions.





## How Do I Qualify for the Emergency Broadband Benefit?

If you meet one of the following criteria, you qualify for Emergency Broadband Benefit Program

- Qualify for the Lifeline program
- Received a Federal Pell Grant during the current award year
- Receive benefits under the free and reduced-price school lunch program or the school breakfast program, including through the USDA Community Eligibility
   Provision, or did so in the 2019-2020 school year
- Experienced a substantial loss of income since February 29, 2020 and the household had a total income in 2020 below \$99,000 for single filers and \$198,000 for joint filers

## How Do I Sign Up for the Emergency Broadband Benefit?

The program has been authorized by the FCC, but the start date has not yet been established. The FCC is working to make the benefit available as quickly as possible. Please continue to check this page for program updates.

More information will be provided in coming weeks on how to complete the application.

## Still need help?

Give us a call. Our team is trained and ready to assist you with questions to help you save money.

LEARN MORE

RESIDENTIAL BUSINESS SCHOOLS Public Wi-Fi OUR STORY

Headquartered in Buhler, Kan., Ideatek is a broadband service provider with the mission of "fighting for internet freedom." IdeaTek uses a unique and innovative approach to deploy scalable, long-term fiber optic infrastructures, bridging the broadband gap in rural communities. IdeaTek has long been a state and national advocate for broadband equity policy and has built nearly 3,000 miles of fiber throughout Kansas. They were recently named to Inc. 5000's list of fastest growing companies for the seventh time.

fV

© 2021 IdeaTek. All rights reserved. Privacy Policy Terms of Service

CAREERS SELF-HELP PHONE PORTAL E-PAY 855-IDEATEK

855-IDEATEK 855-433-2835

ideatek@ideatek.com 111 Old Mill Lane Buhler, KS 67522

#### IdeaTek Low-Income Assistance

g connected is essential. And our mission of interne is we think everyone should have access to fast, re is see think everyone should have access to fast, re



#### Lifeline Program



## How Do I Qualify for Lifeline?

 Pederal Public Housing Assistance (PPHA)
 Veterans Pension or Survivors Pension Benefit To prove participation in one of the above programs, you must submit a document that, at a minimum, includes:

Number of people in household	Income same or lower than the amount listed for household size
1	\$17,226
2	\$23,274
3	\$29,322
4	\$35,370
5	\$41,418
6	\$47,466
7	\$53,514
8	\$59,562
If more than 8, add this amount for each extra person	Add \$6,048
135% of the 202	20 Federal Poverty Guidelines

must submit one or more of the \* To prove your household income is at 135 following documents:

#### How Do I Sign Up for Lifeline? se click here. If you wo

#### Emergency Broadband Benefit Program

he Emergency Broadband Benefit is an FCC program to help househol truggling to pay for internet service during the pandemic. This new bern all connect eligible households to jobs, critical healthcare services, and irtual classrooma. Eligible households will receive up to \$50 per month-

The EBB program is a temporary entergency federal governme erogram operated by the FCC and, upon its conclusion, custom ubject to the provider's regular rates, terms and conditions.





#### How Do I Qualify for the Emergency Broadband Benefit?

Experienced a substantial loss of income since Pebruary 29, 2020 and the household had a total income in 2020 below \$99,000 for single filers and \$196,000 for joint filers

Submit one or more of the following documents to verify participation in one of these programs.

#### How Do I Sign Up for the Emergency Broadband Benefit?

en authorized by the FCC, but the start date has not yet been established. The FCC is work quickly as possible. Please continue to check this page for program updates

#### Still need help?

LEARN MORE >

ideatek

od in Dahke, H

855-IDEATEK 855-433-2835 nekoldestek.com 111 Old Mil Lane Butter K5 67572



Information Request

### Request No: 4

Company Name	WILDFLOWER TELECOMMUNICATIONS, LLC	WLDT
Docket Number	21-WLDT-343-ETC	
Request Date	April 8, 2021	
Date Information Needed	April 19, 2021	

RE: Gigabit Service / Facilities

### **Please Provide the Following:**

The FCC stated, "distance limitations, spectrum bands attributes, channel bandwidths requirements, backhaul and medium haul requirements, tower siting requirements, capacity constraints, required upstream speeds, required minimum monthly usage allowances, and other issues raised in the record" require evaluation to confirm a provider's capability to offer broadband at the Gigabit level in rural areas like those in the RDOF auction.

A. Please explain how IdeaTek will overcome the challenges identified by the FCC.

Most, if not all of the FCC statements referenced above are related to wireless deployments. All awarded census blocks are adjacent to our existing fiber optic network. None will use wireless. This provides us a good foundation of electronics and network connectivity in the existing area that we are confident in our ability to meet the above requirements by the FCC.

B. Please provide a copy of the Company's network plan for RDOF I purposes.

Please see the attached confidential "Internet Access Diagram".

C. Will IdeaTek or IdeaTek Equity own any new facilities purchased for deployment for RDOF I purposes. IdeaTek Telcom, LLC will own the new facilities associated with the RDOF deployment.

Submitted By Sandy Reams

Submitted To Daniel Friesen

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

#### Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

6/2 8.10

Signed: \_

Date: <u>4/16/2021</u>

## The Best Internet + Your Favorite TV + Saving Money

## FREEDOM

Make your gigabit connection go even further by cutting the cord or ditching your dish. Get all your favorite network and cable channels through your internet connection and save hundreds of dollars each year.

## Your Current Internet + Satellite TV

High-Speed Internet 25 Mbps / 5 Mbps
\$60/month

DIRECTV \$130/month

TOTAL \$190/month

## () ideatek Internet + Over-The-Top TV

IdeaTek Gigabit Internet 1000 Mbps / 100 Mbps **\$70/month\*** 

## Over-The-Top Solution YouTube TV \$50/month

## TOTAL \$120/month

## Ready To Join The Gigabit Revolution?

If you're interested in faster internet for your home or business, visit **IdeaTek.com** and enter your address to see if service is available now or planned for the future.

Let us know you'd like IdeaTek's fiber internet by completing the form on our website or calling **855-433-2835**.

## **ABOUT US**

Locally-owned and headquartered in Buhler, IdeaTek is dedicated to bringing internet freedom to our friends and neighbors in Kansas. We're small town techies and Kansans at heart, passionate about helping rural communities thrive through having the freedom of fast internet connections.

- 🖄 ideatek@ideatek.com
- 🛞 111 Old Mill Lane / Buhler, KS 67522

🗞 855-IDEATEK

## **IDEATEK.COM**



# **INTERNET FREEDOM** FOR KANSAS

ideatek

# FINALLY, FAST INTERNET

Say goodbye to long load times, buffering Netflix, hours to upload photos, and dropped or frozen video calls. **Gigabit fiber internet is here.** 

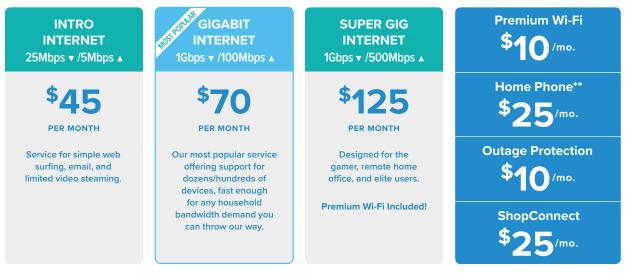
## Close but not quite?

Don't count yourself out! Is your home near an area with IdeaTek service? We just need you and enough of your neighbors to let us know you're interested in IdeaTek's high-speed internet, and we could add your neighborhood to our service area.

Visit our website at IdeaTek.com for more information.

ACTIVITY	Fixed Wireless 2-5 Mbps	DSL le 10 Mbps	deaTek's Gigabit Internet 1 Gig (1,000 Mbps)
1-2 devices connected to the internet for surfing, emailing, streaming	Х	Х	Х
Cloud-based file sharing	Maybe	Х	Х
Crystal-clear video calling			Х
Online gaming			Х
Stream 4K HD connect			Х
Stream 5 HD videos at once			Х
Download a 4-minute song	20 seconds	5 seconds	0.03 seconds
Download a 2-hour HD movie	180 minutes	60 minutes	25 seconds

## **Residential Product Pricing**



**Add-Ons** 

\*\*Lifeline, a federal program ensuring low-cost telephone access for low-income households is available to qualifying households. IdeaTek offers discounts to customer who qualify for income-assisted programs and is also required to provide service to all reasonable requests in its designated service area(s). Unresolved questions concerning service availability can be directed to the Kansas Corporation Commission's Office of Public Affairs and Consumer Protection department at 800.662.0027 or public.affairs@kcc.ks.gov.

Information Request

Request No: 5

Company Name	WILDFLOWER TELECOMMUNICATIONS, LLC	WLDT		
Docket Number 21-WLDT-343-ETC				
Request Date	April 8, 2021			
Date Information Needed	April 19, 2021			
RE: Regulatory Assessme	ents/Fees			
<b>Please Provide the Following:</b> Is IdeaTek committed to paying all applicable regulatory fees, including:				
A. assessments levied by the Kansas Corporation Commission.				
B. assessments levied by the Citizens' Utility Ratepayer Board.				
C. assessment contributions owed to the KUSF.				
D. applicable 911/E911	D. applicable 911/E911 fees owed to the appropriate authority.			

IdeaTek is committed to paying the above regulated fees.

Submitted By Sandy Reams

Submitted To Daniel Friesen

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

#### Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

( le for Signed:

Date: <u>4/16/2021</u>

## Kansas Corporation Commission Information Request

Request No: 6

Company Name	WILDFLOWER TELECOMMUNICATIONS, LLC	WLDT		
Docket Number	21-WLDT-343-ETC			
Request Date	April 21, 2021			
Date Information Needed	April 30, 2021			
RE: Telecommunications Contributions				

#### **Please Provide the Following:**

47 C.F.R. §254(d) requires "Every telecommunications carrier that provides interstate telecommunications services shall contribute, on an equitable and nondiscriminatory basis, to the specific, predictable, and sufficient mechanisms established by the Commission to preserve and advance universal service," with a de minimus exception allowed.

K.S.A. 66-2008(a) requires every "telecommunications carrier, telecommunications public utility and wireless telecommunications service provider that provides intrastate telecommunications services and, to the extent not prohibited by federal law, every provider of interconnected VoIP service, as defined by 47 C.F.R. 9.3, to contribute to the KUSF based upon the provider's intrastate telecommunications services net retail revenues on an equitable and nondiscriminatory basis."

A. Identify the services the Company offers or will offer that are telecommunications services and for which the revenues earned are subject to the Kansas Universal Service Fund (KUSF). *See attachment* 

B. What methodology does, or will, the Company use to allocate revenues earned in Kansas between the interstate and intrastate jurisdiction (i.e. direct assignment, traffic study, or safe harbor). *See attachment* 

Submitted By Sandy Reams

Submitted To Daniel Friesen

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

#### Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: \_\_\_\_\_\_

Date: 4/30/2021

A. Identify the services the Company offers or will offer that are telecommunications services and for which the revenues earned are subject to the Kansas Universal Service Fund (KUSF).

IdeaTek complies 47 C.F.R. §254(d) and K.S.A. 66-2008(a) and collects and remits payment to the KUSF for both VoIP and POTS voice services as well as any other telecommunications service classified as a service assessable under these rules.

B. What methodology does, or will, the Company use to allocate revenues earned in Kansas between the interstate and intrastate jurisdiction (i.e. direct assignment, traffic study, or safe harbor).

IdeaTek uses a traffic study for POTS service and the federal safe harbor rate for VoIP services (35.1% for state revenues).

Information Request

Request No: 7

Company Name	WILDFLOWER TELECOMMUNICATIONS, LLC	WLDT
Docket Number	21-WLDT-343-ETC	
Request Date	April 21, 2021	
Date Information Needed	April 30, 2021	
RE: ETC Designation		

## **Please Provide the Following:**

If the Company is disqualified by the FCC for RDOF purposes, does the Company plan to remain as a high-cost ETC or will it seek to relinquish its ETC designation for the awarded census blocks? Yes, unless otherwise not permitted by law. IdeaTek would not have the business case to provide service in its requested RDOF ETC areas without RDOF funding.

Submitted By Sandy Reams

Submitted To Daniel Friesen

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

#### Verification of Response

I have read the foregoing Information Request and answer(s) thereto and find answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the Commission Staff any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Date: 4/30/2021

## **CERTIFICATE OF SERVICE**

#### 21-WLDT-343-ETC

I, the undersigned, certify that a true and correct copy of the above and foregoing Notice Of Filing Of Staff's Report And Recommendation (Public) was served via electronic service this 14th day of May, 2021, to the following:

DANIEL P. FRIESEN, PRESIDENT IDEATEK TELCOM, LLC 111 OLD MILL LN BUHLER, KS 67522 Fax: 866-459-2829 daniel@ideatek.com ETHAN KAPLAN, GENERAL COUNSEL IDEATEK TELCOM, LLC 111 OLD MILL LN BUHLER, KS 67522 Fax: 866-459-2829 ekaplan@ideatek.com

MICHAEL NEELEY, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 Fax: 785-271-3167 m.neeley@kcc.ks.gov

M Murphy