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May 18, 2017

Amy L. Green
Secretary to the Commission
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, Kansas 66604-4027

Re: KCC Docket No. 17-SWBT-158-MIS

Dear Ms. Green:

Attached you will find the Southwestern Bell Telephone Company d/b/a AT&T Kansas Response to the Staff's Second Report and Recommendation for electronic filing in the above referenced docket.

Sincerely,

Bruce A. Ney
AVP - Senior Legal Counsel

Attachment

cc: Parties of Record

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the Matter of the Application of Southwestern)	
Bell Telephone Company d/b/a AT&T Kansas for)	
an Order Confirming Relinquishment of Its Eligible)	Docket No. 17-SWBT-158-MIS
Telecommunications Carrier Designation in Specified)	
Areas, and Notice Pursuant to K.S.A. 2015 Supp.)	
66-2006(d) of Intent to Cease Participation in the)	
Kansas Lifeline Services Program.)	

**AT&T KANSAS' RESPONSE TO STAFF'S
SECOND REPORT AND RECOMMENDATION**

Southwestern Bell Telephone Company d/b/a AT&T Kansas ("AT&T Kansas") respectfully submits its Response to the Staff's Second Report and Recommendation ("Second Report").

INTRODUCTION

1. AT&T Kansas has asked the Commission to confirm AT&T Kansas' relinquishment of its status as an Eligible Telecommunications Carrier ("ETC") in the relinquishment area specified in its Application. Federal law entitles AT&T Kansas to relinquish its ETC designation as long as the area at issue is served by at least one other ETC. 47 U.S.C. § 214(e)(4). Staff agrees that every exchange in the relinquishment area is served by more than one other ETC. That satisfies Section 214(e)(4) and means the relinquishment request should be granted as filed, as it has been for AT&T ILECs in seven other states so far.¹

¹ Commission Order, *Petition of BellSouth Telecommunications, LLC d/b/a AT&T South Carolina for Order Confirming Relinquishment of Eligible Telecommunications Carrier Designation in Specified Areas*, Docket No. 2017-109-C (S.C. P.S.C. May 3, 2017) ("*South Carolina Relinquishment Order*"); Order Confirming AT&T Mississippi's Relinquishment of its Eligible Telecommunications Carrier Designation in Specified Areas, *In re Verified Petition of AT&T Mississippi for an Order Confirming Relinquishment of its Eligible Telecommunications Carrier Designation in Specified Areas*, Docket No. 2016-UA-213 (Miss. P.S.C. Apr. 13, 2017) ("*Mississippi Relinquishment Order*"); Order Confirming AT&T Tennessee's Relinquishment of Its Eligible Telecommunications Carrier Designation in Specified Areas, *In re Verified Petition of AT&T Tennessee for an Order Confirming Relinquishment of its Eligible Telecommunications Carrier Designation in Specified Areas*, Docket No. 16-00123, at 4 (Tenn. Reg.

2. Staff, however, proposes that the Commission improperly rewrite federal law and create a new substantive test for relinquishment based on what “type” of other ETC serves a given area. Specifically, Staff recommends granting relinquishment of AT&T Kansas’ obligation to provide Lifeline service throughout the relinquishment area because there are Lifeline-only ETCs throughout the relinquishment area. Staff also recommends granting relinquishment of AT&T Kansas’ “high-cost” ETC obligation (the obligation to provide voice service to non-Lifeline customers on reasonable request) for 115,350 of the 116,282 census blocks in the relinquishment area, because there is at least one other ETC with a “high-cost” ETC obligation in the exchanges containing those census blocks. Second Report at 1-2.

3. As for the final 932 census blocks in the relinquishment area, Staff concedes that they too are served by ETCs other than AT&T Kansas. *Id.* at 6, 9. However, although this satisfies Section 214(e)(4)’s objective standard for relinquishment, Staff proposes that the Commission deny relinquishment with regard to the “high-cost” ETC obligation in these census blocks because there is no other carrier with a high-cost ETC obligation in the exchanges containing those census blocks. *Id.* at 9-11.

4. That is where Staff goes astray. The Commission should grant relinquishment in all areas identified in AT&T’s Petition – including the exchanges containing those 932 census

Auth. Mar. 24, 2017) (“*Tennessee Relinquishment Order*”); Final Decision, *Request by Wisconsin Bell, Inc. d/b/a AT&T Wisconsin, to Relinquish its Status as an Eligible Telecommunication Carriers in Certain Parts of its Service Territory*, Docket No. 6720-TI-225 (Wis. P.S.C. March 13, 2017) (“*Wisconsin Relinquishment Order*”); Order, *In re Implementation of the Universal Service Requirements of Section 254 of the Telecommunications Act of 1996*, Docket No. 25980 (Ala. P.S.C. March 9, 2017) (“*Alabama Relinquishment Order*”); Final Order Granting Relinquishment of ETC Designation, *Application of Southwestern Bell Tel. Co. for Order Confirming Relinquishment of Eligible Telecommunications Carrier Designation*, Order No. 66136, Cause No. PUD 201600455 (Okla. Corp. Comm’n, Feb. 22, 2017) (“*Oklahoma Relinquishment Order*”); *In the Matter of Southwestern Bell Telephone Company, d/b/a AT&T Missouri’s Notice of Relinquishment of its Eligible Telecommunications Carrier Designation Pursuant to 47 U.S.C. § 214(e)(4) and Notice of Withdrawal From State Lifeline and Disabled Programs*, File No. IO-2017-0132 (Mo. P.S.C., Jan. 11, 2017) (“*Missouri Relinquishment Order*”).

blocks – for all purposes, including the high-cost ETC obligation, for a number of legal and practical reasons.

5. First, under federal law, the *only* test for relinquishment is whether there is at least one other ETC present in the area at issue – there is no distinction based on the “type” of ETC, and it is legally irrelevant whether those alternative ETCs are Lifeline-only ETCs or high-cost ETCs. 47 U.S.C. § 214(e)(4). The Commission should therefore decline Staff’s proposal to create new substantive requirements that are contrary to the plain language of Section 214(e)(4) as applied by every state commission to have ruled on AT&T’s relinquishment petitions to date.²

6. Second, Staff’s apparent concern – that after relinquishment some unidentified, non-Lifeline AT&T Kansas customers in the 932 census blocks potentially could, at some point, not be able to obtain voice service – is *purely theoretical* and overlooks key facts:

- Consumers in general have already shown they have no problem obtaining voice service from providers other than AT&T Kansas. Indeed, one basis for relinquishment is that AT&T Kansas lost 82% of its voice subscribers from 2005 to 2015 as its wireline voice customers flocked to competing providers, especially wireless and VoIP providers. Application, ¶ 8.

- Staff’s concern would apply only to a very small number of customers. AT&T Kansas has legacy voice customers in less than half (408) of the 932 census blocks. *See* Attachment 2 hereto. And in those 408 census blocks, AT&T Kansas has only 1,156 legacy voice lines – an average of just 2.8 lines per census block. *Id.* There is no basis to rewrite federal law in order to make AT&T Kansas retain a high-cost ETC designation in

² The *Wisconsin Relinquishment Order* directed AT&T to seek FCC guidance on certain aspects of AT&T Wisconsin’s ETC relinquishment. Order at 8-9. On April 11, 2017, the Wisconsin Commission Staff notified AT&T that the FCC Staff had confirmed that AT&T’s ETC relinquishment complied with federal law and that no further FCC review or approval was required. *See* Attachment 1.

order to “protect” a very small number of customers who already have several competitive alternatives to AT&T Kansas voice service.

- AT&T Kansas will not discontinue service to *any* customer, including those in the 932 census blocks, as a result of this relinquishment. To the contrary, AT&T Kansas will continue offering legacy voice services everywhere it serves until such time as it petitions for and obtains FCC approval to discontinue them (which cannot happen until this Commission receives notice and an opportunity to be heard). What Staff is concerned about, therefore, is not at issue in this proceeding. And if, in some future discontinuance proceeding, this Commission or the FCC learned that some customers in AT&T Kansas’ territory would be left without any other voice alternatives, the FCC would have the authority to ensure those customers are served.

- The other ETCs offering service in each of the 932 census blocks today are common carriers with an obligation to provide voice service upon reasonable request, including to non-Lifeline customers, and the vast majority have confirmed to Staff that they would have no problem absorbing AT&T Kansas’ non-Lifeline customers. Moreover, a full 80% of the census blocks Staff is concerned about (748 of 932) are in the Topeka or Wichita metropolitan exchanges, which makes them likely to have even more competing providers. *See* Second Report, Ex. 1. Thus, if AT&T Kansas ever seeks to discontinue voice service at some time in the future, those carriers will be there to serve AT&T Kansas’ remaining customer base.

7. In short, Staff’s concerns are both hypothetical and not at issue here, and Staff’s legal position would require the Commission to unlawfully rewrite federal law to solve a

problem that does not exist. The Commission should reject that proposal and grant the relinquishment Application as filed.

ARGUMENT

I. Each of the 932 Census Blocks Is Served by at Least One Other ETC, Which is the Only Requirement Under Federal Law

8. The federal standard for relinquishment is binding and straightforward. Under 47 U.S.C. § 214(e)(4), a state commission “shall permit” an ETC to relinquish its ETC designation for “any area” that is “served by” at least one other ETC. 47 U.S.C. § 214(e)(4); 47 C.F.R. § 54.205(a). Staff concedes that the exchanges containing the 932 census blocks at issue here each are served by at least two ETCs other than AT&T Kansas. Second Report at 6 & Ex. 2.³ Thus, AT&T Kansas meets the test for relinquishment.

9. Staff contends that AT&T Kansas does not meet the relinquishment test in the exchanges containing the 932 census blocks – but only as to its high-cost ETC obligation – because those census blocks are not served by another high-cost ETC. *Id.* at 9-11 & Second Report, Ex. 2. Section 214(e)(4), however, requires *only* that an area be served by another ETC. It does not distinguish between specific types of ETC obligations or require that there be both Lifeline-only ETCs and high-cost ETCs in a given area. State commissions have no authority to rewrite a federal statute by adding distinctions or conditions on an ETC’s right to relinquish beyond those enacted by Congress.⁴ *AT&T Corp. v. Iowa Utils. Bd.*, 525 U.S. 366, 378-79 n.6

³ Exhibit 2 to the Second Report lists the ETCs serving each exchange in the relinquishment area. The 932 census blocks at issue are contained in the exchanges that do not list any high-cost ETC.

⁴ Staff asserts that an ETC can voluntarily elect to limit its ETC relinquishment to specific programs or universal service support mechanisms. Staff Report at 9-10, citing *2016 Lifeline Modernization Order*, FCC 16-38, 31 FCC Rcd. 3962, ¶ 334 (rel. Apr. 27, 2016). Staff apparently believes that this means a state commission could similarly “de-link” Lifeline ETC obligations from high-cost ETC obligations when considering relinquishment requests. *Id.* Staff is incorrect. First, neither Section 214(e)(4) nor the FCC’s rule (47 C.F.R. § 54.205) were ever amended to address such “de-linking.” Second, even if a

(1998) (when implementing federal telecommunications law, state commissions “must hew” to the lines drawn by Congress and the FCC); *United States v. Sturm*, 673 F.3d 1274, 1279 (10th Cir. 2012) (decisionmakers must “ordinarily resist reading words or elements into a statute that do not appear on its face”). Thus, the lack of another high-cost ETC in the 932 census blocks does not change the fact that those census blocks *are* served by “more than one [ETC],” which is all that Section 214(e)(4) requires. All seven state commissions to have ruled on AT&T’s ETC relinquishment to date (Alabama, Mississippi, Missouri, Oklahoma, Tennessee, South Carolina, and Wisconsin) have necessarily recognized this legal standard in granting the relinquishment as requested by AT&T, without modification. *See supra* n.1.

II. After Relinquishment, Customers in the 932 Census Blocks Will Continue to Have Access to Voice Service From AT&T Kansas and a Number of Other Carriers With a Legal Obligation to Serve Them

10. Staff’s apparent concern is ensuring that non-Lifeline customers in the 932 census blocks will continue to have access to voice service after relinquishment.⁵ This concern stems from the following language in Section 214(e)(4):

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 (or the Commission in the case of a common carrier designated under paragraph (6)) 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

carrier were free to *voluntarily choose* to relinquish fewer obligations than Section 214(e)(4) would allow it to relinquish, that would not mean state commissions could rewrite Section 214(e)(4) to limit the scope of relinquishment when the applicant does not so limit its request. It is one thing to voluntarily retain an ETC obligation; it is a far different thing to be forced to retain an obligation one has decided to (and is legally authorized to) relinquish.

⁵ Staff’s concern does not apply to Lifeline customers in the 932 census blocks, since those customers would have at least two other Lifeline-only ETCs available.

construction of adequate facilities by any remaining eligible telecommunications carrier. (Emphasis added).

Staff contends that because the only ETCs that serve the exchanges containing the 932 census blocks are Lifeline-only ETCs, which have no high-cost ETC obligation to provide voice service to non-Lifeline customers, those ETCs cannot ensure that all non-Lifeline customers in the relinquishment area will continue to be served. Second Report at 9-11.

11. As explained herein, this is a purely hypothetical concern that simply is not an issue in this proceeding. Consumers everywhere have been switching to and continue to switch to voice providers other than AT&T Kansas, and those providers have been more than willing and able to serve them. Additionally, AT&T Kansas will continue offering legacy wireline voice services everywhere it serves until such time as it petitions for and obtains FCC approval to discontinue them (which cannot happen until this Commission receives notice and an opportunity to be heard). And if, in some future discontinuance proceeding, this Commission or the FCC learned that some customers in AT&T Kansas' territory would be left without any other voice alternatives, the FCC would have the authority to ensure those customers are served. Staff's hypothetical concern fails to recognize for the realities of the competitive marketplace and the non-ETC legal requirements that protect non-Lifeline customers.

A. Consumers Will Be Able to Continue Obtaining Voice Service in the 932 Census Blocks From Several Providers

12. The marketplace facts show that providers other than AT&T Kansas have had no problem absorbing and serving both Lifeline and non-Lifeline customers as those customers continue to choose non-ILEC options, especially wireless and VoIP, for their voice service. Indeed, one of the reasons for AT&T Kansas' ETC relinquishment is that its number of voice customers has dropped so precipitously and continues to dwindle. Application, ¶ 8. Between 2005 and 2015, the number of traditional ILEC residential wireline customers in Kansas

decreased 72%, from 711,000 lines to 202,000 lines. *Id.* AT&T Kansas' retail residential lines declined by about 82% during that same period. *Id.* These customers are not abandoning voice service, but rather switching to other carriers, and those competing carriers, including ETCs, have proven ready and eager to serve the former AT&T Kansas customers.

13. Consumers also will have several other competitive providers from which to obtain voice service. As noted above, 80% of the 932 census blocks (784 of 932) are in the Topeka or Wichita metropolitan exchanges. Competing carriers serving those exchanges can readily absorb any customers that seek to leave AT&T Kansas, just as competing carriers in the state have already absorbed more than 80% of AT&T Kansas' lines since 2005. Application, ¶ 8.

14. Finally, it bears noting that it will not take much for other carriers to serve any customers that leave AT&T Kansas. AT&T Kansas has customers in just 408 of the 932 census blocks, and serves just 1,156 legacy voice lines in those blocks. *See* Attachment 2 hereto. There is no doubt that the remaining ETCs (and other carriers) could readily serve that relatively small number of lines if the need arose.

B. AT&T Kansas Will Continue to Provide All the Same Services to Customers That It Provides Today, Meaning None Will Lose Voice Service as a Result of Relinquishment, and AT&T Kansas Cannot Stop Providing Voice Service Without FCC Permission

15. Another reason why Staff's concern is purely theoretical is that *AT&T Kansas is not discontinuing any legacy wireline services as a result of this Application*. That means AT&T Kansas will continue to provide voice service to all consumers throughout the relinquishment area, *including the 932 census blocks*. Any non-Lifeline customer that receives legacy voice service from AT&T Kansas today will see absolutely no change in his or her voice service after relinquishment. Moreover, as a common carrier, AT&T Kansas will continue to be required by

federal law to provide voice service to all consumers throughout its service area “upon reasonable request,” on a nondiscriminatory basis, and with “just and reasonable” rates and terms. 47 U.S.C. §§ 201-202. As two state commissions have expressly found (and the rest have implicitly recognized), AT&T Kansas’ relinquishment simply does not implicate any concerns about continuation of service.⁶

16. In addition, AT&T Kansas cannot be relieved of its common carrier voice obligations without first petitioning for and receiving permission from the FCC to discontinue legacy voice service under 47 U.S.C. § 214(a). To receive permission to discontinue legacy voice service, AT&T Kansas would have to demonstrate to the FCC that “neither the present nor future public convenience and necessity will be adversely affected” by discontinuing service. 47 U.S.C. § 214(a). To determine whether a proposed discontinuance would adversely affect the public interest, the FCC employs a five-factor balancing test that analyzes: (1) the financial impact on the common carrier of continuing to provide the service; (2) the need for the service in general; (3) the need for the particular facilities in question; (4) increased charges for alternative services; and (5) the existence, availability, and adequacy of alternatives.⁷ And the FCC recently concluded that the existence, availability, and adequacy of alternatives (fifth

⁶ See, e.g., *Mississippi Relinquishment Order* at 4 (“[T]he requirements related to continuation of service and adequate notice are not applicable in this matter because AT&T will not discontinue any service as a result of the Commission confirming partial relinquishment of the Company’s ETC status.”); *Tennessee Relinquishment Order* (“AT&T will not cease providing universal service in the specified relinquishment area and therefore, additional requirements on remaining ETCs are not applicable.”). These explicit findings are implicit in the orders of the other five state commissions that have granted AT&T’s relinquishment petitions to date.

⁷ *Applications for Authority Pursuant to Section 214 of the Communications Act of 1934 to Cease Providing Dark Fiber Service*, Memorandum Opinion and Order, 8 FCC Rcd. 2589, 2600, ¶ 54 (1993), remanded on other grounds, *Southwestern Bell v. FCC*, 19 F.3d 1475 (D.C. Cir. 1994).

factor) has heightened importance in the context of technology transitions.⁸ The FCC also is expressly authorized to impose conditions on the approval of any discontinuance request that “in its judgment the public convenience and necessity require.” 47 U.S.C. § 214(c).

17. State commissions also have a role in any Section 214(a) discontinuance request. The FCC’s rules ensure that the affected state is provided notice and has the opportunity to participate in any Section 214(a) proceeding involving a discontinuance of basic residential voice service. Specifically, Section 63.71(a) of the FCC’s rules requires AT&T Kansas to send a copy of any Section 214(a) application seeking discontinuance to the Governor of Kansas, and the State then has a “right . . . to be heard” on all issues and concerns in that proceeding. 47 U.S.C. § 214(b). Moreover, Congress authorizes a state commission to seek an injunction in “any court of competent jurisdiction” if it believes FCC approval of a discontinuance request is not in the public interest. 47 U.S.C. § 214(c). Thus, as a practical matter, the FCC would not be able to approve any AT&T Kansas request to discontinue legacy voice service anywhere in its Kansas franchised territory without notifying the Commission and providing the Commission with an opportunity to submit comments on whether such discontinuance could occur without harm to the public interest. And if the Commission disagrees with the FCC’s conclusions, it has a statutory right to challenge the FCC in court.⁹

⁸ *Technology Transitions*, Declaratory Ruling, Second Report and Order, and Order on Reconsideration, 31 FCC Rcd. 8283 (rel. July 15, 2016).

⁹ Staff contends that because AT&T Kansas will continue providing voice service to non-Lifeline customers in the 932 census blocks it should not care whether it is also forced to remain designated as a high-cost ETC for those census blocks. Second Report at 10. But that is not Staff’s decision to make. No entity should be forced to retain regulatory designations (and associated obligations) that it is legally permitted to relinquish. For example, for all AT&T Kansas knows the duties of a high-cost ETC may change over time, and AT&T Kansas should not have to bear that risk when it meets the test for relinquishment today.

C. The Remaining ETCs in the 932 Census Blocks Have Confirmed They Can Serve Any AT&T Kansas Non-Lifeline Customers, and They Too Cannot Discontinue Voice Service Without FCC Permission

18. In addition to AT&T Kansas' voice service, non-Lifeline customers in the 932 census blocks will continue to have access to voice services from providers other than AT&T Kansas, including the Lifeline-only ETCs serving those census blocks. Notwithstanding Staff's attempts to discount them (*see* Second Report at 9), those ETCs are, by definition, "telecommunications carriers" under federal law, and to the extent they provide telecommunications service, they are common carriers under federal law. 47 U.S.C. § 153(44). As common carriers, they are legally required to serve all customers in their service area upon reasonable request, *including non-Lifeline customers*. 47 U.S.C. §§ 201-202. In fact, of the 13 Lifeline-only ETCs serving part of the relinquishment area, at least *nine* responded to Staff's data request by indicating that they are able to serve AT&T Kansas' non-Lifeline customers in the relinquishment area, and the websites of two more of the Lifeline-only ETCs show that they too already serve non-Lifeline customers.¹⁰ And, just like AT&T Kansas, none of those ETCs

¹⁰ *See* Second Report, Ex. 2 (listing Lifeline-only ETCs) and Ex. 3 (Competitive ETC responses to Staff Data Request 12). Staff question 12(e) asked Lifeline-only ETCs whether they would be able to ensure that AT&T Kansas' non-Lifeline customers would continue to be served if the Commission granted AT&T Kansas' request. Eight clearly said they would. A ninth, Cox Kansas Telcom, initially stated no, but then said that "Cox is able to serve some non-Lifeline customers served by AT&T to the extent Cox is built out to serve the customers, within the wire center" – which means it *would* serve non-Lifeline customers in its service area. A tenth Lifeline-only ETC, Global Connections, Inc. of America, did not answer Staff question 12(e), but its website lists several service plans available to non-Lifeline customers in AT&T's area. http://www.connectwithglobal.com/home_services.html. An eleventh Lifeline-only ETC, Tempo Telecom, answered "No," but its reason was that "Tempo is a wireless reseller and provides only wireless services." Of course, being a wireless reseller does not mean Tempo Telecom cannot or would not serve non-Lifeline customers in the relinquishment area. More importantly, Tempo Telecom's website indicates that it offers both Lifeline and non-Lifeline voice service. <https://mytempo.com/tempo-home-phone>. A twelfth Lifeline-only ETC, TAG Mobile, said it would need a systems update to serve non-Lifeline customers (which the Commission could require under 47 U.S.C. § 214(e)(4) if it were necessary), and the final ETC, Budget Prepay, answered "No" to Staff question 12(e) but gave no basis or rationale.

could relinquish their common-carrier duties to provide voice service without first obtaining permission from the FCC under 47 U.S.C. § 214(a).

D. Staff's Reliance on FCC Forbearance Orders Is Misplaced

19. Staff relies heavily on the FCC's forbearance decisions regarding ETC obligations. Second Report at 9-11. Those decisions, however, deal with a different federal statute, 47 U.S.C. § 160(a), which has a different standard than the relinquishment test under Section 214(e)(4).¹¹ Moreover, the *2015 ETC Forbearance Order*,¹² on which Staff relies, declined to forbear from high-cost ETC obligations in some areas because the FCC believed the petitioner, USTelecom, had not presented sufficient evidence for the FCC to comfortably grant forbearance on a generic, blanket basis. *2015 ETC Forbearance Order*, ¶¶ 112-13. The FCC therefore left ETCs to go through the state-level relinquishment process under Section 214(e)(4).

Significantly, of the exchanges encompassing the 932 census blocks at issue (*i.e.*, those on Ex. 2 to the Second Report that list no high-cost ETCs), *all* are served by two or more of the ETCs that unequivocally said they could serve AT&T Kansas' non-Lifeline customers after relinquishment.

¹¹ Of course, to the extent one considers forbearance decisions, it is worth noting the FCC's conclusion in 2014 that the kind of ongoing regulatory protections discussed above remove concerns about voice service being available to non-Lifeline customers. *Connect America Fund, Petition of USTelecom for Forbearance Pursuant to 47 U.S.C. § 160(c) from Obsolete ILEC Regulatory Obligations That Inhibit Deployment of Next-Generation Networks*, Report and Order, 29 FCC Rcd. 15644, ¶ 64 (rel. Dec. 18, 2014) ("*2014 ETC Forbearance Order*") ("We disagree with the claim that the Commission should not forbear from section 214(e) because we should ensure that there is at least one carrier that has a federal obligation to provide voice telephony service to all consumers in a particular area. As explained above, there are existing regulatory protections that provide reasonable assurance that consumers in the areas where we forbear from the federal high-cost ETC obligation to provide voice telephony service will continue to have access to voice telephony service."). See also *id.*, ¶¶ 58-61 (Title II common-carrier requirements will ensure that voice rates remain just and reasonable and nondiscriminatory, and in any event the Section 214(a) service-discontinuance process will allow any concerns to be aired and addressed before a provider removes its voice service, which means consumers will be protected even if high-cost ETC obligations are removed); *id.*, ¶ 62 (another reason consumers will be protected even if high-cost ETC obligations are removed is that "it is reasonable to expect that price cap carriers will continue to offer voice service in these areas even after they have been relieved of the federal ETC requirement to do so" – which is exactly what AT&T Kansas is doing).

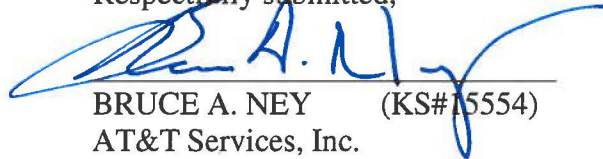
¹² *Petition of USTelecom for Forbearance Pursuant to 47 U.S.C. § 160(c) from Obsolete ILEC Regulatory Obligations That Inhibit Deployment of Next-Generation Networks*, 31 FCC Rcd. 6157 (rel. Dec. 28, 2015)) ("*2015 ETC Forbearance Order*").

That is just what AT&T Kansas is doing. The facts here show that AT&T Kansas will continue to provide voice service throughout the specific area at issue to all customers on reasonable request, and that other carriers, including Lifeline-only ETCs, will do the same. Staff's concerns about non-Lifeline customers in the exchanges containing the 932 census blocks having access to voice service after relinquishment are therefore unfounded and purely hypothetical and not at issue here.

CONCLUSION

20. It is undisputed that ETCs other than AT&T Kansas serve every exchange in the relinquishment area. AT&T Kansas therefore has met the federal test for ETC relinquishment throughout the relinquishment area, and the Commission should grant AT&T Kansas' Application as filed.

Respectfully submitted,



BRUCE A. NEY (KS#15554)

AT&T Services, Inc.

816 Congress Ave., Suite 1100

Austin, Texas 78701

(512) 457-2311 (office-direct)

(512) 870-3420 (facsimile)

Attorney for Southwestern Bell Telephone

Company d/b/a AT&T Kansas

VERIFICATION

I, Janet L. Arnold, of lawful age, and being first duly sworn, now state: I am Area Manager-External Affairs, and have read AT&T Kansas' Response to Staff's Second Report and Recommendation, and verify the statements contained herein to be true and correct to the best of my knowledge and belief.


Janet L. Arnold

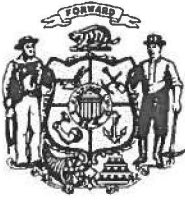
Subscribed and sworn to before me on this 18th day of May, 2017.


Notary Public

My appointment expires:



ATTACHMENT 1



Public Service Commission of Wisconsin

Ellen Nowak, Chairperson
Mike Huebsch, Commissioner
Lon Roberts, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

Public Service Commission of Wisconsin
RECEIVED: 04/11/2017 11:41:04 AM

April 11, 2017

Mr. Jim Jermaine, Regional Vice President - External Affairs
Wisconsin Bell, Inc.
316 W Washington Ave, Suite 501
Madison, WI 53703-3050

Re: Request by Wisconsin Bell, Inc., d/b/a AT&T Wisconsin, to Relinquish its Status as an Eligible Telecommunications Carrier in Certain Parts of its Service Territory 6720-TI-225

Dear Mr. Jermaine:

On March 13, 2017, the Public Service Commission of Wisconsin (Commission) issued its Final Decision in the above-referenced docket. (PSC REF#: 299166.) Order point one of the Final Decision required Wisconsin Bell, Inc. to either (1) obtain any necessary approvals from the Federal Communications Commission (FCC) and provide documentation to Commission staff, or (2) provide Commission staff documentation from the FCC that no approvals are required.

The FCC has informed Commission staff that it will not require Wisconsin Bell, Inc. to make a formal filing with regards to the change in the area for which the company is designated as an eligible telecommunications carrier.

As no filing is required, the requirement in order point one of the Final Decision in this docket has been met.

If you have questions or comments about this letter, please contact Peter Jahn at 608-267-2338, or via email at peter.jahn@wisconsin.gov.

Sincerely,

Kristy Nieto
Assistant Division Administrator
Division of Water, Telecommunications & Consumer Affairs

KN:PRJ:pc DL:01514938

ATTACHMENT 2

AT&T Kansas "932 CB" Analysis

5-18-17

	# of CBs with AT&T Residential Legacy Voice Service Lines	# of AT&T Residential Legacy Voice Service Lines	Total HUs in the 932 CBs	% of Total HUs w/AT&T Residential Legacy Voice Service Lines
Sept 2015	450	1,373	4,781	28.7%
Sept 2016	411	1,226	4,781	25.6%
Mar 2017	408	1,156	4,781	24.2%

NOTES

1. AT&T Residential Legacy Voice Service Lines are from internal AT&T records.
2. Housing unit (HU) counts are Nielson estimates of Census 2014 data and the same 2014 value is used for 2015, 2016 and 2017.
3. Total CBs w/No HUs = 129

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing AT&T Kansas' Response to Staff's Second Report and Recommendation was electronically served this 18th day of May, 2017 to:


Michael Neeley
Ahsan Latif
Litigation Counsel
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