

future, the FCC will also hold auctions for Mobility Fund Phase II, which will provide ongoing support for mobile services in areas where such support is needed.²

- 3 The FCC requires companies that are interested in participating in Mobility Fund auctions to submit a stream-lined short-form application for initial eligibility screening and requires winning bidders to provide a comprehensive long-form application after the auction is closed. Auction 902 is scheduled for December 19, 2013. The deadline for filing the short-form application is October 9, 2013. With the exception of tribal wireless carriers, a carrier must be designated as an ETC for all census blocks for which it intends to submit a bid at the time it submits the short-form application.³ The FCC imposed this requirement to “help ensure that the pool of bidders is serious about seeking support and meeting the obligations that receipt of support would entail.”⁴ Such an ETC designation may be conditioned upon the party winning support from the Mobility Fund.⁵
- 4 The Commission previously designated U.S. Cellular as an ETC eligible for both High Cost Support and Low Income Support of the federal USF in 1997, but that designation includes only a portion of the geographic area the Company is licensed to serve. Accordingly, U.S. Cellular seeks additional ETC designation in all Mobility Fund - eligible census blocks within its licensed service areas in Washington but outside its existing ETC area conditioned on U.S. Cellular winning support from the FCC Mobility Fund for any such census blocks. If it wins bids in some of those areas, the Company will be able to use federal USF to extend the footprint of its mobile voice and broadband data network in this state. U.S. Cellular requests expedited consideration of its petition to enable the Company to meet the FCC’s October 9, 2013, auction application deadline.
- 5 This Commission has the authority to designate ETCs under 47 U.S.C. § 214(e), 47 C.F.R. § 54.1003, and Washington Administrative Code (WAC) § 480-123. The FCC did not establish additional rules to govern the ETC designation process solely for the purpose of designating entities to receive Mobility Fund.⁶ Commission Staff has reviewed the petition and amendment and finds the Company meets the requirements for ETC designation under 47 U.S. C. § 214(e)(1), 47 C.F.R. § 54.201(d) and WAC 480-123-030. The Company commits to provide all of the supported services with its own facilities throughout its designated service area. It also commits to advertise the availability of and charges for its USF-supported services using media of general distribution. Staff believes the Company is financially and technically capable of providing service to unserved and underserved areas in Washington if it wins bids in Mobility Fund auctions. Staff also believes that the Company is capable of funding ongoing operation and maintenance in the areas where it receives Tribal Mobility Fund support.

² The FCC has set \$500 million annual for Mobility Fund Phase II, with up to \$100 million for Tribal lands.

³ *USF/ICC Transformation Order*, 26 FCC Rcd at 17798, para. 388-392. Also see 47 C.F.R. § 54.1003(a).

⁴ *Id.* 26 FCC Rcd at 17799, para. 392.

⁵ *Id.* 26 FCC Rcd at 17809, para. 439. Also see 47 C.F.R. § 54.1003(a).

⁶ *Id.* 26 FCC Rcd at 17798, para. 390.

DISCUSSION

- 6 U.S. Cellular has demonstrated that it meets the requirements to be conditionally designated as an ETC in additional licensed areas to be eligible to bid in Auction 902 and future Mobility Fund auctions. The Company is a facilities-based wireless telecommunications carrier that has been serving as an ETC in Washington since 1997. It has satisfactorily met all its ETC obligations specified by the FCC and Washington rules.⁷ The Company commits to comply with ETC requirements set forth in 47 C.F.R. § 54.202(a), including compliance with emergency functionality requirement, relevant consumer protection and service quality standards. Furthermore, it certifies that it meets the requirements of 47 C.F.R. § 54.1003 (b) and (c) with regards to spectrum access, financial and technical qualifications to provide the supported services.
- 7 Designating U.S. Cellular as a conditional ETC for the purpose of Mobility Fund auctions will serve the public interest. Historically, Tribal lands in Washington are underserved in wireless communications services compared to more economically developed areas. They often do not attract infrastructure investments. Designating U.S. Cellular as a conditional ETC will enhance competitive participation of the Tribal Mobility Fund auction and increase the chance those areas will receive advanced mobile services. If the Company wins bids in those areas, it will expand its wireless network as well as making available wireless Lifeline services to low-income tribal households. Due to the imminent deadline for Auction 902 short-form application, an expedited conditional ETC designation is warranted.
- 8 The Commission has previously granted conditional ETC designation for the purpose of Mobility Fund auctions. On June 14, 2012, the Commission designated T-Mobile West LLC (T-Mobile) as an ETC in all Mobility Fund Phase I-eligible census blocks outside its existing ETC-designated area in Washington, conditioned upon the Company winning support from the Mobility Phase I auction for any such census blocks.⁸ After the auction, the Commission affirmatively designated T-Mobile as an ETC in census tracts outside its existing ETC designated area in Washington where T-Mobile won support in the Mobility Fund Phase I auction.⁹ The Commission imposed reporting requirements on the T-Mobile's conditional and official designation. In particular, the project construction schedule/specifications contained in the long-form application and the copy of the annual reports to the FCC will keep the Commission informed on the Company's use of Tribal Mobility Fund Phase I support in Washington. The Commission will apply similar requirements on U.S. Cellular's conditional ETC designation in this docket.

FINDINGS AND CONCLUSIONS

⁷ Specifically, 47 U.S.C. § 54.301-422 (former 47 U.S.C. § 54.301-417). WAC 480-123.

⁸ UT-120512, Order 01.

⁹ UT-120512, Order 02.

- 9 (1) The Commission has jurisdiction over ETCs in Washington and the subject matter of this Order pursuant to 47 U.S. C. § 214(e)(2), 47 C.F.R. §§ 54.201(b)-(c) and WAC 480-123-040.
- 10 (2) The Commission designated U.S. Cellular as an ETC on December 23, 1997. The Company has complied with all the applicable ETC obligations under federal and state statutes and rules.
- 11 (3) U.S. Cellular meets the requirements for ETC designation under 47 U.S. C. § 214(e)(1), 47 C.F.R. § 54.201(d), 47 C.F.R. § 54.1003 and WAC 480-123-030.
- 12 (4) The Commission finds that granting the Company's petition for conditional designation as an ETC in all Mobility Fund-eligible census blocks within its licensed service area but outside its existing ETC area for the purpose of establishing eligibility to participate in Mobility Fund auctions will advance the purpose of universal service set forth in 47 U.S.C. § 254. This designation is in the public interest and should be granted.

ORDER

THE COMMISSION ORDERS:

- 13 (1) The Commission grants the petition of United States Cellular Corporation for designation as an Eligible Telecommunications Carrier (ETC) in all Mobility Fund-eligible census blocks within its licensed service area but outside its existing ETC-designated area in Washington, conditioned upon the Company winning any of its bids in any Mobility Fund auction for any such census blocks. The designation is subject to the following reporting requirements:
- a. United States Cellular Corporation must notify the Commission, after each auction, of its bidding results from the auction relevant to Washington within 30 days after the FCC releases the results of the winning bids;
 - b. If United States Cellular Corporation wins any bid, its notification should specify the names of census blocks and census tracts where it will be eligible to receive Mobility Fund support as well as the names of associated incumbent local exchange carriers' wire centers corresponding to the census blocks and census tracts;
 - c. United States Cellular Corporation must also provide to the Commission a copy of the project construction schedule/specifications contained in the

long-form application within 10 days after the Company submits it to the FCC;

- d. United States Cellular Corporation must comply with 47 C.F.R. § 54.1009 that requires Mobility Fund winning bidders to file annual reports with the FCC for five years after it is authorized to receive support and provide a copy to relevant state commissions and Tribal governments. United States Cellular Corporation must provide the annual reports to the Commission within 10 days after it submits such reports to the FCC; and
- e. If United States Cellular Corporation fails to win any bid for Washington, it is not required to comply with the reporting obligations in (b) through (d).

- 14 (2) After United States Cellular Corporation notifies the Commission, after each auction, of the census blocks for which it is awarded Mobility Fund support, the Commission will issue an Order affirmatively designating the Company as an ETC in those census blocks.
- 15 (3) United States Cellular Corporation must comply with applicable federal laws and regulations on ETC obligations and requirements.
- 16 (4) The Commission has authority to modify, suspend, or revoke United States Cellular Corporation's ETC designation granted in this Order at a future date.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective September 26, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary