

**Lance J.M. Steinhart, P.C.**  
Attorney At Law  
1720 Windward Concourse  
Suite 115  
Alpharetta, Georgia.30005

Also Admitted in New York  
and Maryland

Telephone: (770) 232-9200  
Facsimile: (770) 232-9208  
Email: lsteinhart@telecomcounsel.com

October 8, 2008

**VIA records@wutc.wa.gov ONLY**

Ms. Carole Washburn, Secretary  
State of Washington  
Utilities and Transportation Commission  
1300 S. Evergreen Park Dr., SW  
Olympia, WA 98504

Re: Swiftel, LLC

Dear Ms. Washburn:

Enclosed please find for filing Swiftel, LLC's Petition For Designation as an Eligible Telecommunications Carrier. Please acknowledge receipt via return e-mail.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me. Thank you.

Respectfully submitted,

/s/

Lance J.M. Steinhart  
Attorney for Swiftel, LLC

Enclosures

cc: Angie M. Watson

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of	)	
SWIFTEL, LLC	)	Docket No.
For Designation as an Eligible Telecommunications	)	Petition of Swiftel, LLC For
Carrier Under 47 U.S.C. § 214(e)(2)	)	Designation as an Eligible
	)	Telecommunications Carrier
	)	
	)	
	)	
	)	
	)	

Swiftel, LLC (“Swiftel” or “Petitioner”) hereby submits to the Commission this Petition for Designation as an Eligible Telecommunications Carrier (“ETC”) pursuant to Chapter 480-123 Washington Administrative Code, Section 214(e)(2) of the Telecommunications Act of 1934, as amended (“Act”), 47 U.S.C. § 214(e)(2), and Section 54.201 of the rules of the Federal Communications Commission (“FCC”), 47 C.F.R. § 54.201. Swiftel requests that it be designated as eligible to receive support from the federal Universal Service Fund (“USF”) throughout the Qwest Corporation and Verizon Northwest, Inc. service territories (the “Designated Service Area”) for the purpose of receiving federal universal service support. The Applicant is seeking only low income support, and is not requesting high cost support.

## I. INTRODUCTION

### A. Name and Address of Petitioner

1. The name of the Petitioner is Swiftel, LLC. The address of the Petitioner is 811 West Garden Street, Pensacola, Florida 32501. Swiftel's telephone number is (813) 915-6201. All correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to:

Lance J.M. Steinhart  
Lance J.M. Steinhart, P.C.  
Attorney for Swiftel, LLC  
1720 Windward Concourse, Suite 115  
Alpharetta, Georgia 30005  
Phone: 770-232-9200/ Fax : 770-232-9208  
lsteinhart@telecomcounsel.com

### B. Relevant Statutes and Rules

2. The statutes and rules implicated by this Petition include Chapter 480-123 Washington Administrative Code, RCW 80.36.600, 47 U.S.C. §§ 153(10), 153(44), 214(e), 253(b) and 254(d); 47 C.F.R. §§ 51.5, 54.5, 54.101, 54.201, 54.207, 54.307, 54.313, and 54.314.

### **C. Authorization**

3. Swiftel is registered by the Washington Utilities and Transportation Commission as a telecommunications company, effective July 11, 2008 (Docket No. UT-081035). Swiftel was designated as an ETC in the State of Alabama, and is authorized to provide local exchange service in Oregon, Florida, Alabama, Kentucky and Montana, with ETC applications pending in Florida and Kentucky.

4. Swiftel is a common carrier, engaged in the business of “owning, operating or managing any facilities used to provide telecommunications for hire, sale, or resale to the general public” within this state and in interstate commerce. Telecommunications is defined for this purpose as “the transmission of information by wire, radio, optical cable, electromagnetic, or other similar means.” RCW 80.04.010.

5. Swiftel is in the process of negotiating interconnection and resale agreements pursuant to federal law with Qwest Corporation and Verizon Northwest, Inc.

### **II. Swiftel meets all of the Federal and State Requirements for Designation as an Eligible Telecommunications Carrier in the Areas Requested**

1. WAC 480-123-040 provides that the Commission will approve a petition for designation as an ETC if the petition meets the requirements of WAC 480-123-030, the designation will advance some or all of the purposes of universal service found in 47 U.S.C. § 254, and the designation is in the public interest. As demonstrated in this petition, Swiftel meets all of these requirements. The company will provide and advertise all supported services and will do so using a combination of resale and unbundled network elements (“UNE”), or UNE equivalents, obtained through agreements that allow end-to-end switching and delivery of calls. Section 54.201(f) of the FCC’s Rules states,

“[f]or the purposes of this section, the term ‘own facilities’ includes, but is not limited to, facilities obtained as unbundled network elements pursuant to Part 51 of this chapter, provided that such facilities meet the definition of the term ‘facilities’ under this subpart.” 47 C.F.R. § 54.201(f). The term “facilities” under Section 54.201 is defined as “any physical components of the telecommunications network that are used in the transmission or routing of the services that are designated for support pursuant to subpart B of this part.” 47 C.F.R. § 54.201(e). Swiftel’s use of UNEs, including § 251 loops, or equivalents thereof, commingled with § 271 elements provided pursuant to an agreement filed with the Commission pursuant to § 252, meets this definition of “facilities.”

2. ETC designation will, by making universal service funding available to Swiftel, directly advance the purposes of federal universal service policy by giving more customers in Washington access to Life Line and Link-Up telephone service.

### **III. Detailed information required by WAC 480-120-030.**

1. The services that are supported by Federal universal support mechanisms under section 254(c) are enumerated in the rules of the Federal Communications Commission (“FCC”) at 47 C.F.R. § 54.101(a)(1)-(9). These services are:

(a) Upon designation as an ETC, Swiftel will participate in, and offer LifeLine and Link-Up programs to qualifying low-income consumers and publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for those services, as required by FCC Rules.<sup>1</sup> The FCC has concluded that even pure resellers may qualify as an ETC and properly use universal service support for the purposes for which it was intended by offering reduced price Lifeline service.<sup>2</sup>

2. Swiftel will advertise the availability of the above-referenced services and the charges for those services in the Designated Service Area using media of general distribution, as required by FCC Rules.<sup>3</sup>

### **IV. Area for Which ETC Designation Is Requested**

1. Swiftel will serve the exchanges where it leases UNEs or resells the services of the non-rural telephone companies in the Designated Service Area. Swiftel does not seek designation as an ETC in any areas served by rural telephone companies.

---

<sup>1</sup> See 47 C.F.R. §§ 54.401-54.417; 54.405(b) & 54.411(d).

<sup>2</sup> See *Federal-State Joint Board on Universal Service, Petition of Tracfone Wireless, Inc.*, 20 FCC Rcd 15095 (2005) (finding that because Lifeline support is customer-specific and is directly reflected in the price that the eligible customer pays, it is impossible for any carrier to receive a double recovery of the support).

<sup>3</sup> See 47 C.F.R. §§ 54.201(d)(2).

## V. Granting Swiftel's Application Will Serve the Public Interest

1. Congress requires that the Commission grant competitive ETC applications in non-rural areas.<sup>4</sup> No specific public interest test is mentioned, as is the case for areas served by rural telephone companies.<sup>5</sup> Thus, the Act provides that the Commission "shall" designate Swiftel as an ETC upon finding that the company meets the nine-point list of services and that it agrees to advertise the supported services throughout the Designated Service Area. Notwithstanding, the designation of Swiftel as an ETC will serve the public interest.

2. Swiftel will announce and advertise telecommunications services as an ETC where it provides service in its Designated Service Area in Washington and will publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for those services. Accordingly, more low-income Washington residents will be made aware of the opportunities afforded to them under the Lifeline and Link-Up programs and will be able to take advantage of those opportunities by subscribing to Swiftel's service. Swiftel will advertise its services through several different media of general distribution including (but not limited to) marketing at targeted retail locations, as well as advertisements via television, radio and newspapers.

3. Since Swiftel's service is of particular interest to credit-challenged customers—many of whom are low income—who generally cannot obtain service from the incumbent carrier, the granting of ETC status is clearly in the public interest; access to Lifeline and Link-Up programs can be critically important to a significant portion of

---

<sup>4</sup> See 47 U.S.C. 214(e)(2).

<sup>5</sup> See *Id.*

the eligible low income consumers. To Applicant's knowledge, Lifeline and Link-Up services are not being sufficiently advertised and made available to eligible low income consumers in the Designated Service Area. According to the best data available to Applicant, as of December 31, 2006, fewer than 20 per cent of consumers eligible for Lifeline and Linkup Services in the State of Washington were being provided such services. *See* attached Exhibit 1, 2006 Lifeline Participation Rates by State, which was obtained from the Universal Service Administrative Company ("USAC"), an independent not-for-profit corporation designated as the administrator of the federal Universal Service Fund by the Federal Communications Commission (FCC). USAC administers Universal Service Fund (USF) programs for high cost companies serving rural areas, low-income consumers, rural health care providers, and schools and libraries.

4. Swiftel will provide universal service as an ETC in all of its Designated Service Area.

5. Swiftel is willing to accept carrier of last resort obligations throughout the universal service areas in which Swiftel is designated as an ETC by the Commission.

6. Swiftel will provide equal access to interexchange service.

7. Under WAC Chapter 480-120 (d), an ETC Applicant must submit a substantive plan of the investments to be made with initial federal support during the first two years in which support is received and a substantive description of how those expenditures will benefit customers. The only circumstance warranting deviation from this requirement is where an applicant's requested ETC serving territory would qualify it to receive no "high cost" USF support, but only "low income" USF support.

Because Swiftel seeks ETC designation solely for purposes of reimbursement for



provision of subsidized Lifeline and Link-Up services to eligible customers, submission of a two year plan is not required at this time. Since Lifeline support is designed to reduce the monthly cost of telecommunications services for eligible consumers, and is distributed on a per-customer basis and is directly reflected in the price that the eligible customer pays, it is assured that all support received by the carrier is used to provide Lifeline services to consumers, thus promoting Lifeline and the availability of telephone service to low income users, which is clearly in the public interest.

8. Applicant offers a local usage plan comparable to the one offered by the incumbent LEC in the service areas for which it seeks designation. Applicant offers a local usage plan with unlimited calling within the customer's local calling area for a flat monthly fee with the same calling scope as Qwest and Verizon.

9. Under Chapter 480-120 WAC, and FCC guidelines, an ETC Applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards.. The Commission's service quality rules include network performance standards (WAC 480-120-401), network maintenance (WAC 480-120-411), trouble reports (WAC 480-120-438), installation of customer lines (WAC 480-120-105), and repair (WAC 480-120-440). Swiftel will comply with these standards, to the extent they apply to the company. In addition to meeting the standards discussed above, Swiftel will cooperate with UTC consumer affairs staff in resolving any customer complaints that may arise.

10. Under WAC 480-120-411, and FCC guidelines, an ETC Applicant must demonstrate its ability to remain functional in emergency situations. Applicant will provide to its customers the same ability to remain functional in emergency situations as

currently provided by Qwest and Verizon to their own customers, including access to a reasonable amount of back-up power, rerouting of traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

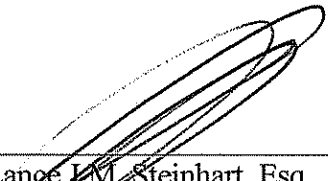
11. Under FCC guidelines, an ETC Applicant must commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service. Applicant commits to provide service throughout its proposed ETC-designated service area to all customers making a reasonable request for service.

## VI. CONCLUSION

Swiftel respectfully requests that the Commission grant this Petition to designate Swiftel as an ETC in the Designated Service Area.

Respectfully submitted, this 8<sup>th</sup> day of October, 2008.

Respectfully submitted:



---

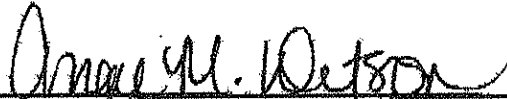
Lance J.M. Steinhart, Esq.  
Lance J.M. Steinhart, PC  
1720 Windward Concourse  
Suite 115  
Alpharetta, Georgia 30005  
(770) 232-9200 (Phone)  
(770) 232-9208 (Fax)  
[lsteinhart@telecomcounsel.com](mailto:lsteinhart@telecomcounsel.com) (E-Mail)

Attorney for  
Swiftel, LLC

In addition to meeting the standards discussed above, Swiftel, LLC will cooperate with UTC consumer affairs staff in resolving any customer complaints that may arise.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED 9-4, 2008 at Pensacola, Florida.



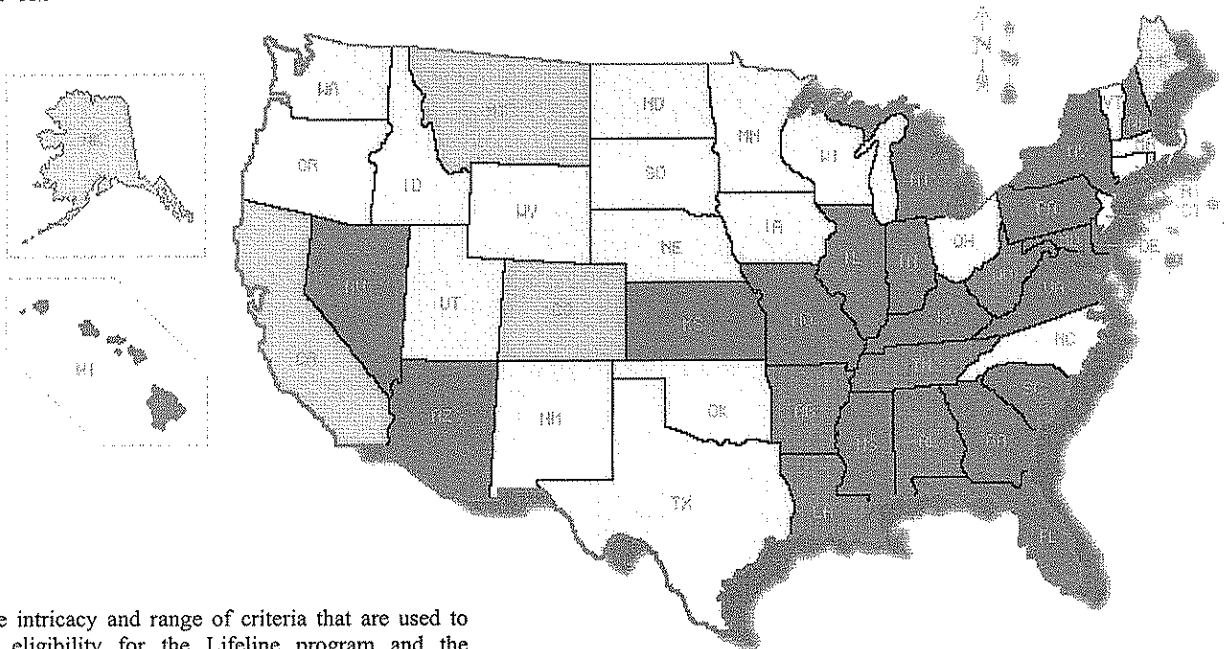
Angie Watson  
President  
Swiftel, LLC

Exhibit 1

2006 Lifeline Participation Rates by State

## 2006 Lifeline Participation Rates by State

- - Below 10%
- - 10% - 20%
- - 20% - 50%
- - Above 50%



**Notes:**

Due to the intricacy and range of criteria that are used to determine eligibility for the Lifeline program and the limitations of the data used, the methodology employed to create this map involves several estimates, assumptions, simplifications, and omissions. Therefore, the rates generated on this map should be treated as estimates only.

District of Columbia = 10% - 20%