

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of,	)	DOCKET UT-023033
	)	
	)	ORDER 05
RCC MINNESOTA, INC.,	)	
	)	ORDER GRANTING PETITION FOR
	)	RELINQUISHMENT OF ELIGIBLE
For Designation as an Eligible	)	TELECOMMUNICATIONS
Telecommunications Carrier	)	CARRIER DESIGNATION
.....	)	

**BACKGROUND**

- 1 On April 22, 2009, RCC Minnesota, Inc. (RCC or Company), filed a Notice of and Petition for Approval of Relinquishment of Eligible Telecommunications Carrier (ETC) Designation with the Washington Utilities and Transportation Commission (Commission). In its notification, RCC seeks to relinquish its ETC status in Washington.
  
- 2 RCC is a Commercial Mobile Radio Service (CMRS) provider licensed by the Federal Communications Commission (FCC). RCC was designated as a competitive ETC for wire centers in Washington Rural Service Areas (RSA) No. 2, No. 3 and No. 8 on August 14, 2002.<sup>1</sup>
  
- 3 On August 7, 2008, Cellco Partnership d/b/a Verizon Wireless (Verizon Wireless) acquired indirect ownership and control of RCC. As a condition of the merger approval by the U.S. Department of Justice and the FCC, RCC divested six local areas in which the merged company may have potentially negative impacts on market competition. Washington RSA No. 2 - Okanogan and RSA No. 3 – Ferry were two of the six areas to be divested. RCC relinquished ETC designation in these two RSAs, effective December 22, 2008.<sup>2</sup> At the time, RCC retained ETC status in Washington RSA No.8 - Whitman.
  
- 4 Pursuant to 47 U.S.C. § 214 (e) (4) and 47 C.F.R. § 54.205, RCC notified the Commission of its intent to relinquish, and requested the Commission to approve the relinquishment of its ETC designation in Washington RSA No.8. Washington RSA No.8 consists of 24 wire centers served by seven Incumbent Local Exchange Carriers (ILECs).

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<sup>1</sup> Docket UT-023033, Order 01.

<sup>2</sup> Docket UT-023033, Order 04.

Exhibit A lists the specific ILEC wire centers for which RCC seeks to relinquish designation.

### **DISCUSSION**

- 5 Staff reviewed RCC's request to relinquish its ETC designation in Washington and determined it meets the statutory requirements in 47 U.S.C. § 214 (e) (4) and 47 C.F.R. §54.205. Specifically, 47 C.F.R. §54.205 (a) provides that a state commission shall permit an ETC to relinquish its designation when the area is served by more than one ETC upon advance notice of the ETC; and that an ETC should give advance notice to the state commission of such relinquishment. 47 C.F.R. §54.205 (b) further provides that prior to permitting an ETC to cease providing universal service in an area served by more than one ETC, the state commission shall require the remaining ETC or ETCs to continue to serve the relinquishing carrier's customers, and shall require sufficient notice to permit the purchase or construction of adequate facilities by any remaining ETC.
- 6 RCC meets 47 C.F.R. §54.205 (a) by giving notice and submitting a request to relinquish ETC designation in advance. Staff verified that alternative ETCs exist in RCC's ETC-designated area in Washington. Each wire center for which RCC seeks to relinquish its ETC status is currently served by a landline ETC and at least one other wireless ETC. All ILECs in Washington RSA No.8 are ETCs with universal service obligations. Inland Cellular is a competitive wireless ETC who serves the entire Washington RSA No.8. AT&T Mobility and Sprint Nextel Corporation are two other competitive ETCs that serve portions of RSA No. 8. Approving RCC's relinquishment of ETC designation will not compromise consumer access to basic telephone services with reliable service quality and affordable rates.
- 7 RCC's current customers will continue to be served, either by RCC or other telephone service providers. RCC, now integrated with Verizon Wireless systems, will continue to operate in RSA No. 8 after relinquishing its ETC designation. The company does not expect significant customer migration to other providers. The difference after it relinquishes ETC designation is that it will no longer have the obligation to comply with ETC requirements set forth in WAC 480-123; and that it will no longer receive federal Universal Service Fund for its investment and operation in Washington, including both High Cost Support and Low Income Support (federal Lifeline and Link Up programs).

8 RCC addressed how it will migrate its Lifeline customers to other ETCs. Currently, the Company has approximately 256 low-income subscribers in Washington that receive federal Lifeline and Link Up service subsidies. RCC committed that if the Commission approves the relinquishment of its ETC designation, it will promptly send out written notice by U.S. mail to all the current Lifeline subscribers advising that RCC will no longer provide a low-income discount as an ETC. Customers will be informed that the monthly Lifeline credits will be discontinued sixty (60) days following the date of the letter. Subscribers may choose to continue to receive services from RCC without the discount. They may also choose to obtain Lifeline service discounts from one of the remaining ETCs in the area. RCC will not charge early termination fees to subscribers who choose to discontinue services with the Company. RCC will fund the Lifeline credits during the sixty (60) days transition period even though it will not get reimbursement from the federal Lifeline program. It will not sign up new Lifeline customers from the effective date of its ETC relinquishment.

#### **FINDINGS AND CONCLUSIONS**

- 9 (1) The Commission has jurisdiction over the subject matter pursuant to 47 U.S.C. § 214 (e) (4).
- 10 (2) RCC Minnesota, Inc., is an Eligible Telecommunications Carrier in Washington under Commission Order 01 in Docket UT-023033 effective August 14, 2002.
- 11 (3) RCC Minnesota, Inc., is permitted by law to relinquish its ETC status. RCC provided advance notice of its intent to relinquish its ETC designation as required by 47 C.F.R. §54.205. The area for which RCC seeks to relinquish its ETC status is served by more than more ETC.
- 12 (4) The Commission acknowledges and approves RCC Minnesota, Inc.'s request to relinquish the designation as an Eligible Telecommunications Carrier (ETC) in the state of Washington. Upon the effective date of this Order, RCC Minnesota, Inc., will notify its Lifeline subscribers by U.S. mail about the discontinuance of Lifeline discount and provide sixty (60) days for Lifeline subscribers to switch to an alternative ETC in the area.

- 13 (5) RCC Minnesota, Inc., will notify the Universal Service Administrative Company that it is no longer eligible for federal Universal Service Fund disbursement in Washington effective May 14, 2009.

**ORDER**

**THE COMMISSION ORDERS:**

- 14 (1) The Notice of and Petition for Approval of Relinquishment of Eligible Telecommunications Carrier Designation in the state of Washington, filed by RCC Minnesota, Inc, is granted, effective May 14, 2009.

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

DATED at Olympia, Washington, and effective May 14, 2009.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary

**Exhibit A**  
**ILEC Wire Centers Subject to ETC Relinquishment**

<b>SAC</b>	<b>Incumbent Local Exchange Carrier</b>	<b>Wire Center</b>	<b>CLLI Code</b>
522404	Asotin Telephone Co.	Anatone	ANATWAXX
522404	Asotin Telephone Co.	Asotin	ASOTWAXA
522408	CenturyTel of Washington, Inc.	Eureka	EURKWAXA
522408	CenturyTel of Washington, Inc.	Starbuck	STRBWAXA
522423	Inland Telephone Co.	Prescott	PRSCWAXA
522423	Inland Telephone Co.	Uniontown	UNTWAXA
522437	Pioneer Telephone Co.	Endicott	ENDCWAXA
522437	Pioneer Telephone Co.	Lacrosse	LCRSWAXA
525161	Qwest Corporation	Colfax	CLFXWA01
525161	Qwest Corporation	Dayton	DYTNWA01
525161	Qwest Corporation	Pasco	PASCWA01
525161	Qwest Corporation	Pomeroy	PMRYWA01
525161	Qwest Corporation	Waitsburg	WTBGWA01
525161	Qwest Corporation	Walla Walla	WLWLWA01
475103	Qwest Corporation - ID	Clarkston	LSTNIDSH
522442	St John Telephone	Saint John	STJHWAXA
522416	Verizon Northwest Inc. - WA	Farmington	FRTNWAXX
522416	Verizon Northwest Inc. - WA	Garfield	GRFDWAXX
522416	Verizon Northwest Inc. - WA	Oakesdale	OKDLWAXX
522416	Verizon Northwest Inc. - WA	Palouse	PALSWAXX
522416	Verizon Northwest Inc. - WA	Pullman	PLMNWAXX
522416	Verizon Northwest Inc. - WA	Rosalia	ROSLWAXA
522416	Verizon Northwest Inc. - WA	Tekoah	TEKOWAXX
522416	Verizon Northwest Inc. - WA	Thornton	THTNWAXA