# Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of	)
Lifeline and Link Up Reform and Modernization	) WC Docket No. 11-42
Telecommunications Carriers Eligible for Universal Service Support	) WC Docket No. 09-197
Amended Petition of NHEC for Designation as an	)
Eligible Telecommunications Carrier for Lifeline-	)
Only Support in the State of New Hampshire	)

**ORDER** 

Adopted: March 6, 2024 Released: March 6, 2024

By the Chief, Wireline Competition Bureau:

#### I. INTRODUCTION

1. In this Order, the Wireline Competition Bureau (Bureau) grants the Amended Petition of the New Hampshire Electric Cooperative, Inc. (NHEC) for limited designation as an eligible telecommunications carrier (ETC) for the purpose of providing Lifeline services in the state of New Hampshire<sup>1</sup> in certain census block groups.<sup>2</sup> Petitioner received authorization by the Bureau on June 8, 2021 for a high-cost/Lifeline ETC designation in Rural Digital Opportunity Fund (RDOF)-supported areas.<sup>3</sup> At the time, the Bureau did not act on the petitioner's request for a Lifeline-only ETC designation in certain other areas of New Hampshire, as the Bureau needed additional information concerning certain requirements that the Bureau has now received in the Amended Petition.<sup>4</sup> In making this designation, the Bureau finds that the petitioner meets the eligibility requirements to receive universal service support, as set forth in section 214(e)(6) of the Communications Act of 1934, as amended (Act), and related Commission rules.<sup>5</sup>

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<sup>&</sup>lt;sup>1</sup> See New Hampshire Electric Cooperative, Inc. Amended Petition for Designation as an Eligible Telecommunications Carrier Pursuant to Section 214(e)(6) of the Telecommunications Act for Lifeline Support Only, WC Docket No. 09-197 (filed May 23, 2023), <a href="https://www.fcc.gov/ecfs/document/10523547811387/1">https://www.fcc.gov/ecfs/document/10523547811387/1</a> (NHEC Amended ETC Petition).

<sup>&</sup>lt;sup>2</sup> See NHEC Amended ETC Petition at Exhibit 1.

<sup>&</sup>lt;sup>3</sup> See Telecommunications Carriers Eligible for Universal Service Support et al., WC Docket No. 09-197 et al., Order, 36 FCC Rcd 9384, 9395 (WCB 2021) (NHEC RDOF Order).

<sup>&</sup>lt;sup>4</sup> See NHEC RDOF Order at 9388, para. 11 & n.41 (noting that certain Lifeline-only ETC designations will be addressed subsequently); see also NHEC Amended ETC Petition (supplementing its original petition concerning certain requirements).

<sup>&</sup>lt;sup>5</sup> 47 U.S.C. § 214(e)(6); 47 CFR § 54.202.

#### II. BACKGROUND

## A. Rural Digital Opportunity Fund Auction (Auction 904)

2. On January 30, 2020, the Commission adopted the framework for the RDOF, to award support through a reverse descending clock auction.<sup>6</sup> At the conclusion of Auction 904, there were 180 winning bidders including NHEC.<sup>7</sup> To become authorized to receive support each winning bidder was required to ensure that they are technically and financially qualified to offer supported services and have met all regulatory prerequisites and conditions for receiving Universal Service Fund (USF) support.<sup>8</sup> Applicants were required to submit documentation of ETC designation(s) and a letter certifying that the designations cover all relevant census blocks in a state.<sup>9</sup>

#### B. Lifeline Program

3. The Lifeline program provides support to reimburse providers for offering supported services at discounted prices to qualifying low-income households, with more support directed at such households on Tribal lands. Services eligible for reimbursement include voice and broadband Internet access service meeting certain requirements. In a given geographic area, a carrier may be designated as an ETC and become eligible to receive funding from both the high-cost and low-income components of the USF, or it may be designated as a Lifeline-only ETC that is only eligible to receive USF support from the Lifeline program (Lifeline-only ETC designation). Where a petitioner indicates that it is seeking an ETC designation in areas not eligible for high-cost support, as does NHEC, the Commission considers such areas for a Lifeline-only ETC designation. ETCs are generally obligated to offer Lifeline-supported services throughout their designated service areas. In

## A. C. Requirements for FCC ETC Designation

4. Section 254(e) of the Communications Act of 1934, as amended (the Act), provides that "only an eligible telecommunications carrier designated under section 214(e) shall be eligible to receive

<sup>&</sup>lt;sup>6</sup> See Rural Digital Opportunity Fund et al., WC Docket No. 19-126 et al., Report and Order, 35 FCC Rcd 686 (2020) at 689-90, para. 8 (Auction 904 Report and Order); see also Rural Digital Opportunity Fund, WC Docket No. 19-126, Order on Reconsideration, 35 FCC Rcd 10820 (2020).

<sup>&</sup>lt;sup>7</sup> See Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes; Winning Bidders Announced; FCC Form 683 Due January 29, 2021, WC Docket No. 19-126 et al., Public Notice, 35 FCC Rcd 13888 (RBATF, OEA, WCB 2020) (Auction 904 Closing Public Notice).

<sup>&</sup>lt;sup>8</sup> 47 CFR § 1.21004; *Auction 904 Report and Order*, 35 FCC Rcd at 696, para. 22. Winning bidders had the opportunity to assign some or all their winning bids to one or more related entities. *Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020; Notice and Filing Requirements and Other Procedures for Auction 904, AU Docket No. 20-34 et al., Public Notice, 35 FCC Rcd 6077, 6164-65, paras. 288-93 (2020) (<i>Auction 904 Procedures Public Notice*).

<sup>&</sup>lt;sup>9</sup> 47 CFR § 54.804(b)(5); Auction 904 Closing Public Notice, 35 FCC Rcd at 13894, 13900-01.

<sup>&</sup>lt;sup>10</sup> See Lifeline and Link Up Reform and Modernization et al., WC Docket Nos. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6663, para. 14 (2012).

<sup>&</sup>lt;sup>11</sup> See 47 CFR § 54.401.

<sup>&</sup>lt;sup>12</sup> 47 CFR § 54.201(a)(1); id. § 54.101(d).

<sup>&</sup>lt;sup>13</sup> Auction 904 Closing Public Notice, 35 FCC Rcd at 13901 n.72 (explaining that petitioners may, in addition to seeking a high-cost designation in winning bid areas, seek a Lifeline-only ETC designation in areas not eligible for high-cost support for the limited purpose of becoming eligible to receive only Lifeline support in such areas and requiring these petitioners to submit with their ETC application a map or other information delineating these Lifeline-only areas, and other information specifically required by the Commission's Lifeline rules).

<sup>&</sup>lt;sup>14</sup> See 47 U.S.C. § 214(e)(1)(A); 47 CFR § 54.101(a) (providing that voice service is the supported service); 47 CFR § 54.403(a) (setting forth Lifeline support eligibility requirements).

specific federal universal service support."<sup>15</sup> Congress gives primary authority for ETC designations to state commissions. The Commission has authority only when "a common carrier [is] providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission." The petitioning carrier must demonstrate that the Commission has jurisdiction and may do so by submitting an "affirmative statement from the state commission or a court of competent jurisdiction that the carrier is not subject to the state commission's jurisdiction." The Bureau has also stated, as to all ETC designations, that "[i]f a state law expressly articulates that it does not have jurisdiction over a relevant type of technology, Commission staff would consider such a statute relevant in its determination of Commission jurisdiction." The Commission has delegated authority to the Bureau to consider appropriate ETC designation requests.<sup>20</sup>

- 5. A petition for ETC designation by the Commission must include: (1) a certification that the petitioner offers or intends to offer all services designated for support by the Commission pursuant to section 254(c) of the Act; (2) a certification that the petitioner offers or intends to offer the supported services either using its own facilities or a combination of its own facilities and resale of another carrier's services;<sup>21</sup> (3) a description of how the petitioner advertises the availability of the supported services and the charges therefor using media of general distribution;<sup>22</sup> (4) a detailed description of the geographic service area for which the petitioner requests to be designated as an ETC;<sup>23</sup> and (5) a certification that neither the petitioner, nor any party to the application, is subject to a denial of federal benefits pursuant to the Anti-Drug Abuse Act of 1988.<sup>24</sup>
- 6. In addition, a petitioner must demonstrate its ability to meet certain service standards. A petitioner seeking an ETC designation must: (1) certify that it will comply with the service requirements applicable to the support that it receives; (2) demonstrate its ability to remain functional in emergency situations; and (3) demonstrate its ability to satisfy applicable consumer protection and service quality standards.<sup>25</sup> An ETC seeking Lifeline-only designation must also: (1) demonstrate its financial and technical capability to provide Lifeline-supported services in accordance with applicable Commission rules; and (2) submit information describing the terms and conditions of any voice telephony plans offered to Lifeline subscribers.<sup>26</sup>

<sup>15 47</sup> U.S.C. § 254(e).

<sup>&</sup>lt;sup>16</sup> *Id.* § 214(e)(2).

<sup>&</sup>lt;sup>17</sup> *Id.* § 214(e)(6).

<sup>&</sup>lt;sup>18</sup> See Federal-State Joint Board on Universal Service et al., CC Docket No. 96-45, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, 15 FCC Rcd 12208, 12267, para. 120 (2000); 47 U.S.C. § 214(e)(6).

<sup>&</sup>lt;sup>19</sup> WCB Reminds Connect America Fund Phase II Auction Applicants of the Process for Obtaining a Federal Designation as an Eligible Telecommunications Carrier, WC Docket Nos. 09-197 and 10-90, Public Notice, 33 FCC Rcd 6696, 6697 (WCB 2018) (Auction 903 ETC Public Notice).

<sup>&</sup>lt;sup>20</sup> See Procedures for FCC Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act, CC Docket No. 96-45, Public Notice, 12 FCC Rcd 22947, 22948 (1997).

<sup>&</sup>lt;sup>21</sup> 47 U.S.C. § 214(e)(1); 47 CFR § 54.201(d)(1).

<sup>&</sup>lt;sup>22</sup> 47 U.S.C. § 214(e)(1); 47 CFR § 54.201(d)(2).

<sup>&</sup>lt;sup>23</sup> An ETC's "service area" is set by the designating authority and is the geographic area within which an ETC has universal service obligations and may receive universal service support. 47 U.S.C. § 214(e)(5); 47 CFR § 54.207(a).

<sup>&</sup>lt;sup>24</sup> 21 U.S.C. § 862; 47 CFR § 1.2002(a)–(b).

<sup>&</sup>lt;sup>25</sup> 47 CFR §§ 54.202(a)(1)(i) & (a)(3).

<sup>&</sup>lt;sup>26</sup> *Id.* § 54.202(a)(4)-(6).

7. NHEC is not required to submit a five-year service plan, but need only demonstrate its ability to meet applicable consumer protection and service quality standards for Lifeline-supported services in Lifeline-only eligible areas.<sup>27</sup> Prior to designating a carrier as an ETC pursuant to section 214(e)(6) of the Act, the Commission must determine whether such designation is in the public interest.<sup>28</sup> When making a public interest determination, the Commission historically has considered the benefits of increased consumer choice and the unique advantages and disadvantages of the applicant's service offering.<sup>29</sup> Because the petitioner that is the subject of this Order seeks expanded designation in areas which are not eligible for high-cost support, petitioner must demonstrate that Lifeline-only ETC designations in those areas would serve the public interest.<sup>30</sup>

### B. D. Petitions for ETC Designation

8. NHEC previously sought and was granted an ETC designation to become eligible to receive RDOF support.<sup>31</sup> Its current petition is meant to amend and supplement that original petition.<sup>32</sup> In its description of its service areas, the petitioner included areas adjacent to its RDOF support areas that were not eligible for RDOF support.<sup>33</sup> In these adjacent areas, the petitioner can only receive a Lifeline-only designation. The Bureau released a public notice soliciting comments on NHEC's petition that is the subject of this Order.<sup>34</sup> No comments addressing the merits of the subject petition or the associated ETC designation were filed.

## III. DISCUSSION

9. We find that the petitioner satisfies the Commission's requirements for a Lifeline-only ETC designation. We previously designated the petitioner as a high-cost ETC in New Hampshire, conditioned upon and limited to the high-cost areas where the Commission authorizes the petitioner to receive RDOF support and effective only upon such authorization.<sup>35</sup> In these areas, petitioner must meet Auction 904 requirements, Lifeline requirements, and other service obligations attendant to its high-cost designation, as specified in the Act and the Commission's rules.<sup>36</sup> In other areas included in NHEC's petitions that are not eligible for high-cost support and where the petitioner has demonstrated its ability to meet Lifeline requirements, we designate NHEC as a Lifeline-only ETC.<sup>37</sup> In these areas, petitioner must

<sup>&</sup>lt;sup>27</sup> See 47 CFR §§ 54.202(a)(ii); see also Auction 904 Closing Public Notice, 35 FCC Rcd at 13901, n.71 (extending to Auction 904 long-form applicants the same waivers of 54.202 requirements as provided to Auction 903 long-form applicants under the same rationales); WCB Reminds Connect America Fund Phase II Auction Applicants of the Process for Obtaining a Federal Designation as an Eligible Telecommunications Carrier, WC Docket Nos. 09-197 and 10-90, Public Notice, 33 FCC Rcd 6696, 6699-6700 (WCB 2019).

<sup>&</sup>lt;sup>28</sup> 47 U.S.C. § 214(e)(6): 47 CFR § 54.202(b).

<sup>&</sup>lt;sup>29</sup> See, e.g., Virgin Mobile ETC Designation Order in the States of Alabama, Connecticut, Delaware, New Hampshire and the District of Columbia, WC Docket 09-197, Order, 25 FCC Rcd 17797, 17799, para. 6 (WCB 2010).

<sup>&</sup>lt;sup>30</sup> See 47 CFR § 54.202(b).

<sup>&</sup>lt;sup>31</sup> See NHEC RDOF Order at 9388, para.11 & 9395-98.

<sup>&</sup>lt;sup>32</sup> NHEC Amended ETC Petition at 1-3.

<sup>&</sup>lt;sup>33</sup> See Attachment A; see also NHEC Amended ETC Petition at Exhibit 1.

<sup>&</sup>lt;sup>34</sup> Wireline Competition Bureau Seeks Comment on Petition Filed by New Hampshire Electric Cooperative, Inc., Docket No. 09-197, Public Notice, DA 23-955 (WCB 2023).

<sup>&</sup>lt;sup>35</sup> See NHEC RDOF Order at 9388, para. 11; see also Petition of New Hampshire Electric Cooperative, Inc. for Designation as an Eligible Telecommunications Carrier, WC Docket No. 09-197 at 1 (filed Jan. 4, 2021), <a href="https://www.fcc.gov/ecfs/search/search-filings/filing/10104000546055">https://www.fcc.gov/ecfs/search/search-filings/filing/10104000546055</a> (NHEC Original ETC Petition).

<sup>&</sup>lt;sup>36</sup> 47 CFR § 54.202(a)(1)(i); id. § 54.101.

<sup>&</sup>lt;sup>37</sup> See Attachment A; see also NHEC Amended ETC Petition at Exhibit 1.

offer Lifeline-supported services to low-income consumers consistent with the requirements of the Act and the Commission's rules and in accordance with all representations and commitments made in its amended ETC petition.<sup>38</sup>

#### A. Commission Authority

10. The petitioner demonstrates that the Commission has the requisite authority to designate it as an ETC pursuant to section 214(e)(6) of the Act. The petitioner has submitted an affirmative statement of the relevant state authority declining to assert jurisdiction<sup>39</sup> and/or relevant state regulations specifically excluding from state regulatory authority the services offered by the petitioner.<sup>40</sup> Accordingly, we find that the Bureau, acting under the Commission's delegation of authority, may designate the petitioner as an ETC for purposes of eligibility for Lifeline-only support.

## **B.** Eligibility Requirements

- 11. Offering the Services Supported by the Universal Service Support Mechanisms. We find that the petitioner establishes through the required certifications and related filings that it will offer the services supported by the federal universal service support mechanisms.<sup>41</sup> Specifically, the petitioner has committed to offering services on a common carrier basis and has specified that its voice service meets the requirements of section 54.101(a) of the Commission's rules.<sup>42</sup>
- 12. Compliance with Service Requirements Applicable to Lifeline Services. The petitioner commits to offering Lifeline discounts to qualifying low-income consumers, consistent with the Commission's rules. 43 The petitioner is seeking a Lifeline-only designation in Lifeline-only eligible areas and specifically commits to meeting Lifeline consumer enforcement and certification standards and describes how it intends to meet such standards. 44 We emphasize that all ETCs receiving Lifeline support must report certain information to the Commission, USAC, and the local regulatory authority, pursuant to section 54.422 of the Commission's rules. 45
- 13. Offering the Supported Services Using a Carrier's Own Facilities. The petitioner certifies that it will offer supported services using its own facilities or a combination of its own facilities and resale of another carrier's services.<sup>46</sup> Facilities are the ETC's "own" if the ETC has an exclusive right to use the facilities to provide the supported services or when service is provided by any affiliate within

<sup>&</sup>lt;sup>38</sup> See NHEC Original ETC Petition at 14-16; see also NHEC Amended ETC Petition at 6-8.

<sup>&</sup>lt;sup>39</sup> See NHEC Original ETC Petition at Exhibit C (providing a letter from Debra A. Howland, Executive Director, New Hampshire Public Utilities Commission, to Paul J. Phillips, Primmer, Piper, Eggleston & Cramer PC dated Dec. 18, 2020 and confirming that the New Hampshire Public Utility Commission lacks authority to designate VoIP and IP-enabled services as eligible telecommunications carriers under New Hampshire law).

<sup>&</sup>lt;sup>40</sup> See NHEC Amended ETC Petition at 4-5 (citing N.H. Rev. Stat. Ann. § 362:7(II) (2013) and stating that the New Hampshire Public Utilities Commission will not assert jurisdiction over broadband or VoIP services).

<sup>&</sup>lt;sup>41</sup> 47 U.S.C. § 214(e)(1)(A); 47 CFR § 54.201(d)(1).

<sup>&</sup>lt;sup>42</sup> 47 U.S.C. § 214(e)(1), (6); 47 CFR § 54.101(a) (eligible voice telephony service must provide voice grade access to the public switched network or its functional equivalent); *see* NHEC Original ETC Petition at 8-9 (committing to offer services on a common carrier basis); *see also* NHEC Amended ETC Petition at Exhibit 2 (stating that it will "provide its Lifeline subscribers with voice-grade access to the Public Switched Telephone Network through its provision of interconnected Voice over Internet Protocol (VoIP) service").

<sup>&</sup>lt;sup>43</sup> See 47 CFR § 54.400 et seg.; see also NHEC Amended ETC Petition a 6-8.

<sup>&</sup>lt;sup>44</sup> 47 CFR § 54.410 (setting forth the Commission's rules on subscriber eligibility determination and certification); see NHEC Amended ETC Petition at 6-8.

<sup>&</sup>lt;sup>45</sup> See 47 CFR § 54.422; see also id. § 54.410.

<sup>&</sup>lt;sup>46</sup> 47 U.S.C. § 214(e)(1)(A); 47 CFR § 54.201(d)(1); NHEC Amended ETC Petition at 4.

the holding company structure.<sup>47</sup> An ETC may satisfy its obligation to "offer" supported voice service (or its functional equivalent, including VoIP) through a third-party vendor but cannot simply rely on the availability of over-the-top voice options.<sup>48</sup> Instead, the ETC must remain legally responsible, through a managed service solution, that ensures that the service meets consumer protection and service quality standards.<sup>49</sup>

- 14. Advertising Supported Services. The petitioner commits to advertising the availability of the supported services and related charges using media of general distribution.<sup>50</sup> We emphasize that, as part of this commitment, an ETC must advertise the availability of its services and charges in a manner reasonably designed to reach Lifeline-eligible consumers.<sup>51</sup>
- 15. Ability to Remain Functional in Emergency Situations. The petitioner states that it can remain functional in emergency situations.<sup>52</sup> The petitioner also states that it has sufficient back-up power to ensure functionality in the designated service areas without an external power source, can re-route traffic around damaged facilities, and can manage traffic spikes resulting from emergency situations.<sup>53</sup>
- 16. Anti-Drug Abuse Act Certification. The petitioner submits a certification that satisfies the requirements of the Anti-Drug Abuse Act of 1988, as codified in sections 1.2001-1.2003 of the Commission's rules.<sup>54</sup>
- 17. Consumer Protection and Service Quality Standards in Lifeline-Only Eligible Areas. The petitioner seeking a Lifeline-only designation in Lifeline-only eligible areas commits to abiding by all applicable state and federal consumer protection and service quality standards, including specific obligations under the Act and its implementing rules, in Lifeline-only eligible areas.<sup>55</sup>
- 18. Technical and Financial Ability to Offer Lifeline Services in Lifeline-Only Eligible Areas. The petitioner is seeking a Lifeline-only designation in Lifeline-only eligible areas and demonstrates the technical and financial ability to offer Lifeline-supported voice and broadband Internet access services in Lifeline-only eligible areas.<sup>56</sup>

<sup>&</sup>lt;sup>47</sup> Auction 903 ETC Public Notice, 33 FCC Rcd at 6698; see also 47 U.S.C. § 153(2) (defining an affiliate as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person").

<sup>&</sup>lt;sup>48</sup> Auction 903 ETC Public Notice, 33 FCC Rcd at 6699 (citing Connect America Fund et al., WC Docket Nos. 10-90, 14-58, 14-259, Order on Reconsideration, 33 FCC Rcd 1380, 1387-88, para. 20 (2018) (rejecting arguments contending that "because VoIP is provided over broadband networks and over-the-top voice options are available, broadband service providers need only offer broadband as a standalone service," and requiring carriers to "offer VoIP over their broadband network on a standalone basis"); cf. Phase II Challenge Process Order, 28 FCC Rcd 7224, n.21 (explaining that a broadband provider would be considered to be providing voice service if it did so through an affiliated competitive local exchange company or "through a managed voice solution obtained from a third party vendor ..., so long as the broadband provider is the entity responsible for dealing with any customer problems, and it provides quality of service guarantees to end user customers")).

<sup>&</sup>lt;sup>49</sup> Auction 903 ETC Public Notice, 33 FCC Rcd at 6699.

<sup>&</sup>lt;sup>50</sup> 47 U.S.C. § 214(e)(1)(B); 47 CFR § 54.201(d)(2); NHEC Original ETC Petition at 10-11.

<sup>&</sup>lt;sup>51</sup> 47 CFR § 54.405.

<sup>&</sup>lt;sup>52</sup> NHEC Original ETC Petition at 13-14.

<sup>&</sup>lt;sup>53</sup> 47 CFR § 54.202(a)(2); NHEC Original ETC Petition at 13-14.

<sup>&</sup>lt;sup>54</sup> 47 CFR § 1.2002; see NHEC Original Petition at 19; see also NHEC Amended ETC Petition at 10.

<sup>&</sup>lt;sup>55</sup> 47 CFR § 54.202(a)(3); NHEC Original ETC Petition at 12-13.

<sup>&</sup>lt;sup>56</sup> 47 CFR § 54.202(a)(4); NHEC Original Petition at 11-12.

19. Terms and Conditions of Service Plans in Lifeline-only Eligible Areas. NHEC sufficiently describes the terms and conditions of service plans that it will make available to the public in Lifeline-only eligible areas.<sup>57</sup>

# A. C. Public Interest Analysis

20. We conclude that the petitioner's participation in universal service programs would be in the public interest and would provide numerous benefits to consumers. The petitioner will offer advanced services to underserved areas at competitive prices.<sup>58</sup> Pursuant to the grant of its Lifeline-only designation, the petitioner commits to offering Lifeline-supported services and to meeting or exceeding Lifeline requirements.<sup>59</sup> Given these commitments and all associated representations made in the petition, granting the Lifeline-only ETC designations will help ensure increased consumer choice, affordability, and improved quality of service in these areas. Accordingly, based on the information, representations, and certifications in its petition, we find that the petitioner has met all applicable conditions and prerequisites for ETC designation and that granting this petition serves the public interest.

## B. D. Regulatory Oversight

- 21. Under section 254(e) of the Act, the petitioner must use universal service support "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." Under section 214(e) of the Act, the petitioner must provide supported services throughout the service area for which it receives an ETC designation. An ETC receiving Lifeline support uses that support as intended when it reduces the price of its services by the amount of the support for the eligible consumer. In addition, the ETC must file annual reports that include, among other things, a certification of compliance with applicable minimum service standards, service quality standards, and consumer protection rules.
- 22. We find that reliance on petitioner's representations and commitments to meet these and other regulatory requirements made in its petition is reasonable and consistent with the public interest and the Act. We conclude that fulfillment of these additional reporting requirements will further the Commission's goal of ensuring that the petitioner satisfies its obligation under section 214(e) of the Act to provide supported services throughout its designated service areas.
- 23. The Commission may initiate an inquiry on its own motion to examine any ETC's records and documentation to ensure that the universal service support the ETC receives is being used "only for the provision, maintenance, and upgrading of facilities and services" in the areas in which it is designated as an ETC.<sup>64</sup> Petitioner must provide such records and documentation to the Commission and USAC upon request.<sup>65</sup> If a petitioner fails to fulfill the requirements of the Act, the Commission's rules, and the terms of this Order after it begins receiving universal service support, the Commission has

<sup>&</sup>lt;sup>57</sup> 47 CFR § 54.202(a)(5), (6); NHEC Amended ETC Petition at Exhibits 2 & 3.

<sup>&</sup>lt;sup>58</sup> See NHEC Amended ETC Petition at Exhibits 2 & 3; see also Attachment A.

<sup>&</sup>lt;sup>59</sup> See NHEC Amended ETC Petition at 6-8.

<sup>60 47</sup> U.S.C. § 254(e).

<sup>61</sup> Id. § 214(e).

 $<sup>^{62}</sup>$  See Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i), CC Docket No. 96-45, Order, 20 FCC Rcd 15095, 15105-06, para. 26 (2005).

<sup>&</sup>lt;sup>63</sup> 47 CFR § 54.422(b)(3); *see also id.* §§ 54.416, 54.422 (requiring an officer of the company to certify that the ETC has policies and procedures in place to ensure that its Lifeline subscribers are eligible to receive Lifeline services and that it will comply with all federal Lifeline certification procedures).

<sup>64 47</sup> U.S.C. §§ 220, 403.

<sup>65 47</sup> CFR § 54.417.

authority to revoke the petitioner's ETC designation.<sup>66</sup> The Commission also may assess forfeitures for violations of Commission rules and orders.<sup>67</sup>

24. As the Bureau has previously explained, a carrier that cannot appropriately use universal service support must relinquish its ETC designation pursuant to section 214(e)(4) of the Act and section 54.205 of the Commission's rules.<sup>68</sup> For ETCs designated by the Commission, the ETC must file a notice of relinquishment in WC Docket No. 09-197. Telecommunications Carriers Eligible for Universal Service Support, using the Commission's Electronic Comment Filing System (ECFS). The Bureau will release an order approving the relinquishment if the relinquishing ETC demonstrates that the affected area will continue to be served by at least one ETC.<sup>69</sup> The ETC must then send a copy of its relinquishment notice and a copy of the relinquishment order (within one week of its release) to USAC. A carrier that intends to discontinue service must first seek authorization to discontinue service under section 63.71 of the Commission's rules. 70 In addition, ETCs seeking to transfer control of their domestic authorizations to operate pursuant to section 214 of the Act or to engage in the sale of assets under section 214 must first receive approval from the Commission in accordance with sections 63.03 and 63.04 of the Commission's rules governing the procedures for domestic transfer of control/asset applications.<sup>71</sup> Transfers of control and assignments of international section 214 authorizations are separately subject to section 63.24 of the Commission's rules.<sup>72</sup> Except where the Commission has forborne from the application of section 214, this requirement applies to all transfers of control or asset acquisitions involving ETCs.

#### IV. ORDERING CLAUSES

- 25. Accordingly, IT IS ORDERED that, pursuant to the authority contained in section 214(e)(6) of the Communications Act of 1934, as amended, 47 U.S.C. § 214(e)(6), and the authority delegated in sections 0.91 and 0.291 of the Commission's rules, 47 CFR §§ 0.91, 0.291, that New Hampshire Electric Cooperative, Inc. IS DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER ELIGIBLE ONLY FOR LIFELINE SUPPORT IN AREAS NOT ELIGIBLE FOR HIGH-COST SUPPORT, to the extent described in this Order.
- 26. IT IS FURTHER ORDERED that a copy of this Order SHALL BE TRANSMITTED to the relevant state commission and to the Universal Service Administrative Company.

<sup>&</sup>lt;sup>66</sup> Federal-State Joint Board on Universal Service; Western Wireless Corp. Petition for Preemption of an Order of the South Dakota Public Utilities Commission, CC Docket No. 96-45, Declaratory Ruling, 15 FCC Rcd 15168, 15174, para. 15 (2000).

<sup>&</sup>lt;sup>67</sup> See 47 U.S.C. § 503(b).

<sup>68 47</sup> U.S.C. § 214(a); 47 CFR § 54.205.

<sup>&</sup>lt;sup>69</sup> 47 U.S.C. § 214(e)(4).

<sup>&</sup>lt;sup>70</sup> 47 CFR § 63.71.

<sup>&</sup>lt;sup>71</sup> 47 U.S.C. § 214; 47 CFR §§ 63.03; 63.04.

<sup>72 47</sup> CFR § 63.24.

27. IT IS FURTHER ORDERED that, pursuant to section 1.102(b)(1) of the Commission's rules, 47 CFR § 1.102(b)(1), this order SHALL BE effective upon release.

FEDERAL COMMUNICATIONS COMMISSION

Trent B. Harkrader Chief Wireline Competition Bureau

# ATTACHMENT A

# **Census Block Groups for which NHEC is Granted a Lifeline-Only ETC Designation**

Census Block Group	State	Applicant	FRN
33-005-9702001	New Hampshire	NHEC	0003666435
33-019-9757004	New Hampshire	NHEC	0003666435
33-015-0038022	New Hampshire	NHEC	0003666435
33-015-0037031	New Hampshire	NHEC	0003666435
33-015-9800111	New Hampshire	NHEC	0003666435
33-015-0038011	New Hampshire	NHEC	0003666435
33-015-0038021	New Hampshire	NHEC	0003666435
33-015-0039012	New Hampshire	NHEC	0003666435
33-015-0039021	New Hampshire	NHEC	0003666435
33-015-0039022	New Hampshire	NHEC	0003666435
33-015-0036012	New Hampshire	NHEC	0003666435
33-015-0036014	New Hampshire	NHEC	0003666435
33-015-0039011	New Hampshire	NHEC	0003666435
33-015-0038012	New Hampshire	NHEC	0003666435
33-015-0036011	New Hampshire	NHEC	0003666435
33-015-0034003	New Hampshire	NHEC	0003666435
33-015-0033021	New Hampshire	NHEC	0003666435
33-015-0035001	New Hampshire	NHEC	0003666435
33-015-0033012	New Hampshire	NHEC	0003666435
33-015-0033022	New Hampshire	NHEC	0003666435
33-015-0037032	New Hampshire	NHEC	0003666435
33-015-0034001	New Hampshire	NHEC	0003666435
33-015-0034004	New Hampshire	NHEC	0003666435
33-015-0033023	New Hampshire	NHEC	0003666435
33-015-0037033	New Hampshire	NHEC	0003666435
33-015-0033011	New Hampshire	NHEC	0003666435
33-015-0035003	New Hampshire	NHEC	0003666435
33-015-0038013	New Hampshire	NHEC	0003666435
33-015-0036022	New Hampshire	NHEC	0003666435
33-015-0036023	New Hampshire	NHEC	0003666435
33-015-0037011	New Hampshire	NHEC	0003666435
33-015-0034002	New Hampshire	NHEC	0003666435
33-015-0035002	New Hampshire	NHEC	0003666435
33-015-0036013	New Hampshire	NHEC	0003666435
33-015-0037012	New Hampshire	NHEC	0003666435
33-015-0036021	New Hampshire	NHEC	0003666435
33-015-1051003	New Hampshire	NHEC	0003666435
33-015-0530001	New Hampshire	NHEC	0003666435
33-015-0520001	New Hampshire	NHEC	0003666435
33-015-0530002	New Hampshire	NHEC	0003666435
33-015-0520003	New Hampshire	NHEC	0003666435
33-015-0520002	New Hampshire	NHEC	0003666435
33-015-1051002	New Hampshire	NHEC	0003666435

Census Block Group	State	Applicant	FRN
33-015-1051004	New Hampshire	NHEC	0003666435
33-015-1051001	New Hampshire	NHEC	0003666435
33-019-9759024	New Hampshire	NHEC	0003666435
33-019-9756003	New Hampshire	NHEC	0003666435
33-019-9755003	New Hampshire	NHEC	0003666435
33-019-9759023	New Hampshire	NHEC	0003666435
33-019-9753001	New Hampshire	NHEC	0003666435
33-019-9754005	New Hampshire	NHEC	0003666435
33-019-9757003	New Hampshire	NHEC	0003666435
33-019-9758005	New Hampshire	NHEC	0003666435
33-019-9757002	New Hampshire	NHEC	0003666435
33-019-9758004	New Hampshire	NHEC	0003666435
33-019-9759013	New Hampshire	NHEC	0003666435
33-019-9754006	New Hampshire	NHEC	0003666435
33-019-9751003	New Hampshire	NHEC	0003666435
33-019-9758003	New Hampshire	NHEC	0003666435
33-019-9758002	New Hampshire	NHEC	0003666435
33-019-9751001	New Hampshire	NHEC	0003666435
33-019-9758001	New Hampshire	NHEC	0003666435
33-019-9759021	New Hampshire	NHEC	0003666435
33-019-9759011	New Hampshire	NHEC	0003666435
33-019-9754004	New Hampshire	NHEC	0003666435
33-019-9754003	New Hampshire	NHEC	0003666435
33-019-9759022	New Hampshire	NHEC	0003666435
33-019-9754002	New Hampshire	NHEC	0003666435
33-019-9752002	New Hampshire	NHEC	0003666435
33-019-9752004	New Hampshire	NHEC	0003666435
33-019-9751002	New Hampshire	NHEC	0003666435
33-019-9759012	New Hampshire	NHEC	0003666435
33-019-9753002	New Hampshire	NHEC	0003666435
33-009-9616025	New Hampshire	NHEC	0003666435
33-009-9616022	New Hampshire	NHEC	0003666435
33-009-9616024	New Hampshire	NHEC	0003666435
33-009-9616023	New Hampshire	NHEC	0003666435
33-009-9616021	New Hampshire	NHEC	0003666435
33-009-9615003	New Hampshire	NHEC	0003666435
33-009-9609003	New Hampshire	NHEC	0003666435
33-009-9616011	New Hampshire	NHEC	0003666435
33-009-9615002	New Hampshire	NHEC	0003666435
33-009-9616012	New Hampshire	NHEC	0003666435
33-013-0425003	New Hampshire	NHEC	0003666435
33-013-0425001	New Hampshire	NHEC	0003666435
33-009-9612002	New Hampshire	NHEC	0003666435
33-013-0031002	New Hampshire	NHEC	0003666435
33-013-0031003	New Hampshire	NHEC	0003666435
33-013-0360003	New Hampshire	NHEC	0003666435
33-013-0360002	New Hampshire	NHEC	0003666435
33-013-0360001	New Hampshire	NHEC	0003666435
33-013-0370001	New Hampshire	NHEC	0003666435

Census Block Group	State	Applicant	FRN
33-015-0590003	New Hampshire	NHEC	0003666435
33-015-0550012	New Hampshire	NHEC	0003666435
33-015-0500002	New Hampshire	NHEC	0003666435
33-015-0510002	New Hampshire	NHEC	0003666435
33-015-0560002	New Hampshire	NHEC	0003666435
33-015-0590001	New Hampshire	NHEC	0003666435
33-015-0580002	New Hampshire	NHEC	0003666435
33-015-0510001	New Hampshire	NHEC	0003666435
33-015-0550022	New Hampshire	NHEC	0003666435
33-015-0590002	New Hampshire	NHEC	0003666435
33-013-0031001	New Hampshire	NHEC	0003666435
33-015-0550021	New Hampshire	NHEC	0003666435
33-015-0500001	New Hampshire	NHEC	0003666435
33-015-0540001	New Hampshire	NHEC	0003666435
33-015-0040002	New Hampshire	NHEC	0003666435
33-015-0540002	New Hampshire	NHEC	0003666435
33-015-0550011	New Hampshire	NHEC	0003666435
33-015-0040003	New Hampshire	NHEC	0003666435
33-015-0040001	New Hampshire	NHEC	0003666435
33-001-9657002	New Hampshire	NHEC	0003666435
33-001-905/002	New Hampshire	NHEC	0003666435
33-013-0340002	New Hampshire	NHEC	0003666435
33-013-0340002	New Hampshire	NHEC	0003666435
33-015-0560001	New Hampshire	NHEC	0003666435
33-013-0340001	New Hampshire		0003666435
	-	NHEC	
33-015-0570002	New Hampshire	NHEC	0003666435
33-017-0870005	New Hampshire	NHEC	0003666435
33-013-0350002	New Hampshire	NHEC	0003666435
33-015-0570001	New Hampshire	NHEC	0003666435
33-015-0570003	New Hampshire	NHEC	0003666435
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33-001-9658001	New Hampshire	NHEC	0003666435
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33-001-9664024	New Hampshire	NHEC	0003666435
33-001-9661002	New Hampshire	NHEC	0003666435
33-013-0430012	New Hampshire	NHEC	0003666435
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33-013-0440001	New Hampshire	NHEC	0003666435
33-013-0430013	New Hampshire	NHEC	0003666435
33-001-9661001	New Hampshire	NHEC	0003666435
33-001-9655981	New Hampshire	NHEC	0003666435
33-013-0430022	New Hampshire	NHEC	0003666435
33-001-9654001	New Hampshire	NHEC	0003666435
33-013-0440003	New Hampshire	NHEC	0003666435
33-001-9655983	New Hampshire	NHEC	0003666435
33-013-0430023	New Hampshire	NHEC	0003666435

Census Block Group	State	Applicant	FRN
33-001-9659001	New Hampshire	NHEC	0003666435
33-013-0430024	New Hampshire	NHEC	0003666435
33-001-9655982	New Hampshire	NHEC	0003666435
33-001-9660001	New Hampshire	NHEC	0003666435
33-001-9660002	New Hampshire	NHEC	0003666435
33-001-9659003	New Hampshire	NHEC	0003666435
33-001-9659002	New Hampshire	NHEC	0003666435
33-001-9662001	New Hampshire	NHEC	0003666435
33-001-9659004	New Hampshire	NHEC	0003666435
33-001-9658002	New Hampshire	NHEC	0003666435
33-001-9658004	New Hampshire	NHEC	0003666435
33-009-9610001	New Hampshire	NHEC	0003666435
33-001-9661004	New Hampshire	NHEC	0003666435
33-009-9611003	New Hampshire	NHEC	0003666435
33-009-9611002	New Hampshire	NHEC	0003666435
33-001-9662004	New Hampshire	NHEC	0003666435
33-009-9610002	New Hampshire	NHEC	0003666435
33-001-9662003	New Hampshire	NHEC	0003666435
33-017-0870004	New Hampshire	NHEC	0003666435
33-001-9664025	New Hampshire	NHEC	0003666435
33-003-9560001	New Hampshire	NHEC	0003666435
33-003-9561004	New Hampshire	NHEC	0003666435
33-017-0885002	New Hampshire	NHEC	0003666435
33-001-9657003	New Hampshire	NHEC	0003666435
33-001-9665002	New Hampshire	NHEC	0003666435
33-001-9657001	New Hampshire	NHEC	0003666435
33-001-9664023	New Hampshire	NHEC	0003666435
33-001-9665001	New Hampshire	NHEC	0003666435
33-017-0885003	New Hampshire	NHEC	0003666435
33-017-0870001	New Hampshire	NHEC	0003666435
33-001-9665003	New Hampshire	NHEC	0003666435
33-003-9564003	New Hampshire	NHEC	0003666435
33-003-9558001	New Hampshire	NHEC	0003666435
33-003-9561003	New Hampshire	NHEC	0003666435
33-003-9559003	New Hampshire	NHEC	0003666435
33-003-9561002	New Hampshire	NHEC	0003666435
33-003-9563001	New Hampshire	NHEC	0003666435
33-003-9561001	New Hampshire	NHEC	0003666435
33-003-9564001	New Hampshire	NHEC	0003666435
33-003-9559001	New Hampshire	NHEC	0003666435
33-003-9561005	New Hampshire	NHEC	0003666435
33-003-9361003	New Hampshire	NHEC	0003666435
33-003-9564002	New Hampshire	NHEC	0003666435
33-003-9563002	New Hampshire	NHEC	0003666435
33-003-9563004	New Hampshire		0003666435
33-003-9559002	New Hampshire	NHEC NHEC	0003666435
33-003-9539002	New Hampshire		0003666435
33-009-9606001	New Hampshire	NHEC NHEC	0003666435

33-009-9606003	New Hampshire	NHEC	0003666435

Census Block Group	State	Applicant	FRN
33-009-9609002	New Hampshire	NHEC	0003666435
33-009-9601003	New Hampshire	NHEC	0003666435
33-009-9601001	New Hampshire	NHEC	0003666435
33-009-9601004	New Hampshire	NHEC	0003666435
33-009-9601002	New Hampshire	NHEC	0003666435
33-003-9554001	New Hampshire	NHEC	0003666435
33-009-9604001	New Hampshire	NHEC	0003666435
33-003-9551003	New Hampshire	NHEC	0003666435
33-003-9555001	New Hampshire	NHEC	0003666435
33-003-9553003	New Hampshire	NHEC	0003666435
33-003-9554003	New Hampshire	NHEC	0003666435
33-003-9556001	New Hampshire	NHEC	0003666435
33-009-9604002	New Hampshire	NHEC	0003666435
33-003-9553005	New Hampshire	NHEC	0003666435
33-003-9555002	New Hampshire	NHEC	0003666435
33-003-9553004	New Hampshire	NHEC	0003666435
33-003-9553006	New Hampshire	NHEC	0003666435
33-003-9558002	New Hampshire	NHEC	0003666435
33-009-9610003	New Hampshire	NHEC	0003666435
33-003-9554002	New Hampshire	NHEC	0003666435
33-003-9553001	New Hampshire	NHEC	0003666435
33-009-9605002	New Hampshire	NHEC	0003666435
33-009-9602001	New Hampshire	NHEC	0003666435
33-003-9556002	New Hampshire	NHEC	0003666435
33-003-9553002	New Hampshire	NHEC	0003666435
33-003-9551002	New Hampshire	NHEC	0003666435
33-015-0600001	New Hampshire	NHEC	0003666435
33-015-0600002	New Hampshire	NHEC	0003666435
33-017-0805004	New Hampshire	NHEC	0003666435
33-017-0805003	New Hampshire	NHEC	0003666435
33-017-0802041	New Hampshire	NHEC	0003666435
33-017-0801002	New Hampshire	NHEC	0003666435
33-017-0801001	New Hampshire	NHEC	0003666435
33-017-0802032	New Hampshire	NHEC	0003666435
33-017-0805002	New Hampshire	NHEC	0003666435
33-017-0802031	New Hampshire	NHEC	0003666435
33-017-0870003	New Hampshire	NHEC	0003666435
33-017-0870002	New Hampshire	NHEC	0003666435
33-003-9560002	New Hampshire	NHEC	0003666435
33-003-9554005	New Hampshire	NHEC	0003666435
33-003-9554004	New Hampshire	NHEC	0003666435
33-007-9503001	New Hampshire	NHEC	0003666435
33-007-9501001	New Hampshire	NHEC	0003666435
33-007-9501002	New Hampshire	NHEC	0003666435