

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

IN RE: October 19, 2006

IN THE MATTER OF THE APPLICATION OF)
VCI COMPANY FOR DESIGNATION AS AN)
ELIGIBLE TELECOMMUNICATIONS)
CARRIER IN THE BELL SOUTH)
TELECOMMUNICATIONS, INC.)
SERVICE AREA)

DOCKET NO.
06-00126

ORDER DESIGNATING ELIGIBLE TELECOMMUNICATIONS CARRIER

This matter came before Chairman Sara Kyle, Director Pat Miller, and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on July 24, 2006, for consideration of the *Application of VCI Company for Designation as an Eligible Telecommunications Carrier* ("Application") filed by VCI Company ("VCI") on April 29, 2006. In the Application, VCI requested that it be designated as an Eligible Telecommunications Carrier ("ETC") for the purpose of receiving universal service support in BellSouth Telecommunications, Inc. ("BellSouth") exchanges in Tennessee.

To be designated as an ETC, a carrier is required to demonstrate that the designation is in the public interest.¹ An Applicant, such as VCI, must show that it is authorized to offer telecommunications services in the area for which it is seeking ETC status.² The Applicant also has to provide services supported by the federal universal service support mechanisms and advertise the availability of and charges for such services.³ The Applicant must also use its own facilities or a combination of its own facilities and resale of another carrier's services to provide

¹ 47 U.S.C. § 214 (e)(2) (2005).

² 47 C.F.R. § 54.201(2005).

³ 47 C.F.R. § 54.201 (d)(1) (2005).

telecommunications services.⁴ The Applicant is required to make available Lifeline and Link-Up service to qualifying low-income consumers and advertise such availability in a manner reasonably designed to reach those likely to qualify for the services.⁵ Furthermore, the Applicant must use federal universal support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.⁶

VCI was authorized by the Authority on March 30, 2006, to provide competing facilities-based local exchange service in Docket No. 06-00019. VCI provides local and access services utilizing a combination of unbundled network elements (“UNEs”), and only provides service in BellSouth’s service areas. VCI offers the supported services, which include: voice grade access to the public switched network; local usage; Dual Tone Multi-frequency Signaling; single-party service; access to emergency services; access to operator services; access to directory assistance; and toll limitation for qualifying low-income customers.

In accordance with 47 C.F.R. § 54.201(d)(1) (2005), a telecommunications carrier designated as an ETC must offer services supported by federal universal service support mechanisms using either its own facilities or with a combination of its own facilities and resale of another carrier’s services and advertise the availability of such services and charges. In its regulations, the FCC defines the term “own facilities” as including facilities obtained as UNEs.⁷ VCI’s use of UNEs and combinations to provide its services fulfill the requirements proscribed by 47 C.F.R. § 54.201(d)(1).

The availability and advertisement of Lifeline and Link-Up service are required under 47 C.F.R. § 54.405(a) and (b). Accordingly, VCI has tariffs on file establishing local services, features, and rates. VCI also avers that it is in compliance with the outreach guidelines for Lifeline and Link-Up services and agrees to publicize the availability of these services. Finally, VCI does advertise its services in several different media of general distribution throughout its service area. The Applicant

⁴ *Id.*

⁵ 47 C.F.R. § 54.405 (2005).

⁶ 47 C.F.R. § 54.7 (2005).

⁷ 47 C.F.R. § 54.201(f) (2005).

has shown that its designation as an ETC is in the public interest because the company will be able to make service available to customers who otherwise might not be able to obtain service.

July 24, 2006 Authority Conference

During the regularly scheduled Authority Conference on July 24, 2006, the panel of Directors assigned to this docket considered VCI's Application. The panel noted that VCI meets both the FCC and Authority requirements and that it has the capability to provide service to customers in the requested BellSouth wire centers. The panel voted unanimously to grant the Application and designate VCI as an ETC in BellSouth's Tennessee service areas for the purpose of receiving federal universal service support.

IT IS THEREFORE ORDERED THAT:

The Application of VCI Communications Company for Designation as an Eligible Telecommunications Carrier is granted.


Sara Kyle, Chairman


Pat Miller, Director


Ron Jones, Director