

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

March 9, 2011

IN RE:

**PETITION OF FOUR STAR MARKETING, LLC D/B/A
MIDSOUTH HOME PHONE FOR DESIGNATION AS
AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

**DOCKET NO.
10-00112**

**ORDER DESIGNATING FOUR STAR MARKETING, LLC D/B/A MIDSOUTH
HOME PHONE AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

This matter came before Director Eddie Roberson, Director Kenneth C. Hill and Director Sara Kyle of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at the regularly scheduled Authority Conference held on January 24, 2011 for consideration of the *Application for Designation as an Eligible Telecommunications Carrier* ("Application") filed by Four Star Marketing, LLC d/b/a Midsouth Home Phone ("Four Star") on June 8, 2010.

BACKGROUND

Four Star filed its *Application* pursuant to 47 U.S.C. § 214(e)(2) and 47 C.F.R. §§ 54.101-54.207 for the purpose of receiving federal universal service support throughout the Tennessee service territories of BellSouth Telecommunications, Inc. d/b/a AT&T Tennessee ("AT&T"). In the *Application*, Four Star states that it satisfies all of the statutory and regulatory requirements for designation as an Eligible Telecommunications Carrier ("ETC").

Four Star states that it is not seeking ETC designation in any of the rural independent telephone company service areas. Four Star explains that granting the ETC designation will

enable it to obtain federal universal support, which it will use to offer innovative telecommunications services at competitive prices to consumers.

FINDINGS AND CONCLUSIONS

To be designated as an ETC, a carrier is required to demonstrate that the designation is in the public interest. An Applicant must show that it is authorized to offer telecommunications services in the area for which it is seeking ETC status. 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. The Applicant must also use its own facilities or a combination of its own facilities and resale of another carrier's services to provide telecommunications services. The Applicant is required to make Lifeline service available to qualifying low-income consumers and to advertise such availability of the service in a manner reasonably designed to reach those likely to qualify for the service. 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.¹

During the regularly scheduled Authority Conference on January 24, 2011, the panel considered Four Star's *Application*. Based upon the entire record, the panel made the following findings.

1. Four Star is authorized to provide telecommunications services in the areas for which it seeks ETC designation.

¹ See 47 U.S.C. § 214 (e)(2) (2005) and 47 C.F.R. § 54.201 through 54.207. The Authority has addressed these standards in *In re: Universal Service Generic Contested Case*, Docket No. 97-00888, *Order Establishing Procedures for Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(2) of the Telecommunications Act of 1996 and FCC Order 97-157*, pp. 1-5 (November 3, 1997). Further, the Authority has applied the standards in various dockets, including *In re: Petition of Cinergy Communications Company for Designation as an Eligible Telecommunications Carrier*, Docket No. 06-00033, *Order Designating Eligible Telecommunications Carrier* (March 30, 2006). Finally, it should be noted that the Authority opened a rulemaking in Docket No. 05-00284 for ETC designation, reporting and Lifeline service. However, the rules are pending approval of the Attorney General's office. Therefore, the rules are not effective and were not applied in this docket.

2. Four Star provides the supported services, which include: voice grade access to the public switched network; local usage; Dual Tone Multi-frequency Signaling or its functional equivalent; single-party service or its functional equivalent; access to emergency services; access to operator services; access to interexchange service; access to directory assistance; and toll limitation for qualifying low-income customers. Additionally, Four Star demonstrated that it does advertise its service offerings.

3. Four Star has the ability to utilize its own facilities, unbundled network elements (“UNEs”) and/or combinations to provide its services.

4. With its Lifeline tariff and its assertions regarding publication or advertisement of Lifeline availability, Four Star demonstrates its intent to comply with the requirement to publicize and make available Lifeline service.

5. Four Star has demonstrated its intent to use the available federal universal support in a manner that is consistent with the FCC rules by its plan to apply the support received to offer innovative telecommunications services at competitive prices to non-rural consumers in the designated service area. Four Star has also demonstrated that it will contribute to the maintenance and upgrading of facilities through the service rates and charges it will pay for the use of AT&T UNEs.

6. Designating Four Star as an ETC eligible for universal service support is in the public interest because (a) Four Star offers its services in non-rural areas for reasonable rates and to those who are qualified for Lifeline; (b) Four Star states that it will undertake educating customers regarding the value of low cost banking relationships as well as providing its reasonable service rates; (c) Four Star has committed to employing and training graduates of the second chance program, HopeWorks, based in Memphis; and (d) Four Star further commits to

offer student internships and in so doing will be assisting Tennessee's low income citizens through telecommunications services as well as through employment opportunities.

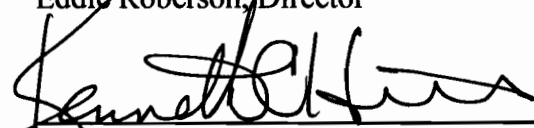
Thereafter, the panel voted unanimously to grant the *Application* and to designate Four Star as an ETC in the AT&T Tennessee service areas for the purpose of receiving federal universal service support.

IT IS THEREFORE ORDERED THAT:

The *Application for Designation as an Eligible Telecommunications Carrier* filed by Four Star Marketing, LLC d/b/a Midsouth Home Phone is granted.



Eddie Roberson, Director



Kenneth C. Hill, Director



Sara Kyle, Director