

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

February 1, 2016

IN RE:

**APPLICATION OF TELE CIRCUIT NETWORK
CORPORATION FOR DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER**

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**DOCKET NO.
15-00102**

**ORDER DESIGNATING TELE CIRCUIT NETWORK CORPORATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER**

This matter came before Chairman Herbert H. Hilliard, Vice Chairman David F. Jones and Director Kenneth C. Hill 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 11, 2016, for consideration of the *Application for Designation as an Eligible Telecommunications Carrier* ("*Application*") filed by Tele Circuit Network Corporation ("Tele Circuit," "Company" or "Applicant") on November 4, 2015.

BACKGROUND

Tele Circuit is a Georgia Corporation and is authorized to conduct business as a foreign Corporation in the State of Tennessee. The Company was granted a Certificate of Public Convenience and Necessity ("CCN") to provide competing local exchange and interexchange telecommunications services within the State of Tennessee pursuant to the TRA's Order entered on February 3, 2009 in Docket No. 08-00199. The Company offers local and long distance telecommunications services to customers in the Tennessee service territories of BellSouth Telecommunications, LLC d/b/a AT&T Tennessee ("AT&T").

Pursuant to 47 U.S.C. § 214(e)(2), 47 C.F.R. § 54.101-54.207 and the rules and regulations of the Authority, Tele Circuit filed its *Application* seeking designation as an Eligible Telecommunications Carrier (“ETC”) in the State of Tennessee in order to provide Lifeline services to qualifying Tennessee consumers and to receive support from the low-income program of the federal Universal Service Fund (“USF”). Tele Circuit currently provides Lifeline service in Tennessee through resale of AT&T’s retail Lifeline service under the provisions of 47 U.S.C. § 251(c)(4). Tele Circuit seeks ETC designation at this time due to the recently issued Federal Communications Commission (“FCC”) rule changes, which will eliminate USF support for non-ETC resellers of Lifeline service.¹ Tele Circuit does not seek access to USF funds for the purpose of providing service to high cost areas.

In the *Application*, Tele Circuit states that it satisfies all of the statutory and regulatory requirements for ETC designation and that it is not seeking ETC designation in any of the rural independent telephone company service areas. The Company further states that approval of its *Application* will further the public interest by providing Tennessee consumers in the designated service areas, especially low-income consumers, with low prices, high quality services, and expanded availability of affordable telecommunications services.

REQUIREMENTS FOR ETC DESIGNATION

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 specific federal universal support.”² Section 214(e)(2) of the Act authorizes state commissions, such as the Authority, to designate ETC status for USF purposes “consistent

¹ See *In the Matter of Lifeline and Link Up Reform and Modernization Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund*, WC Docket No. 11-42, WC Docket No. 09-197, WC Docket No. 10-90, Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, FCC 15-71 (rel. June 22, 2015) (“*Second Report and Order*”), section IV.B.

² 47 U.S.C. § 254(e).

with the public interest, convenience, and necessity.”³ Applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier’s services.⁴ Applicants also must advertise the availability and rates of such services using media of general distribution.⁵ Additionally, because Tele Circuit is not a rural telephone company as defined in 47 U.S.C. § 153(44), it is required to describe the geographic areas within which it requests ETC designation.

FINDINGS AND CONCLUSIONS

Upon review, the Authority finds that Tele Circuit meets the requirements for ETC designation, as follows:

Tele Circuit will provide telecommunications services using a combination of its own facilities and resale of another telecommunication carrier’s services. It is authorized to provide services in the areas for which it seeks ETC designation, and it is a common carrier as that term is defined in the Act. Further, the Company has affirmed that it is able to provide all of the services and functionalities required by 47 C.F.R. § 54.101(a) and 47 C.F.R. § 54.202(a) including the following: voice grade access to the public switched network; minutes of use for local service; access to emergency services; access to operator services; access to directory assistance; access to interexchange service; as well as other services not required by 47 C.F.R. § 54.101(a) and 47 C.F.R. § 54.202(a). Tele Circuit will advertise the availability and rates for these services described using media of general distribution.

Tele Circuit requests ETC designation for only low-income support in the exchanges of BellSouth Telecommunications, LLC d/b/a/ AT&T Tennessee. It does not seek designation as an ETC in any areas served by rural telephone companies, nor to qualify for high-cost universal

³ 47 U.S.C. § 214(e)(2).

⁴ 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d).

⁵ 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

service support. The Company commits to providing its Lifeline service throughout the proposed designated service area, and to provide to its customers the same ability to remain functional in emergency situations as is currently provided by the incumbent local exchange carrier to its own customers.

In addition, Tele Circuit commits to satisfying all applicable consumer protection and service quality standards, and to reporting consumer protection and service quality information on an annual basis consistent with 47 C.F.R. § 54.422. The Company is financially and technically capable of providing Lifeline-supported services. Tele Circuit will certify and verify consumer eligibility in accordance with applicable FCC and Authority requirements.

Finally, Tele Circuit's designation as an ETC is consistent with the public interest because (a) it will provide low-income Tennessee residents with the reliability and security offered by wireline services; (b) it will offer more competitive choice to these residents; and (c) the Company is currently offering services in AT&T's service areas, has an approved tariff to provide Lifeline service for low-income customers and actually has several hundred Tennessee customers.

During the regularly scheduled Authority Conference on January 11, 2016, the panel considered Tele Circuit's *Application*. The panel voted unanimously to grant the *Application* and to designate Tele Circuit as an ETC in the requested AT&T Tennessee service areas for the limited purpose of receiving low-income federal universal service support.

IT IS THEREFORE ORDERED THAT:

1. Tele Circuit's *Application for Designation as an Eligible Telecommunications Carrier* is granted.
2. Tele Circuit is designated as an Eligible Telecommunications Carrier in the requested Tennessee service areas for the limited purpose of receiving federal low-income Universal Service Fund support.

3. Tele Circuit shall report annually to the Authority the information required by 47 C.F.R. § 54.416 and 54.422.

Chairman Herbert H. Hilliard, Vice Chairman David F. Jones and Director Kenneth C. Hill concur.

ATTEST:



Earl R. Taylor, Executive Director