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February 11, 2015

Dan P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101-2147

Via: E-File

Re: In the Matter of a Petition of Lake County Minnesota for Designation as an Eligible
Telecommunications Carrier
Docket No. M-15-65

Dear Mr. Wolf:

Enclosed for E-filing in the above-referenced matter please find Lake County Minnesota
d/b/a Lake Connections Response to Challenge and Certificate of Service.

Sincerely,

/s/Gregory R. Merz

Gregory Merz

GRM/akm
Enclosure
cc: Service List

CERTIFICATE OF SERVICE

I, Amy K. Milbradt, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, email, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at Minneapolis, Minnesota.

Lake County Minnesota d/b/a Lake Connections Response to Challenge

Re: Docket No. M-15-65

Dated this 11th day of February, 2015.

s/Amy K. Milbradt

Amy K. Milbradt

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Matthew	Huddleston	matthew.huddleston@co.lake.mn.us	Lake County Minnesota	601 3rd Ave Two Harbors, MN 55616	Paper Service	No	GEN_SL_Lake County_ETC Petition
Jeffrey	Roland	jeff.s.roland@gmail.com	Lake Communications	409 17th Ave Two Harbors, Mn 55616	Electronic Service	No	GEN_SL_Lake County_ETC Petition
Kevin	Saville	kevin.saville@ftr.com	Citizens/Frontier Communications	2378 Wilshire Blvd. Mound, MN 55364	Electronic Service	No	GEN_SL_Lake County_ETC Petition
Jason	Topp	jason.topp@centurylink.com	CenturyLink	200 S 5th St Ste 2200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Lake County_ETC Petition

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
John Tuma	Commissioner
Betsy Wergin	Commissioner

In the Matter of a Petition of Lake County Docket No. M-15-65
Minnesota for Designation as an Eligible
Telecommunications Carrier

RESPONSE TO CHALLENGE

On January 29, 2015, Lake County Minnesota d/b/a Lake Connections (“Lake County”) filed a petition with this Commission seeking to be designated as an Eligible Telecommunications Carrier. Such designation is necessary for Lake County to meet the conditions of a \$3.5 million federal grant made pursuant to the federal Rural Broadband Experiment. Lake County intends to use the grant to provide broadband service in the Duluth, Silver Bay, Aurora, Babbitt, Ely, Embarrass, Hoyt Lakes, Isabella, Palo, and Two Harbors exchanges, including areas that do not presently have access to broadband service. In order to qualify for the grant, Lake County must, by March 3, 2015, inform the Federal Communications Commission that it has ETC status. Failure to do so may result in loss of the grant.

On February 6, 2015, Citizens Telecommunications Company of Minnesota LLC (“Citizens”) filed a challenge to the completeness and form of Lake County’s ETC petition. Lake County respectfully submits this response to Citizens’ challenge. For the reasons discussed below, Citizens’ challenge should be rejected and the Commission should grant Lake County’s petition for designation as an ETC.

DISCUSSION

I. Citizens' Challenge Does Not Identify Any Deficiency In The Completeness Or Form Of Lake County's Filing

Although stated as a challenge to the completeness or form of Lake County's petition, Citizens does not identify any way in which that petition is formally deficient or incomplete. Nor does Citizens assert that Lake County does not meet the requirements enumerated by the FCC for designation as an ETC. Rather, Citizens argues that Lake County's petition should be rejected because: 1) Lake County is not a CLEC or an ILEC; 2) Lake County has no intent of providing service to end users. Neither of these arguments has any merit.

A. ETC Status Is Not Limited To ILECs and CLECs

Lake County is the owner of a fiber optic network and has entered into an arrangement with Lake Communications to provide Interconnected Voice over Internet Protocol ("VoIP") service over that network.¹ Under that arrangement, Lake County provides the broadband connection to the end user premises and, through Lake Communications, provides the basic services necessary to qualify as an ETC.

Although the Commission's rules specifically provide for the designation of an ILEC or a CLEC as an ETC, those rules do not require that a carrier be either an ILEC or CLEC as a condition for ETC designation. Indeed, the Commission has, on numerous occasions, granted the petition of a wireless carrier for ETC designation.² Although the Commission does not regulate

¹ "Interconnected Voice over Internet Protocol" service is a service that: (1) Enables real-time, two-way voice communications; (2) Requires a broadband connection from the user's location; (3) Requires Internet protocol-compatible customer premises equipment (CPE); and (4) Permits users generally to receive calls that originate on the public switched telephone network and to terminate calls to the public switched telephone network. See 47 C.F.R. 9.3.

² See, e.g., *In the Matter of the Petition of Budget Prepay, Inc., for Designation as an Eligible Telecommunications Carrier (ETC) in Minnesota*, MPUC Docket No. P-6402/M-11-976, ORDER GRANTING BUDGET PREPAY'S PETITION FOR ETC DESIGNATION WITH CONDITIONS (January 18, 2013); *In the Matter of Nexus Communications, Inc.'s Petition for Designation as an Eligible Telecommunications Carrier in Minnesota*, MPUC

wireless carriers, just as it does not regulate VoIP providers, the Commission has reviewed those petitions in the capacity of an administrator acting on behalf of the FCC. The Commission, thus, has not interpreted its rules in the way that Citizens now urges.

B. Lake County Offers, And Intends To Continue To Offer, Interconnected VoIP Service To End Users

Citizens asserts that Lake County “does not now and apparently has no intent of providing service to end users.” Citizens does not state any basis for this assertion and, in fact, Citizens’ claim is incorrect. Lake County currently offers VoIP service through Lake Communications to its end user customers and has plans to expand that service using funding from the Rural Broadband Experiment grant.

II. Granting Lake County’s Petition Will Advance The Public Interest In Expanding Broadband Service In Rural Minnesota

Improvement of broadband accessibility and speed, particularly in rural areas, is a public policy priority in the State of Minnesota. The designation of Lake County as an ETC will help to advance those goals by allowing Lake County to qualify for a \$3.5 million federal grant to be used in developing broadband infrastructure and service in areas of rural Minnesota that are currently unserved.

Pursuant to the FCC Order selecting Lake County as a conditional grant recipient, Lake County must confirm its ETC status by March 3, 2015. The failure to do so may result in loss of the grant and, consequently, the loss of the benefit that these federal funds will provide for residents of rural Minnesota. Accordingly, Lake County respectfully requests that the Commission act on its petition on an expedited basis.

Dated: February 11, 2015

**GRAY, PLANT, MOOTY,
MOOTY & BENNETT, P.A.**

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