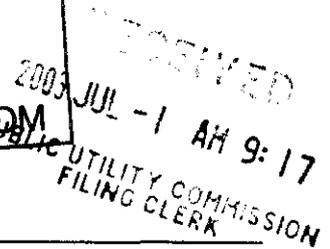
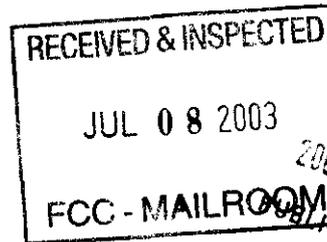


**Rebecca Klein**  
Chairman  
**Brett A. Perlman**  
Commissioner  
**Julie Parsley**  
Commissioner  
**W. Lane Lanford**  
Executive Director

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**Public Utility Commission of Texas**

✓ **Marlene H. Dortch**  
Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
TWA 325  
Washington, D.C. 20554

**Sheryl Todd**  
Management Analyst – Telecom Access Policy Division  
445 Twelfth St. S.W.  
No. 5B540  
Washington, D.C. 20554

**Irene Flannery**  
Vice-President of High Cost and Low Income Divisions  
Universal Service Administrative Company  
2120 L. Street, NW Suite 600  
Washington, D.C. 20037

**RE: Federal-State Joint Board on Universal Service, CC Docket No. 96-45**

TX PUC Project No. 25787 - FCC Letters regarding ETC Designation Pursuant to  
FTA '96 §214(e) (2)

July 1, 2003

To Whom It May Concern:

Pursuant to Section 214(e) (2) of the Communications Act of 1934, as amended (the "Act") and 47 C.F.R. sections 54.201 – 54.203, the Texas Public Utility Commission (TPUC) has amended the eligible telecommunications carrier (ETC) designation of the following competitive carrier to include the Texas exchanges of Holliday and Kamay:

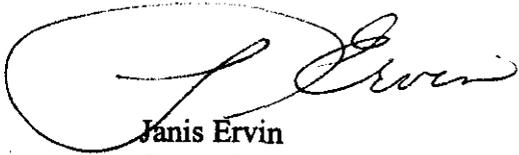
Santa Rosa Telephone Cooperative, Inc.

No. of Copies rec'd \_\_\_\_\_  
List ABCDE \_\_\_\_\_

Attached is the TPUC's *Order* in Docket No. 27787, issued on June 25, 2003, granting amended ETC designation to Santa Rosa Telephone Cooperative, Inc.

If you require any additional information please call Janis Ervin at (512)-936-7372.

Sincerely,

A handwritten signature in cursive script, appearing to read "Janis Ervin". The signature is written in black ink and is positioned to the left of the typed name.

Janis Ervin  
Senior Policy Specialist  
Telecommunications Division  
Texas Public Utility Commission



DOCKET NO. 27787

APPLICATION OF SANTA ROSA TELEPHONE COOPERATIVE, INC. TO AMEND ITS DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER (ETC) PURSUANT TO 47 U.S.C. §214(e) AND P.U.C. SUBSTANTIVE RULE 26.418

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OF TEXAS  
FILING CLERK

**ORDER NO. 3  
NOTICE OF APPROVAL TO AMEND DESIGNATION AS  
AN ELIGIBLE TELECOMMUNICATIONS CARRIER (ETC)**

***Procedural History***

On May 12, 2003, Santa Rosa Telephone Cooperative, Inc. (Santa Rosa or the Company) filed an application to amend its designation as an eligible telecommunications carrier (ETC), pursuant to 47 U.S.C. § 214(e) of the Federal Telecommunications Act (FTA 96) and P.U.C. SUBST. R. 26.418. Under 47 U.S.C. § 214(e), a common carrier designated as an ETC, in accordance with that subsection, is eligible to receive federal universal service support under 47 U.S.C. § 254. In addition, ETC designation is required before a carrier can receive Texas High Cost Universal Service Plan (THCUSP) support. ETC designation is the responsibility of the state Commission.

Santa Rosa was granted Service Provider Certificate of Operating Authority No. 60373 in Docket No. 22551 on July 5, 2000.<sup>1</sup> Santa Rosa received its initial ETP designation on November 12, 1999, in Docket No. 21489, for the exchange of Seymour and subsequently amended its designation to add the Mergargel exchange, and later the Knox City, Rochester and Rule exchanges.<sup>2</sup> This application seeks to amend Santa Rosa's ETC designation to add the Valor Telecommunications of Texas, L.P. (Valor) exchanges of Holliday and Kamay within the

<sup>1</sup> *Application of Santa Rosa Telephone Cooperative, Inc. for an Amendment of Certificate of Operating Authority*, Docket No. 22551 (Jul. 5, 2000).

<sup>2</sup> *Application of Santa Rosa Telephone Cooperative, Inc. for Designation as an Eligible Telecommunications Carrier (ETC) Tel-Assistance And Lifeline Program Pursuant to Subst. R. 26.417*, Docket No. 21489 (Nov. 12, 1999); *Application of Santa Rosa Telephone Cooperative, Inc. for Designation as an Eligible Telecommunications Carrier (ETC)*, Docket No. 23217 (Dec. 15, 2000); *Application of Santa Rosa Telephone Cooperative, Inc. for Designation as an Eligible Telecommunications Carrier*, Docket No. 25291 (Feb. 25, 2002).

state of Texas. Santa Rosa simultaneously filed its application in Docket No. 27786 for Eligible Telecommunications Provider (ETP) status pursuant to P.U.C. SUBST. R. 26.417.<sup>3</sup>

The Commission issued Order No. 1 in this proceeding which established a procedural schedule, including deadlines for comment, motions to intervene, and published notice in the *Texas Register*. The Applicant provided a copy of the application to the Office of Public Utility Counsel at the time of filing. Notice was published in the *Texas Register* on May 30, 2003. No objection, comment, or motions to intervene were filed, and no hearing was requested. Pursuant to P.U.C. SUBST. R. 26.418(g)(2)(A)(i) the effective date shall be no earlier than 30 days after an application is filed or 30 days after notice is completed, whichever is later. Therefore, Order No. 1 established an effective date of June 30, 2003. P.U.C. SUBST. R. 23.148(g)(2)(A) provides that an application for ETC designation may be reviewed administratively.

### ***Discussion***

To qualify for ETC status, a carrier must meet four conditions:<sup>4</sup>

1. The carrier must be a common carrier, as that term is defined by § 3(10) of FTA 96.
2. The carrier must offer the following services (requisite services),<sup>5</sup> using its own facilities or a combination of its own facilities and the resale of another carrier's services:<sup>6</sup>
  - (a) voice grade access to the public switched network;
  - (b) local usage;
  - (c) dual tone multi-frequency signaling or its functional equivalent;
  - (d) single party service or its functional equivalent;

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<sup>3</sup> *Application of Santa Rosa Telephone Cooperative, Inc. to Amend its Designation as an Eligible Telecommunications Provider (ETP) Pursuant to P.U.C. Substantive Rule 26.417, Docket No. 27786 (pending).*

<sup>4</sup> 47 C.F.R. § 54.201(b)-(d) (2000).

<sup>5</sup> 47 C.F.R. § 54.101 (2000).

<sup>6</sup> 47 C.F.R. § 54.201 (2000).

- (e) access to emergency services, such as 9-1-1 or enhanced 9-1-1;
- (f) access to operator services;
- (g) access to interexchange service;
- (h) access to directory assistance;
- (i) toll limitation for qualifying low-income customers.<sup>7</sup>

3. The carrier must advertise the availability of and charges for the requisite services in a media of general distribution.<sup>8</sup>

4. The carrier must provide Lifeline and Link Up support, and may not collect a deposit from a customer receiving such support if the customer also elects toll blocking.<sup>9</sup>

Santa Rosa meets all of the above criteria. Santa Rosa will advertise the designated services in media of general distribution and provide an annual bill message regarding the services. Santa Rosa provides the required services through the use of its own facilities and unbundled network elements. Santa Rosa will offer toll-blocking service to qualifying customers. Santa Rosa has made a commitment to offer Lifeline and Link Up services, and has a tariff to this effect on file with the Commission. Santa Rosa will offer the services to all consumers within the Company's proposed ETC service area. Santa Rosa has not requested any waivers of the FCC requirements. Valor is the incumbent local exchange carrier for the Holliday and Kamay exchanges. FTA § 54.201(c) states:

Upon request and consistent with the public interest, convenience, and necessity, the state commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the state commission, so long as each additional requesting carrier meets the requirements of paragraph (D) of this section.

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<sup>7</sup> Pursuant to FTA § 54.400(d), the FCC defines "toll limitation" as either toll blocking or toll control for eligible telecommunications carriers that are incapable of providing both service. The FCC requires telecommunications carriers to offer only one, and not necessarily both, of these services for designation as an ETC.

<sup>8</sup> *Id.*

<sup>9</sup> 47 C.F.R. § 54.405 (2000).

Valor is not a rural carrier. Santa Rosa meets all of the established criteria established by the FCC for designation as an ETC.

***Recommendation***

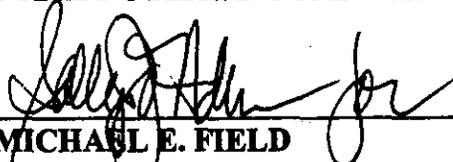
On June 23, 2003, the Commission Staff (Staff) filed a recommendation for approval of this application. Staff affirmed that Santa Rosa meets all of the established criteria and recommends ETC status be granted for the Holliday and Kamay exchanges.

***Approval***

In accordance with the Commission Staff's recommendation and for all the reasons stated therein, pursuant to the FTA 96 § 214(e)(2) and P.U.C. SUBST. R. 26.418, Santa Rosa's application for ETC designation within the Holliday and Kamay exchanges is **APPROVED** effective June 30, 2003.

SIGNED AT AUSTIN, TEXAS ON THIS THE 25<sup>th</sup> DAY OF JUNE 2003

**PUBLIC UTILITY COMMISSION OF TEXAS**



**MICHAEL E. FIELD  
DIRECTOR, DOCKET MANAGEMENT  
POLICY DEVELOPMENT DIVISION**