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Commissioner

Rolando Pablos
Commissioner

Brian H. Lloyd
Executive Director



Rick Perry
Governor

Public Utility Commission of Texas

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

Karen Majcher - Vice-President of High Cost and Low Income Divisions
Universal Service Administrative Company
2000 L. Street, NW - Suite 200
Washington, D.C. 20036

February 6, 2012

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

TPUC Project No. 25787 - *FCC Letters Regarding ETC Designation Pursuant to FTA '96 § 214(e) (2)*

TPUC Docket No. 39857 – *Application of VTX Telecom, L.L.C. to Amend its Eligible Telecommunications Carrier Designation (ETC) and Eligible Telecommunications Provider (ETP) Designation*

Amendment to the ETC Designation of VTX Telecom, L.L.C

Pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the "Act") and 47 C.F.R. §§ 54.201 – 54.203, the Texas Public Utility Commission (TPUC) has granted an amendment to the eligible telecommunications carrier (ETC) designation of VTX Telecom, L.L.C. (VTX or the Company). The attached Order No. 3, *Notice of Approval to Amend Designation as an Eligible Telecommunications Carrier (ETC) and Designation as an Eligible Telecommunications Provider (ETP)*, TPUC Docket No. 39857, issued on December 9, 2011, grants VTX an amendment to its ETC designation to include an

additional eleven telephone wire centers of the non-rural incumbent local exchange carrier (ILEC), GTE Southwest d/b/a Verizon Southwest. The eleven wire centers are: Agua Dulce, Charlotte, Falfurrias, George West, Jourdanton, Lyford, Orange Grove, Premont, Raymondville, Santa Rosa and Three Rivers.

Also attached for your information is the affidavit of Mr. Dave Osborn, CEO and General Manager of VTX, which attests to the company's intent to use the federal support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with § 254(e) of the Federal Telecommunications Act, and for provision of the designated services required by 47 C.F.R. § 54.101. This document is forwarded to your attention pursuant to 47 C.F.R. §§ 54.313 – 54.314 for the purpose of calculating federal universal service support for VTX and is intended to serve as certification by the TPUC that VTX will use support consistent with 54.313 and 54.314 of the Federal rules.

If you require any additional information please contact me at (512)-936-7390.

Sincerely,



Liz Kayser, Market Economist
Competitive Markets Division
Texas Public Utility Commission
liz.kayser@puc.state.tx.us

cc: attachments

DOCKET NO. 39857

APPLICATION OF VTX TELECOM, LLC TO AMEND ITS ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION AND ELIGIBLE TELECOMMUNICATIONS PROVIDER DESIGNATION	§ § § § § §	PUBLIC UTILITY COMMISSION OF TEXAS
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 PUBLIC UTILITY COMMISSION
 FILING CLERK

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

Procedural History

On October 20, 2011, VTX Telecom, LLC (VTX-T or the Company) filed a combined application to amend its designation as an eligible telecommunications carrier (ETC) under 47 U.S.C. § 214(e) and P.U.C. SUBST. R. 26.418, and to amend its designation as an eligible telecommunications provider (ETP) under PURA¹ § 56.023 and P.U.C. SUBST. R. 26.417. No parties sought intervention in this proceeding. In addition, VTX-T sought a waiver of P.U.C. SUBST. R. 26.417(c)(1)(A) so that its ETC and ETP applications may be processed simultaneously. VTX-T is a common carrier as defined in 47 U.S.C. § 153(10) and a telecommunications provider as defined in PURA § 51.002(10). VTX-T operates under Service Provider Certificate of Authority (SPCOA) No. 60482.

VTX-T seeks to amend its ETC and ETP designation to expand the study area to include the Agua Dulce, Charlotte, Falfurrias, George West, Jourdanton, Lyford, Orange Grove, Premont, Raymondville, Santa Rosa and Three Rivers wire centers of the non-rural ILEC, GTE Southwest d/b/a Verizon Southwest.

On October 21, 2011, the Commission issued Order No. 1 in this proceeding which established a procedural schedule, including deadlines for comment, motions to intervene, and publication of notice in the *Texas Register*. Notice was published in the *Texas Register* on November 4, 2011. VTX-T filed an amended application on October 26, 2011 correcting errors

¹ Public Utility Regulatory Act, TEX. UTIL. CODE ANN. §§ 11.001-66.016 (Vernon 2007 & Supp. 2011) (PURA).

in the application and in the attached Five-Year Network Improvement Plan. The Applicant provided a copy of the original application and the amended application to the Office of Public Utility Counsel at the time of filing. Pursuant to P.U.C. SUBST. R. 26.417(f)(2)(A)(i) and 26.418(g)(2)(A)(i), the effective date shall be no earlier than 30 days after the filing date of the application or 30 days after notice is completed, whichever is later. VTX-T requested an effective date of December 9, 2011, which meets the rule requirements.

On November 29, 2011, Commission Staff filed its final recommendation requesting administrative approval of the application of VTX-T to amend its ETC and ETP status based on the following:

Designation as Eligible Telecommunications Carrier

To qualify for ETC status, a carrier must meet the following criteria:²

1. The carrier must be a common carrier, as that term is defined by the Federal Telecommunications Act of 1996 (FTA), Section 3(10).
2. The carrier must offer the following services³ using its own facilities or a combination of its own facilities and the resale of another carrier's services:⁴
 - (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 equivalent;
 - (e) access to 911 or enhanced 911;
 - (f) access to operator services;
 - (g) access to interexchange service;
 - (h) access to directory assistance; and
 - (i) toll limitation for qualifying low income customers.
3. The carrier must advertise the availability of the above services and charges for the services in a media of general distribution.⁵

² 47 C.F.R. § 54.201(b)-(d).

³ 47 C.F.R. § 54.101.

⁴ 47 C.F.R. § 54.201.

⁵ 47 C.F.R. § 54.201.

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.⁶

VTX-T meets all of the requirements to be designated as an ETC. In addition, VTX-T commits to meeting all of the additional ETC requirements as listed in 47 C.F.R. 54.202(a)(1)(i). In accordance with 47 C.F.R. 54.202(ii), VTX-T filed a five-year plan that specified proposed improvements or upgrades to its network.

Designation as Eligible Telecommunications Provider

To qualify for ETP status a carrier must meet the following criteria:

1. P.U.C. SUBST. R. 26.417(f)(1)(B)(i)(I) requires carriers applying for ETP status to meet the definition of a telecommunications provider as defined in PURA § 51.002(10). VTX-T meets this definition.
2. P.U.C. SUBST. R. 26.417(f)(1)(B)(i)(II) requires carriers applying for ETP status to show that they have been granted ETC status for federal universal service support pursuant to 47 U.S.C. § 214(e). ETC and ETP designations are being handled concurrently in this docket.
3. P.U.C. SUBST. R. 26.417(f)(1)(B)(i)(III) requires carriers to specify the small or rural incumbent local exchange company (ILEC) service area in which they propose to be an ETP. VTX-T seeks to amend its ETP designation in order to be designated as an ETP throughout the Agua Dulce, Charlotte, Falfurrias, George West, Jourdanton, Lyford, Orange Grove, Premont, Raymondville, Santa Rosa and Three Rivers wire centers of the non-rural ILEC, GTE Southwest d/b/a Verizon Southwest.
4. P.U.C. SUBST. R. 26.417(f)(1)(B)(i)(III) requires applicants for ETP status to show that they offer the designated services defined in P.U.C. SUBST. R. 26.403 throughout the Texas High Cost Universal Service Provider or small and rural ILEC service area for which the carriers seek ETP status. The designated services required for ETP status are:
 - (a) flat rate, single party service, including primary directory listings;
 - (b) tone dialing;
 - (c) access to operator services;

⁶ 47 C.F.R. § 54.405.

- (d) access to directory assistance services;
- (e) access to 911 service when provided by local authority;
- (f) dual party relay service;
- (g) ability to report service problems seven days a week;
- (h) availability of annual local directory;
- (i) access to toll services; and
- (j) Lifeline and Link Up services.

VTX-T meets these requirements.

5. P.U.C. SUBST. R. 26.417(f)(1)(B)(i)(III) also requires applicants to assume the obligation to provide the services required under P.U.C. SUBST. R. 26.403 to any customer. VTX-T states that it meets and assumes the responsibility to offer the basic services defined in P.U.C. SUBST. R. 26.403 to all customers in its exchanges.
6. P.U.C. SUBST. R. 26.417(f)(1)(B)(i)(IV) requires that applicants show they offer the designated services through a means other than total resale. VTX-T stated that it will utilize a combination of its own facilities and resale of another carrier's services. VTX-T states that it will provision switching equipment and local loop distribution facilities to provide the service in areas where it is using its own facilities.
7. P.U.C. Subst. R. 26.417(f)(1)(B)(i)(V) – (VI) requires applicants to show that they have offered continuous service that meets the quality of service standards in P.U.C. SUBST. R. 26.52 - 26.54, and that they offer Lifeline and Link-Up services in compliance with P.U.C. SUBST. R. 26.412. VTX-T meets these requirements.
8. P.U.C. SUBST. R. 26.417(f)(1)(B)(i)(VII) requires applicants to advertise the availability of, and charges for, the designated services using media of general distribution. VTX-T meets this requirement.

VTX-T has also committed to offering the required designated services at a rate not to exceed 150% of the ILEC's tariffed rate in the same designated areas pursuant to the requirements of P.U.C. SUBST. R. 26.417(c)(1)(B).

Commission Staff's analysis of the application concludes that VTX-T meets the requirements established by P.U.C. SUBST. R. 26.417 for designation as an ETP.

Ordering Paragraph

In accordance with Commission Staff's recommendation and for all the reasons stated therein, pursuant to the FTA § 214(e)(2) and P.U.C. SUBST. R. 26.418, VTX-T's application to amend its ETC designation to include the Agua Dulce, Charlotte, Falfurrias, George West, Jourdanton, Lyford, Orange Grove, Premont, Raymondville, Santa Rosa and Three Rivers wire centers of GTE Southwest d/b/a Verizon Southwest is **APPROVED**. Pursuant to PURA § 56.023 and P.U.C. SUBST. R. 26.417, VTX-T's application to amend its ETC designation to include the Agua Dulce, Charlotte, Falfurrias, George West, Jourdanton, Lyford, Orange Grove, Premont, Raymondville, Santa Rosa and Three Rivers wire centers of GTE Southwest d/b/a Verizon Southwest is **APPROVED**. Pursuant to P.U.C. PROC. R. 22.5(b), VTX-T's request for waiver of P.U.C. SUBST. R. 26.417(c)(1)(A) is granted.

SIGNED AT AUSTIN, TEXAS the 9th day of December 2011.

PUBLIC UTILITY COMMISSION OF TEXAS



ANDREW KANG
ADMINISTRATIVE LAW JUDGE



GVNW CONSULTING, INC.

1001 WATER STREET, STE. A-100
KERRVILLE, TX 78028
TEL 830.896.5200
FAX 830.896.5202

January 31, 2012

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12 FEB - 1 PM 9:45
PUBLIC UTILITY COMMISSION
FILING CLERK

Ms. Tracy Lowery
Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
Austin, Texas 78701

RE: Docket No. 24481 – *Designation of Common Carriers as Eligible Telecommunications Carriers (ETC) to Receive Federal Universal Funds Pursuant to the Federal Communications Commission’s Fourteenth Report and Order Adopting a State Certification Process*

Dear Ms. Lowery:

Enclosed with this transmittal is an original and ten (10) copies of an affidavit affirming that VTX Telecom, LLC (“VTX-T”) was designated as an Eligible Telecommunications Carrier by the Public Utility Commission of Texas in Docket No. 35102 by Order dated January 18, 2008. Recently, VTX-T’s designation was amended to add additional exchanges in Docket No. 39857 dated December 9, 2011. This affidavit is filed to add the additional exchanges to VTX-T’s designation in Study Area Code 449050.

VTX-T respectfully requests the Public Utility Commission notify the FCC and USAC of its amended ETC designation.

If you have questions or need additional information please contact me at (830) 895-7233.

Sincerely,

James A. Miller
Authorized Representative for
VTX Telecom, LLC

Enclosures

1236

DOCKET NO. 24481

DESIGNATION OF COMMON CARRIERS § PUBLIC UTILITY COMMISSION
AS ELIGIBLE TELECOMMUNICATIONS §
CARRIERS (ETC) TO RECEIVE FEDERAL §
UNIVERSAL FUND PURSUANT TO THE § OF TEXAS
FEDERAL COMMUNICATIONS §
COMMISSION'S FOURTEENTH REPORT §
AND ORDER ADOPTING A STATE §
CERTIFICATION PROCESS §

STATE OF TEXAS §
COUNTY OF WILLACY §

BEFORE ME, the undersigned authority, on this day personally appeared Dave Osborn, of VTX Telecom, LLC. ("VTX-T" or "Company") who on his oath deposed and said:

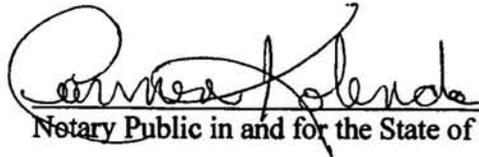
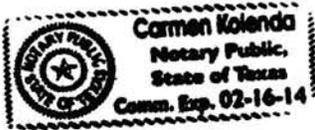
1. "My name is Dave Osborn, I am employed by VTX-T in the position of CEO and General Manager. In this position, I am personally familiar with the Federal Universal Service support received by VTX-T and how the Company uses these funds.
2. VTX-T was designated as an eligible telecommunications carrier ("ETC") by the Public Utility Commission of Texas in Docket No. 35102, by Order dated January 18, 2008. Recently, VTX-T's ETC's designation was amended to add additional exchanges in Docket No. 39857 dated December 9, 2011. The study area code for the area where the Company has been designated as an ETC is 449050 and is a non-rural service area.
3. Any Federal Universal Service support funds received by VTX-T will be used only for the provision, maintenance, and upgrading of facilities for which the support is intended, as designated by the Federal Communications Commission consistent with Section 254(e) of the Federal Telecommunications Act. These funds will be used to provide the supported services as designated in 47 C.F.R. §54.101, which are available throughout the Company's study area.

4. The matters addressed above are within my personal knowledge and are true and correct."



Dave Osborn

26th SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned authority, on this the day of January 2012.



Notary Public in and for the State of Texas