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Public Utility Commission of Texas

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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

November 6, 2012

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

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

PUCT Docket No. 40752- *Application of Guadalupe Valley Communications Systems, L.P. for Designation as an Eligible Telecommunications Carrier (ETC) and as an Eligible Telecommunications Provider (ETP)*

ETC Designation of Guadalupe Valley Communications Systems, L.P.

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 Public Utility Commission of Texas (PUCT) has granted an eligible telecommunications carrier (ETC) designation to Guadalupe Valley Communications Systems, Inc. (GVCS or the Company). GVCS was granted ETC designation in PUCT Docket No. 40752. GVCS is a facility-based wireline competitive local exchange carrier (CLEC).

PUCT Order No. 3, *Notice of Approval for Designation as an Eligible Telecommunications Carrier and Eligible Telecommunications Provider*, (attached hereto as Exhibit A), issued on November 2, 2012, grants GVCS ETC designation in three wire centers

of the non-rural ILEC, GTE Southwest, Inc. d/b/a Verizon Southwest. The wire centers are BORNTXX (Boerne), BLANTXX (Blanco), and GNZLTXX (Gonzales).

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

Sincerely,

A handwritten signature in blue ink that reads "Liz Kayser". The signature is written in a cursive style with a large initial "L".

Liz Kayser, Market Economist
Competitive Markets Division
Texas Public Utility Commission
liz.kayser@puc.texas.gov

cc: attachment

Exhibit A

DOCKET NO. 40752

APPLICATION OF GUADALUPE	§	PUBLIC UTILITY COMMISSION
VALLEY COMMUNICATIONS	§	
SYSTEMS, L.P. FOR DESIGNATION	§	OF TEXAS
AS AN ELIGIBLE	§	
TELECOMMUNICATIONS CARRIER	§	
(ETC) AND AS AN ELIGIBLE	§	
TELECOMMUNICATIONS	§	
PROVIDER (ETP)	§	

2012 NOV -2 PM 3: 10
FILED - FILING CLERK

**ORDER NO. 3
NOTICE OF APPROVAL FOR DESIGNATION AS
AN ELIGIBLE TELECOMMUNICATIONS CARRIER AND
ELIGIBLE TELECOMMUNICATIONS PROVIDER**

Procedural History

On September 14, 2012, Guadalupe Valley Communications Systems, L.P. (GVCS or the Company) filed a combined application for designation as an eligible telecommunications carrier (ETC) under 47 U.S.C. § 214(e) and P.U.C. SUBST. R. 26.418, as well as 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, GVCS 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. GVCS is a facility-based wireline provider. GVCS seeks ETC and ETP designation in the Blanco, Boerne, and Gonzales wire centers of GTE Southwest, Inc. d/b/a Verizon Southwest.

On September 18, 2012, 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 September 28, 2012. The Applicant provided a copy of the 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.

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

On October 22, 2012, the Applicant made a supplemental filing to the application. On October 23, 2012, Commission Staff filed its final recommendation requesting administrative approval of the application for ETC and ETP status for GVCS 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 voice telephony 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 or its functional equivalent;
 - (b) minutes of use for local service provided at no additional charge to end users;
 - (c) access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and
 - (d) 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
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

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.

⁶ 47 C.F.R. § 54.405.

GVCS meets all of the requirements to be designated as an ETC. In addition, GVCS 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), GVCS 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). GVCS 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. GVCS seeks ETP designation throughout three wire centers of the non-rural ILEC, GTE Southwest d/b/a Verizon Southwest. The wire centers are: BORNTXX (Boerne), BLANTXX (Blanco), and GNZLTXX (Gonzales).
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;
 - (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.

GVCS 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. GVCS 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. GVCS stated that it will utilize its own network facilities. If a potential customer is within the Company's service area but its network facilities are not currently nearby, service will be provided with the Company's network facilities if those services can be provided at a reasonable cost by making reasonable extensions to its network facilities, otherwise the Company will utilize resale or will lease facilities from another carrier.
7. P.U.C. SUBST. R. 26.417(f)(1)(B)(i)(V) 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. GVCS meets these requirements.
8. P.U.C. SUBST. R. 26.417(f)(1)(B)(i)(VI) requires Applicants to show that they offer Lifeline and Link-Up services in compliance with P.U.C. SUBST. R. 26.412. GVCS meets these requirements.
9. 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. GVCS meets this requirement.

GVCS 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 GVCS 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, GVCS's application for ETC designation is **APPROVED**. Pursuant to PURA § 56.023 and P.U.C. SUBST. R. 26.417, GVCS's application for ETP designation is **APPROVED**.

SIGNED AT AUSTIN, TEXAS the 2nd day of November 2012.

PUBLIC UTILITY COMMISSION OF TEXAS



ANDREW KANG
ADMINISTRATIVE LAW JUDGE