

STATE OF SOUTH DAKOTA
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

LTD Broadband LLC)
Application for Designation as an Eligible)
Telecommunications Carrier for Purposes of) Docket No. _____
Receiving Federal Universal Service Support)

**APPLICATION OF LTD BROADBAND, LLC FOR DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER**

Now comes LTD Broadband LLC (“LTD Broadband”) and pursuant to the Telecommunications Act of 1996, 47 U.S.C. §214(e)(2) (the “Act”) and the rules of the Federal Communications Commission (“FCC”) 47 C.F.R. §54.201, hereby requests that the Public Utility Commission of Texas (“Commission”) designate LTD Broadband as an eligible telecommunications carrier (“ETC”) under the provisions of Section 54.201(d) to receive federal universal service support via Lifeline and through the Rural Digital Opportunity Fund (“RDOF”) for the provision of broadband internet access and broadband-voice bundled offerings. The RDOF service area contains 103 census block groups for 7,481 locations in South Dakota.¹ The RDOF rules² require provisional winners to obtain ETC status by June 7, 2020 and LTD Broadband therefore respectfully requests expeditious action on this application to meet the obligation.

LTD Broadband is a Nevada limited liability corporation with a principal place of business and mailing address of PO Box 3064, Blooming Prairie, MN 55917. LTD Broadband will simultaneously be filing an application to become a telecommunications carrier with the

¹ See Exhibit A.

² See 47 CFR § 54.804(b)(5).

Commission. For the reasons stated below, designating LTD Broadband as an ETC is consistent with statutory and regulatory requirements and the public interest.

All correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to counsel at:

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I. Introduction / Description of Company

Company Background

LTD Broadband is a fixed wireless and fiber optic broadband internet service and voice-over-internet provider with headquarters in Blooming Prairie, Minnesota. LTD Broadband has preliminarily been awarded RDOF funding for the census block numbers and customer locations listed on Exhibit A. LTD Broadband will simultaneously be filing for authority to provide telecommunications services in South Dakota.

Broadband Information

Since 2011, the Company has provided high speed internet connectivity with industry standard security and adjustable speeds to both residences and business in its existing 50,000 square mile fixed wireless coverage area with 2100 tower sites located in Iowa, Minnesota, Nebraska, South Dakota, and Wisconsin. The company also has begun deploying fiber optic networks in select areas and intends to continue to build these low-latency, state-of-the-art networks through RDOF funding. Upon completion of the stages of the fiber optic network expansion, residential, business, and municipal customers shall be eligible to receive one gigabit per second access to the internet for both uploads and downloads.

Voice Services Information

LTD Broadband will offer voice services capable of supporting thousands of users. Its platform features include, but are not limited to:

- CALEA Compliant
- Call Detail Records (CDR's)
- DID Included Per Seat
- e911 Included Per Seat
- Fault-Tolerant
- Active-Active Architecture
- Geo-Redundant
- Mobile Phone App Integration
- QOS and MOS Monitoring Per Call
- Call Control
- OAuth Permissions
- Multi-Tenant With Unlimited Domains
- Advanced Security & Fraud Detection
- Auto Block Failed Registrations
- Auto Block SIP Port Scanning
- Auto Block Promiscuous SIP Devices
- Fraud Filtering for Bad Digits or Invalid Destinations
- SIP Call Traces
- Zero-Touch Device Provisioning

LTD Broadband will manage provisioning the service for the customer, all billing aspects, and troubleshooting any calling issues that may arise. Residential customers will be served with Analog Telephone Adapters (ATAs) and IP phones using SIP and UDP/RDP

protocols. Calling features available include all of the traditional calling features; call forwarding, caller ID, voice mail, find-me-follow-me, etc. along with more advanced services; Hosted IP Centrex, inbound/outbound call management, etc.

Voice and Broadband Plans

LTD Broadband's residential digital voice service plan is \$25.00 with LTD Broadband internet and \$30 without. Lifeline customers will receive the \$9.25 benefit, lowering the price to \$15.75 per month or \$20.75 respectively. The customer can use its own VoIP-enabled phone, pay an additional fee to use the service's mobile app, or purchase a phone from LTD Broadband. Lifeline customers will receive all of the same features as a non-Lifeline customer. Features include call waiting, caller ID, call forwarding, call transfer, voicemail, and free long distance in the U.S. and Canada.

Lifeline Implementation

LTD Broadband will implement Lifeline based on the current rules and regulations established by the Federal Communications Commission ("FCC") and administered by the Universal Service Administrative Company ("USAC") as those rules may change in the future. LTD Broadband will follow the most recent Report and Orders and Lifeline Reform Order to begin services. The customer will have an option of a residential VoIP only package, broadband internet package, or a bundled voice and Internet package. LTD Broadband will price its Lifeline service at \$9.25 less than its equivalent non-Lifeline service. Therefore, LTD Broadband's Lifeline service will represent a dollar-for-dollar reduction from its

comparable non-Lifeline rate and will represent a pass-through of the full amount of support to the qualifying low-income consumer. LTD Broadband will allow customers to apply the Lifeline subsidy, on a full pass-through basis to packages of voice and broadband services.

LTD Broadband will build a dedicated Lifeline landing page with detailed information, how to apply, and how to contact USAC. Links to the application and worksheet, both English and Spanish, for each state will be available for download. LTD Broadband customer service agents will be trained to help customers fill out and return the form.

Along with the application, LTD Broadband will have a cover sheet with information on how to contact LTD Broadband for help, how to send the application to LTD Broadband (both electronically and by mail), and what additional information LTD Broadband need from the customer. Additional information will include a copy of their current driver's license, copy of their paycheck stubs/SNAP card/Medicaid card/SSI statement/Tribal program, etc., what service(s) they are interested in, and how they heard about LTD Broadband.

Upon receipt of the filled-out application, LTD Broadband's Customer Service Department will process the application through the National Lifeline Accountability Database and let the customer know if they qualify for Lifeline. Additionally, the customer service representative will determine if the customer is in the network service area. Based on their qualification status, services they are interested in, and if service from LTD Broadband is available in their area, the appropriate packages will be offered to the customer for sign up and installation will be scheduled.

LTD Broadband will submit monthly reimbursement reports to USAC, and will work with USAC on re-certifying any current customers. All documentation related to the customer

and Lifeline will be maintained while the customer is with LTD Broadband and for three years after they change providers.

II. Federal Telecommunications Act of 1996, Eligible Telecommunications Carrier

Pursuant to Section 214(e)(2) of the Act, a state commission may, upon its own motion, or upon request, designate a common carrier to be an “eligible telecommunications carrier” for purposes of receiving universal service support under the Act. Section 214(e)(2) also requires that the carrier designated meet the requirements of Section 214(e)(1). Section 214(e)(1) states:

A common carrier designated as an eligible telecommunications carrier... shall be eligible to receive universal service support in accordance with section 254 and shall, throughout the service area for which the designation is received -

(A) offer the services that are supported by the Federal universal service support mechanism under section 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier’s services (including the service offered by another eligible telecommunications carrier); and

(B) advertise the availability of such services and the charges therefore using a media of general distribution.

Section 54.201(b) of the FCC’s Rules states that the Commission shall, on its own motion or upon request, designate a common carrier an ETC so long as the carrier meets the requirements of Section 54.201(d), which restates the requirements found in Section 214(e)(1) of the Act. Section 214(e)(2) of the Act and Section 54.201(c) of the FCC’s Rules state that the Commission may, in the case of an area serviced by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an ETC for a service area the Commission designates, provided each additional requesting carrier

satisfies Section 214(e)(1) of the Act and Section 54.201(d) of the FCC's Rules. Before designating an additional ETC for an area serviced by a rural telephone company, the Commission shall find that such designation is in the public interest.

III. Designated Service Area

Section 214(e)(2) of the Act states that an ETC shall be designated for a "service area" by the state commission. LTD Broadband requests authority as an eligible telecommunications carrier in the census block groups where it will receive RDOF support only.

IV. Requirements for ETC Designation

A. LTD Broadband will offer the services that are supported by federal universal service support mechanisms throughout the service area for which ETC designation is received.

LTD Broadband is a common carrier for purposes of obtaining ETC designation under 47 U.S.C. § 214(e)(1). LTD Broadband commits to provide (i) voice grade access to the public switched telephone network ("PSTN") or its functional equivalent; (ii) minutes of use for local service provided at no additional charge to end users; (iii) access to emergency services; and (iv) toll limitation services to qualifying low-income consumers as provided in accordance with 47 C.F.R. §§54.400 *et seq.*

i. Voice grade access to the public switched telephone network

In its *USF/ICC Transformation Order*, the FCC modified the definition of a supported service to a technologically-neutral approach, allowing companies to

provision voice service over any platform, including the PSTN and IP networks.³ Thus, the FCC amended Section 54.101 to specify that the functionalities of eligible voice telephony services include voice grade access to the public switched network or its functional equivalent.⁴ The FCC further explained that increasingly “consumers are obtaining voice services not through traditional means but instead through interconnected VoIP providers offering service over broadband networks.”⁵ Interconnected VoIP services “allow customers to make real-time voice calls to, and receive calls from, the PSTN, and increasingly appear to be viewed by consumers as substitutes for traditional voice telephone services.”⁶ Thus, the FCC concluded that its authority to promote universal services in this context “does not depend on whether interconnected VoIP services are telecommunications services or information services under the Communications Act.”⁷ LTD Broadband will therefore provide voice-grade access to the PSTN by providing interconnected VoIP service throughout the designated service area.

ii. Minutes of Use

“Local usage” means an amount of minutes of use of exchange services, prescribed by the FCC, provided free of charge to end users.”⁸ The FCC has not specified a minimum amount of local usage that an ETC must offer. LTD Broadband will meet the local usage

³ *In the Matter of Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund*, 26 FCC Rcd 17663, 17692-93 (2011) (“USF/ICC Transformation Order”).

⁴ *Id.*; See also 47 C.F.R. §54.101(a).

⁵ *USF/ICC Transformation Order* at ¶163.

⁶ *Id.*

⁷ *Id.*

⁸ 47 C.F.R. § 54.101(a)(2).

requirement by including local usage in its rate plans. The Company will comply with any minimum local usage requirements adopted by the FCC or this Commission.

iii. Access to emergency services

ETCs are required to provide access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911 (“E911”), to the extent the local government in an ETC's service area has implemented 911 or enhanced 911 systems. LTD Broadband will provide access to emergency services by providing 911 and E911 for all of its customers to the extent that the local governments in its designated service areas have implemented 911 and E911.

iv. Toll limitation for Qualifying Low-Income Consumers

LTD Broadband does not distinguish between toll and non-toll for its voice offering. To the extent LTD Broadband offers a service that distinguishes between toll and non-toll calls, it will offer toll limitation to qualifying low-income consumers at no additional charge.

B. Broadband Internet Access Service

Pursuant to 47 C.F.R. 54.101(a)(2), LTD Broadband will provide broadband services with the capability to transmit data to and receive data by wire or radio from all or substantially all internet endpoints including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up service. Customers will be provided last mile access by a fiber optic connection.

C. LTD Broadband will comply with the requirements of 47 USC 214(e)(1).

LTD Broadband commits to, throughout its service area: (A) offer supported services

“either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier)” and (B) advertise the availability of such services and the charges therefor using media of general distribution

i. LTD Broadband will use its own facilities to provide the supported services

LTD Broadband provides high-speed broadband and digital telephone services to residential, commercial, and enterprise customers utilizing a combination of fiber optic, and unlicensed and licensed wireless frequencies (for backhaul). LTD Broadband will provide supported services using its network infrastructure, consisting of last mile connections and network equipment and components consistent with the RDOF award criteria. It will also utilize its own facilities to provide backhaul for interconnection via a combination of fiber and wireless microwave technologies.

ii. LTD Broadband will advertise the availability of its service throughout its service area.

LTD Broadband will advertise the availability of the Supported Services throughout its designated service areas using media of general distribution in a manner that is designed to reach those likely to qualify for such services. LTD Broadband agrees to comply with all form and content requirements, if any, promulgated by the FCC and this Commission in the future and required of all designated ETCs, including by disclosing the Applicant's name, that the service is a Lifeline service, that it is a government assistance program, that the service is non-transferable, and that it is available only to eligible consumers and limited to one discount per economic household.

D. LTD Broadband will comply with the FCC's additional eligibility criteria contained in 47 CFR §54.202.

- i. LTD Broadband certifies that it will comply with the service requirements applicable to the support that it receives;

LTD Broadband certifies that it will comply with the service requirements applicable to the support that it receives. LTD Broadband commits to provide supported services throughout the designated service area by committing to provide service to customers who make a reasonable request for service. LTD Broadband will commence offering service to all qualified consumers after it is certified as an ETC and soon after it receives ultimate approval from the FCC pursuant to applicable build-out requirements.

- ii. Applicant will provision service that is able to remain functional in emergency situations within industry standards for VoIP services;

LTD Broadband will provision service with sufficient back-up power to remain functional without an external power source in emergency situations. LTD Broadband is able to re-route traffic around damaged facilities and will be able to manage traffic spikes resulting from emergency situations. Applicant uses battery back-up power in the field and battery backup power at its NOC for internet service.

LTD Broadband's VoIP service requires an Internet Protocol (IP) connection to the Company's network or public Internet and 120VAC power to function. In the event of a failure of the IP connection or the local AC power, the service, including the E911 feature, will not function. Upon activation of a customer, LTD Broadband will provide the customer with a notification containing clear instructions on the use of emergency services.

LTD Broadband's VoIP service is not specifically used as a nomadic device. Customers can, through mobile applications, move the device to different locations. The end

users registered service address is the only location at which the subscriber is authorized to use the service. The service will work if the device is moved to another location within the US and connected to a public internet connection; however, this is only authorized when the subscriber updates their service address prior to using the service at the new location by calling the Company's customer service toll free telephone number.

LTD Broadband service includes enhanced 911 services (E911). When service is initially provisioned, and any time the subscriber's service address is updated, the service location is automatically transmitted to a third party E911 provider who geocodes the address, associates it with a local Public Safety Answering Point (PSAP), provides an electronic positive affirmation that the address was properly geocoded, and stores the record on our behalf. When a subscriber dials 911, the call is routed to the third party 911 provider and then from there to the local PSAP. The location information is transmitted in the call signaling to the local PSAP, and is visible to the operator in E911 enabled PSAPs. In jurisdictions where an E911 service fee is imposed on Interconnected VoIP Services by law, the fee is passed through to the end user and remitted to the local authority in accordance with applicable policy.

iii. LTD Broadband will satisfy consumer protection and service quality standards.

Upon designation as an ETC, LTD Broadband will satisfy all consumer protection and service quality standards as provided in 47 C.F.R § 54.202(a)(3), as well as all applicable state specific consumer protection and service quality standards.

E. Designation of LTD Broadband as an ETC is within the public interest.

Designation of LTD Broadband as an ETC will serve the public interest by facilitating

the FCC's goal of developing voice and broadband networks in rural, high-cost areas. Under the 1996 Act, "upon request and consistent with the public interest, convenience and necessity" the Commission shall "designate more than one common carrier as an eligible telecommunications carrier for a service area designated" by the Commission.⁹ Before such a designation, the Commission shall find that the designation is in the public interest.¹⁰ In its *2005 ETC Order*, the FCC determined that the benefits of increased consumer choice, and the unique advantages of the applicant's service offering are components of a public interest analysis.¹¹

Expedited designation of LTD Broadband will serve the public interest by ensuring that the company is eligible to receive federal USF support, including through the FCC's high-cost programs. LTD Broadband will use this funding to directly advance the FCC's goal of deploying voice and broadband-capable networks in rural, high-cost areas while ensuring that rural consumers and anchor institutions benefit from innovations in communications technology. In particular, LTD Broadband will use federal USF support to expand access to high-speed, high-quality broadband and voice provided through interconnected VoIP and fiber optic broadband for rural residents and businesses. These advanced communications services will provide important connectivity to consumers, businesses, and community anchor institutions, including rural schools, libraries and medical facilities and are a unique alternative to services provided by traditional wireline

⁹ 47 C.F.R. 54.201(c).

¹⁰ *Id.*

¹¹ *In the Matter of Federal-State Joint Board on Universal Service*, Report and Order, CC Docket No. 96-45, FCC 05-46, 20 FCC Rcd 6371, 6389 (rel. Mar. 15, 2005) ("*2005 ETC Order*").

carriers within the Company's designated service area.

Designation of LTD Broadband as an ETC is also in the public interest because it will promote increased competitive choice, thereby increasing innovation and incenting other carriers to improve their existing networks in order to remain competitive. This will result in greater access to high-speed broadband and voice services, as well as improved service quality for residents of underserved communities in RDOF-eligible areas of the state. LTD Broadband's services will provide consumers with additional choices in communications service providers, as well as a variety of service offerings at competitive rates.

V. Relief Requested

For the reasons set forth above, LTD Broadband respectfully requests: (i) an expeditious Order designating the Company as an ETC for the purpose of being eligible to receive federal funding pursuant to the FCC's Lifeline program; and (ii) such other relief as this Commission deems to be just and equitable.

Respectfully submitted,



Kristopher E. Twomey
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January 6, 2021