

**BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION**

Conexon Connect LLC, Ex Parte)
)
Petition For Designation as an Eligible)
Telecommunications Carrier Pursuant to)
Section 214(e)(2) of the Communications)
Act of 1934, as Amended)

Docket No. _____

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LA PUBLIC SERVICE
COMMISSION

**PETITION OF CONEXON CONNECT, LLC
FOR DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER**

Conexon Connect, LLC (“Conexon Connect” or “Petitioner”), pursuant to Section 214(e)(2) of the Communications Act of 1934 (“Act”), as amended, and in accordance with the requirements of the Louisiana Public Service Commission (“Commission”) as set forth in General Order dated May 20, 2004 (“ETC Order”),¹ respectfully requests designation as both a high-cost and low-income Eligible Telecommunications Carrier (“ETC”) in the State of Louisiana in all areas where Petitioner has been allocated Rural Digital Opportunity Fund (“RDOF”) Phase I support as a winner in the Federal Communications Commission’s (“FCC”) RDOF Phase I auction (“Auction 904”).

Petitioner is obligated to obtain ETC designation status by June 7, 2021, which is 180 days after the announcement by the FCC on December 7, 2020, that Petitioner was a winning bidder in the RDOF Phase I auction in the census blocks in which Petitioner, through its

¹ Louisiana Public Service Commission, In re: Establishment of public interest criteria applicable to telecommunications carriers seeking eligible Telecommunications Carrier (“ETC”) designation pursuant to 47 USC § 214(e)(2) in areas served by rural telephone companies, General Order, Docket No. R-ROUTE FROM 27841, May 20, 2004.

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participation in the Rural Electric Cooperative Consortium, was awarded RDOF Phase I support.² As a result, Petitioner requests expeditious action by the Commission so that it may meet this requirement.

I. INTRODUCTION AND SUMMARY

Petitioner, a Missouri Limited Liability Company, was formed to assist with the deployment and operation of a new state-of-the-art, low-latency, fiber-to-the-home (“FTTH”) network and to provide high-speed broadband Internet access and Voice over Internet Protocol (“VoIP”) services to the areas across the country which largely lack access to such services and where Petitioner, through its participation in the Rural Electric Cooperative Consortium, was recently awarded federal subsidies in the FCC’s RDOF Phase I auction.

Petitioner will offer low-latency broadband service at speeds of at least 1 Gigabit per second downstream and 500 Mbps upstream and offer at least 2 terabytes of monthly usage. Petitioner will also provide its customers with voice grade access to the Public Switched Telephone Network (“PSTN”) through its provision of interconnected VoIP service.

Petitioner is a wholly-owned subsidiary of Conexon, LLC (“Conexon”). Conexon, which manages more rural fiber construction in the United States than any other company, works with rural electric cooperatives to bring FTTH to rural communities across the country. Conexon’s goal is to ensure that rural homes and businesses have access to the life- and community-changing benefits fiber-optic networks deliver. Conexon has assisted nearly 200 rural electric cooperatives – 50 of which are deploying fiber networks – and helped connect more than 150,000 FTTH subscribers across the country.

² Rural Digital Opportunity Fund; Connect America Fund, Order, 35 FCC Rcd 686 (2020) (“Rural Digital Opportunity Fund Order”) at ¶ 19.

Conexon debuted on the Inc. 500 listing of America's fastest-growing private companies in 2020, with three-year revenue growth of over 1,400%.³ The company ranked No. 9 within the telecommunications industry and No. 325 overall.

Petitioner will deploy broadband and interconnected VoIP services throughout the RDOF Phase I-eligible census blocks identified in **Exhibit A** and seeks High-Cost and Low Income ETC designation from the Commission to serve these census blocks. A map of Petitioner's proposed ETC designation area is provided in **Exhibit B**.

Petitioner meets all of the federal and state statutory and regulatory requirements for ETC designation. Designating Petitioner as an ETC to receive RDOF Phase I support, as well as federal Lifeline support, in the census blocks identified in **Exhibit A** will serve the public interest by enabling Petitioner to provide subsidized broadband and voice services to consumers and businesses in the Petitioner's proposed ETC designation area.

II. COMMUNICATIONS AND CORRESPONDENCE

Pleadings, orders, notices and other correspondence and communications regarding the Petition should be provided to:

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With a copy to:

³ See <https://www.inc.com/inc5000/2020> ("Inc. 5000 2020: Introducing the 5,000 Fastest-Growing Private Companies in America").

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III. THE COMMISSION HAS AUTHORITY TO GRANT THE ETC DESIGNATION REQUESTED BY PETITIONER

Section 214(e)(2) of the Act gives authority to state commissions to designate a common carrier as an ETC for a service area designated by a state commission. The Louisiana ETC Order sets forth the rules for the Commission to designate an ETC. Accordingly, the Commission has authority to designate Petitioner as an ETC in its proposed ETC designation area.

IV. PETITIONER MEETS THE FEDERAL STATUTORY AND REGULATORY PREREQUISITES TO BE DESIGNATED AS AN ETC IN ITS PROPOSED ETC DESIGNATION AREA

As demonstrated herein, Petitioner satisfies each of the federal statutory and regulatory requirements to be an ETC.

A. Petitioner Will Provide Service as a Common Carrier

Petitioner will provide its services on a common carrier basis. As such, Petitioner certifies that it is a common carrier under §§ 214(e)(1)-(2) of the Act.⁴

B. Petitioner Will Offer the Services Supported by the Federal Universal Service Support Mechanisms

As described below, Petitioner certifies that it will provide the following services that are supported by federal universal service support mechanisms:

1. Voice Grade Access to the PSTN – Petitioner will meet this requirement through the provision of IP-based voice communications service that is interconnected to the PSTN. Petitioner will be legally responsible for dealing with customer problems, providing quality of service guarantees, and meeting universal service-related requirements. Petitioner will offer stand-alone voice telephony service throughout its proposed ETC designation area, and will offer such service at rates that are reasonably comparable to urban rates. This service will include minutes of use for local service provided at no charge to end users and access to emergency service via E-911, wherever available from local government or public safety organizations.⁵ Petitioner also commits to provide toll limitation services to qualifying low-income consumers as provided in §§ 54.400-54.423 of the FCC's Rules.⁶
2. Broadband Internet Access Services – Petitioner's broadband Internet offering will provide the capability to transmit data to and receive data by wire from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service. Petitioner will offer low-latency Internet service at actual speeds of at least 1 Gbps downstream and 500 Mbps upstream and offer at least 2 terabytes of monthly usage to customers within its proposed ETC designation area, and will offer such service at rates that are reasonably comparable to urban rates.⁷
3. Lifeline Service – Petitioner will offer subsidized Lifeline voice and broadband services, including a standalone voice service offering, to qualifying low-income

⁴ See **Exhibit C** (Affidavit of Teresa Hannay).

⁵ 47 C.F.R. §§ 54.101(a)(1) and (b).

⁶ 47 C.F.R. § 54.101(a)(1).

⁷ 47 C.F.R. § 54.101(a)(2).

consumers in accordance with the FCC's rules within its proposed ETC designation area.⁸

Petitioner further commits to provide these services consistent with applicable FCC's high-cost universal service support rules.⁹

C. Petitioner Will Comply with Applicable Service and Performance Quality Requirements

Petitioner certifies that it will comply with the service requirements applicable to the support that it receives, including the requirements for RDOF Phase I support, and will provide additional information in this regard as part of its FCC Form 683 application, including a certification from a professional engineer that the fiber optic network is capable of delivering voice and broadband service that meets the requisite performance requirements and sufficient capacity to meet customer demand at or above the prescribed levels during peak usage periods.

D. Provision of Service

Petitioner will provide service throughout its proposed ETC designation area to all customers making a reasonable request for service¹⁰ and will provide service on a timely basis to requesting customers within its proposed ETC designation area where Petitioner's network passes the potential customer's premises.

E. Ability to Remain Functional in Emergency Situations

Petitioner certifies that its fiber optic network will have the ability to remain functional in emergency situations, will have a reasonable amount of back-up power to ensure functionality

⁸ 47 C.F.R. § 54.405(a), 54.400 *et. seq.*

⁹ *See* 47 C.F.R. §§ 54.101 and 54.201.

¹⁰ 47 C.F.R. §§ 54.101 and 54.201.

without an external power source, will be able to reroute traffic around damaged facilities and will be capable of managing traffic spikes resulting from emergency situations.¹¹

F. Facilities to be Used

Petitioner certifies that it will use its own facilities to deploy and operate a state-of-the-art, low-latency, FTTH facilities-based network to provide high-speed broadband Internet access and interconnected VoIP services to those within its proposed ETC designation area who lack access to such services.¹²

G. Advertising

Petitioner certifies that it will advertise the availability of and charges for its supported service offerings, including Lifeline service, using media of general distribution, and will undertake outreach initiatives to increase consumer awareness of its service offerings, consistent with all applicable requirements.¹³ Petitioner will offer and advertise its broadband and interconnected VoIP services through a combination of media channels, such as newspaper, magazines, and other print advertisements, outdoor advertising, direct marketing, and/or the Internet.

V. PETITIONER MEETS THE STATE REQUIREMENTS TO BE DESIGNATED AS AN ETC

As described below, Petitioner certifies that it will meet all the requirements of the ETC Order. Petitioner sets forth below specific requirements in the ETC Order that are not already included as part of the federal requirements described in Section IV, above.

¹¹ 47 C.F.R. § 54.202(a)(2).

¹² 47 C.F.R. § 54.201(d)(1).

¹³ 47 C.F.R. § 54.201(dd)(2).

1. Benefits of increased competitive choice resulting from the designation.

Petitioner will bring a state-of-the-art, low-latency, FTTH facilities-based network to provide high-speed broadband Internet access and interconnected VoIP services to those within its proposed ETC designation area. The benefits of competition are widely recognized and extend to all markets, including the universal service market, as recognized by the FCC:

We note that an important goal of the Act is to open local telecom markets to competition. Designation of competitive ETCs promotes competition in rural and high-cost areas by increasing customer choice, innovative services, and new technologies. ... [C]ompetition ... will also provide an incentive to the incumbent rural telephone companies to improve their existing network to remain competitive, resulting in improved service to ... consumers¹⁴

2. Impact of multiple designations on the Universal Service Fund.

The FCC has already made a policy decision to make available \$20.4 billion for RDOF subsidies.¹⁵ This is a fixed pool of funding available nationwide. If these subsidies are not awarded and made available to Petitioner, they will be awarded to another entity seeking to bring high-speed broadband and voice services to another area, most likely in another state, that lacks such services.

With regard to Lifeline, Petitioner notes that offering Lifeline throughout its proposed ETC designation area is a requirement of all RDOF Phase I winning bidders. Petitioner further notes that Lifeline subsidies are portable – they move with the customer to the carrier of the customer's choice. Accordingly, there is no increase in Lifeline subsidies when a subscriber switches service providers. Only if Petitioner were to provide Lifeline service to a customer that

¹⁴ In the Matter of the Federal-State Joint Board on Universal Service, Western Wireless Corp. Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming, CC Docket No. 96-45, *Memorandum Opinion and Order*, 16 FCC Rcd 48, at ¶ 17, rel. Dec. 26, 2000.

¹⁵ Rural Digital Opportunity Fund Order at ¶ 5.

had never before received Lifeline service would there be an increase in funding. Petitioner expects any such increase in funding to be insignificant. In all events, the FCC has recognized that “any increase in the size of the [universal service] fund would be minimal and would be outweighed by the benefit of increasing eligible participation in the Lifeline program, furthering the statutory goal of providing access to low income consumers.”¹⁶

3. Unique advantages and disadvantages of the competitive service offering.

Petitioner will bring a state-of-the-art, low-latency, FTTH facilities-based network to provide gigabit tier broadband Internet access and interconnected VoIP-based voice services to those within its proposed ETC designation area who lack access to such services, thereby helping to close the digital divide, expand economic opportunities and increase competition for broadband and voice services in the areas served by Petitioner. There are no disadvantages to Petitioner’s competitive service offering.

4. Commitment to quality of service by the competitive provider.

Petitioner commits to bring high-quality, high-speed broadband Internet access and interconnected VoIP to customers by providing a state-of-the-art, low-latency, FTTH facilities-based network.

5. Submission of records and documentation, on a quarterly basis, declaring the carrier’s plans for use of universal service funding received as a result of this Commission’s designation, including updates to the progress of said projects.

Based on recent precedent, and unless the Commission prefers otherwise, Petitioner intends to submit such records and documentation semi-annually.¹⁷

¹⁶ *Application of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. §54.201(i)*, Order, 20 FCC Rcd 15095 (2005) at ¶ 17.

¹⁷ See Louisiana Public Service Commission, Corrected Order No. S-35027, ViaSat Carrier Services, Inc., Petition for Designation as an Eligible Telecommunications Carrier, Aug. 1, 2019, at 4 (“in the interest of

6. For wireless, compliance with the CTIA Consumer Code for Wireless Services.

Not applicable. Petitioner is not a wireless provider.

7. Information regarding the number of requests for service in the designated area that go unfulfilled and adoption of a process setting forth specific steps that will be considered if a request for service is received from a customer within the designated ETC service area, but outside the existing signal coverage area.

Petitioner will, to the best of its ability, provide voice and/or broadband services within 10 business days upon request to any customer within its proposed ETC designation area as soon as Petitioner has deployed fiber and launched broadband and voice services in the requesting customer's area. As an RDOF Phase I support recipient, Petitioner must meet certain buildout milestone deadlines and service requirements over the next several years. If Petitioner determines that it cannot reasonably serve a customer, it will report the unfulfilled request within thirty (30) days after making such determination.

8. Compliance with all existing and future state and federal 911 and E-911 mandates.

Petitioner will comply with all existing and future state and federal 911 and E-911 mandates.

9. Compliance with Section 401B of the LPSC's Regulations for Competition in the Local Telecommunications Market.

Petitioner will comply with Section 401B of the LPSC's regulations, to the extent that those regulations apply to wireline carriers.

efficiency, Staff recommended that the Commission should require semi-annual progress reports, instead of the quarterly reporting requirement set out in the ETC Order").

10. Compliance with Section 302(A) of the LPSC's Regulations for Competition in the Local Telecommunications Market. (Annual Report Filings).

Petitioner will comply with Section 302(A) of the LPSC's regulations regarding annual report filings.

11. Compliance with Sections 301A-C and 401 of the Commission's TSP Billing Order.

Petitioner will comply with Sections 310A-C and 401 of the Commission's TSP billing regulations.

12. Compliance with any additional requirements established by the Commission in Docket R-27733.

Petitioner will comply with any additional requirements established by the Commission in Docket R-27733.

13. Conduction of a rural cream-skimming analysis.

Not applicable. In its Rural Digital Opportunity Fund Order, the FCC concluded:

...for those entities that obtain ETC designations as a result of being selected as winning bidders for the Rural Digital Opportunity Fund, we forbear from applying section 214(e)(5) of the Act, insofar as this section requires that the service area of such an ETC conform to the service area of any rural telephone company serving an area eligible for Rural Digital Opportunity Fund support.¹⁸ *** Accordingly, Commission rules regarding the redefinition process are inapplicable to petitions that are subject to this order.¹⁹

VI. PETITIONER POSSESSES THE FINANCIAL AND TECHNICAL CAPABILITY TO PROVIDE THE SUPPORTED SERVICES

With the financial backing of its parent, Conexon, LLC, Petitioner possesses the financial and technical capabilities to pay for all start-up expenses (e.g., construction, hardware,

¹⁸ Rural Digital Opportunity Fund Order at ¶ 94.

¹⁹ *Id.* at n. 268.

operations, etc.) to get its fiber optic network built and to begin the provision of voice and broadband services throughout its proposed ETC designation area. Petitioner and/or its parent will be able to obtain the requisite financing under its existing lines of credit and Petitioner will be able to obtain additional financing, if necessary, in addition to the RDOF Phase I support awarded to Petitioner.

VII. GRANT OF THIS APPLICATION WILL SERVE THE PUBLIC INTEREST


The grant of this Petition will clearly serve the public interest by enabling Petitioner to provide low-latency, gigabit tier broadband, and interconnected VoIP-based voice services to residents in its proposed ETC designation area, as well as to provide subsidized voice and broadband services to those households that seek and qualify for federal Lifeline benefits. Petitioner's participation will "encourage the deployment on a reasonable and timely basis of advanced telecommunications capability to all Americans,"²⁰ and will ensure that federal universal service support, including RDOF Phase I support, is used efficiently and effectively."

²⁰ 47 U.S.C. § 1302(a).

VIII. CONCLUSION

For all of the foregoing reasons, Petitioner respectfully requests that the Commission designate it as both a high-cost and/or low-income ETC, where requested, so that Petitioner will be authorized to receive the RDOF Phase I support it has been awarded in Auction 904 throughout its proposed ETC designation area, as well as federal Lifeline support in the areas requested.

Respectfully submitted,



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Counsel to Conexon Connect, LLC


Dated: 1-6-2021

VERIFICATION

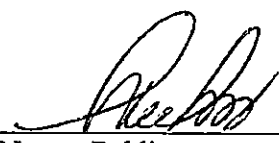
STATE OF FLORIDA
COUNTY OF VOLUSIA

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I, Teresa Hannay, state that I am a Vice President, Telecommunication Services of Conexon Connect, LLC; that I have read the above and foregoing document; that the statements contained therein are true and correct to the best of my information, knowledge and belief; and, that I am authorized to make this statement on behalf of Conexon Connect, LLC.


Teresa Hannay
Vice President, Telecommunication Services
Conexon Connect, LLC

Subscribed and sworn to before me this 30th day of December, 2020.


Notary Public

