

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Alltel Communications, Inc.)
for designation as an eligible telecommunications) Docket No. 060582-TP
carrier (ETC) in certain rural telephone company)
study areas located entirely in Alltel’s licensed area.) Filed: November 5, 2007
_____)

NORTHEAST FLORIDA TELEPHONE COMPANY
D/B/A NEFCOM’S
PETITION FOR LEAVE TO INTERVENE

Northeast Florida Telephone Company d/b/a NEFCOM (“NEFCOM”), by and through its undersigned counsel, and pursuant to Rules 25-22.039 and 28-106.201(2), Florida Administrative Code, hereby petitions for leave to intervene in the above-styled proceeding. In support of its Petition, NEFCOM states as follows:

IDENTIFICATION OF PARTIES

1. The name and address of the agency affected and the agency’s file number are:

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
Docket No. 060852-TP

2. The name and address of the Petitioner who initiated this docket is:

Alltel Communications, Inc.
One Allied Drive
Little Rock, Arkansas 72202

3. The name and address of the Intervenor is:

Northeast Florida Telephone Company d/b/a NEFCOM
505 Plaza Circle
Suite 200
Orange Park, Florida 32073
(904) 688-0029 (Telephone)

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4. All notices, pleadings, orders and documents filed or served in this proceeding should be served on the following on behalf of NEFCOM:

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RECEIPT - NOTICE OF AGENCY ACTION

5. NEFCOM became aware of the Commission's decision to hold a formal administrative hearing in this proceeding on October 9, 2007.

SUBSTANTIAL INTEREST

6. NEFCOM is an incumbent local exchange telecommunications company authorized by the Commission to provide local exchange telecommunications services in the State of Florida.

7. The instant proceeding involves an application filed by Alltel Communications, Inc. ("Alltel") for designation as an eligible telecommunications carrier ("ETC") to serve rural telephone company study areas in the State of Florida located entirely in Alltel's Federal Communications Commission ("FCC") licensed area. As set forth in the following paragraphs,

NEFCOM will be substantially affected by the actions the Commission may take on Alltel's application.

8. Federal law requires a public interest finding if a provider seeks ETC status in connection with service in an area served by a rural telephone company. 47 U.S.C. §214(e)(2); 47 C.F.R. §201(c). In addition, Section 214(e)(2) assigns the primary responsibility for making ETC designations to the state commissions. In particular, it provides the following guidelines regarding the designation of multiple ETCs in a given service area:

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... designate more than one common carrier as an eligible telecommunications carrier....Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the state commission shall find that the designation is in the public interest.¹

The proliferation of multiple ETC designations arising from requests, such as the one filed by Alltel in this proceeding, has placed enormous pressure on the ballooning high cost universal service fund. This subsidization of multiple ETCs in high cost, rural service areas has occurred without proper oversight to ensure that universal service monies are spent in accordance with federal requirements. The rising menu of multiple ETCs also has led to inefficient and/or stranded investment and has substantially increased the universal service high cost fund at the expense of Florida's consumers.

9. Since 2002, competitive ETC ("CETC") funding has grown at a rate in excess of 100% per year. 2002 competitive ETC funding of \$46.1 million will have grown to at least \$1.28 billion for 2007 and millions more if the FCC approves CETC applications now pending at the

¹Communications Act of 1934, §§214(e)(2).

FCC. This proliferation of competitive ETCs and resultant rapid growth in the universal service fund threatens the sustainability of the entire universal service system.

10. NEFCOM is a rural telephone company for purposes of ETC designation² and as such relies on universal service support to help offset the costs of providing service in high cost, remote and rural areas of the State of Florida. The federal Universal Service Fund (“USF”) monies sought by Alltel if its ETC application were granted in Florida are dollars that would come from the portion of the federal USF known as “High Cost Loop Support (HCLS).” Additional ETCs eligible for HCLS could impact other participants, including NEFCOM, and NEFCOM’s end user customers, by increasing the amount they must pay in federal universal service support. Accordingly, NEFCOM has a substantial interest in this proceeding, particularly the “public interest” aspects as referenced on pages 14-15 of Alltel’s application, and under Section 214(e)(2) of the federal Act.

DISPUTED ISSUES OF MATERIAL FACT AND LAW

11. Subject to discovery and the refinement of issues and positions, preliminary disputed issues of material fact and law include, but are not limited to:

(a) Whether the Commission should defer consideration and a ruling on Alltel’s application pending comprehensive action by the federal-state Joint Board on Universal Service and/or the FCC concerning the impacts of designation of multiple ETCs and the development of prospective rules and regulations addressing the high cost universal service fund, the designation of multiple ETCs, and an appropriate funding mechanism for ETCs.

(b) What are the appropriate criteria to be applied by the Commission in determining whether an additional ETC should be designated in a high cost, rural study area?

²See 47 U.S.C. §153(37); 47 C.F. R. §51.5.

(c) What are the appropriate criteria to determine whether Alltel's application for CETC designation should be approved?

(d) What are the appropriate criteria to be utilized by the Commission in determining whether designation of Alltel as a CETC is in the public interest?

(e) What are the policy considerations that the Commission should consider in determining whether to approve Alltel's application?

(f) Whether the Commission should impose competitively neutral consistent requirements on all ETCs, including CETCs, and, if so, what those requirements should be.

(g) Whether Alltel offers all supported services set forth in 47 C.F.R. §54.101(a).

(h) What criteria should be used to determine if Alltel is meeting Lifeline and Link-Up advertising requirements?

(i) What are the rates, descriptions, terms and conditions of all required, supported services that would be provided by Alltel in the requested study areas if designated as an ETC by this Commission and if not designated as an ETC by this Commission.

(j) Whether Alltel provides voice grade access to the public switched network as required and defined by 47 C.F.R. §54.101(a).

(k) Whether Alltel provides local usage as required and defined by 47 C.F.R. §54.101(a).

(l) Whether Alltel provides dual tone multi-frequency signaling or its functional equivalent as required and defined by 47 C.F.R. §54.101(a).

(m) Whether Alltel provides single-party service or its functional equivalent as required and defined by 47 C.F.R. §54.101(a).

(n) Whether Alltel provides access to emergency services as required and defined by 47 C.F.R. §54.101(a).

(o) Whether Alltel provides access to operator services as required and defined by 47 C.F.R. §54.101(a).

(p) Whether Alltel provides access to interexchange service as required and defined by 47 C.F.R. §54.101(a).

(q) Whether Alltel provides access to directory assistance as required and defined by 47 C.F.R. §54.101(a).

(r) Whether Alltel provides toll limitation for qualifying low-income consumers as required and defined by 47 C.F.R. §54.101(a).

(s) Whether Alltel will provide a binding commitment and has the ability to provide the required, supported services throughout the requested designated area.

(t) Whether Alltel has the ability to remain functional in emergency situations.

(u) Whether Alltel will satisfy applicable consumer protection and service quality standards.

(v) Whether Alltel offers local usage comparable to that offered by the incumbent LEC.

(w) Whether Alltel meets the requirements of Section 214(e)(4).

(x) Whether Alltel meets the requirements of Section 214(e)(5).

(y) Whether Alltel meets the requirements in 47 C.F.R. §54.202 and PSC Order No. PSC-05-0824-TL.

(z) Whether Alltel complies with the CTIA Code of Conduct.

(aa) Whether the Commission should impose additional service requirements on Alltel.

(bb) Whether Alltel meets the requirements in FPSC Order No. PSC-05-0824-FOF-TL.

(cc) Whether the Commission should develop and implement oversight, filing and reporting requirements if Alltel is designated as an ETC for the requested study areas to ensure that USF monies are spent for the purposes required by federal law and the FCC, and, if so, the specific oversight, filing and reporting requirements.

(dd) Whether approval of Alltel's application is in the public interest.

ULTIMATE FACTS AND RELIEF SOUGHT

Subject to discovery and development of the record concerning the issues in this proceeding, NEFCOM's preliminary position is that the granting of Alltel's application and the designation of Alltel as an ETC in the requested study areas is not in the public interest under 47 U.S.C. §214(e)(2) and that Alltel's application should be denied by the Commission.

WHEREFORE, Northeast Florida Telephone Company d/b/a NEFCOM respectfully requests that this Petition be granted and that NEFCOM be granted intervention and full party rights in this proceeding.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Petition for Leave to Intervene was furnished by Telecopier(*) and/or U. S. Mail to the following this 5th day of November, 2007:

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