

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF)
JACKSON COUNTY RURAL ELECTRIC)
MEMBERSHIP CORPORATION FOR)
DESIGNATION AS AN ELIGIBLE) CAUSE NO. 41052-ETC 94
TELECOMMUNICATIONS CARRIER FOR)
THE PURPOSE OF RECEIVING RURAL)
DIGITAL OPPORTUNITY FUND PHASE I)
SUPPORT)

**DIRECT TESTIMONY OF MARK MCKINNEY IN SUPPORT OF PETITION OF
JACKSON COUNTY RURAL ELECTRIC MEMBERSHIP CORPORATION
FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER**

Q1. PLEASE STATE YOUR FULL NAME AND TITLE.

A1. My name is Mark McKinney. I am the President and Chief Executive Officer of Jackson County Rural Electric Membership Corporation (“Jackson County REMC”).

Q2. WHAT ARE YOUR JOB RESPONSIBILITIES FOR JACKSON COUNTY REMC?

A2. As President and CEO of Jackson County REMC, I make major corporate decisions, oversee the overall operations and resources of the company, and report directly to the cooperative’s governing Board of Directors.

Q3. PLEASE PROVIDE INFORMATION ON YOUR PROFESSIONAL BACKGROUND.

A3. I have a Master of Science Degree in Leadership and Innovation from Purdue University, a Bachelor of Science Degree in Organizational Leadership and Supervisor from Purdue University, and an Associate of Science Degree in Electronics Technology from Vincennes University. Other training and development courses include: Rural Electric Leadership in Training Exchange Program, Development Dimensions International

Leadership Program, and Rural Electric Service (RUS) Borrower Accounting. I have 24 years of experience at Jackson County REMC and have been the President/CEO since 2014. I have also served on committees at Hoosier Energy (generation and transmission cooperative) and Indiana Electric Cooperatives (Indiana Statewide Association) and have served on the Board of Directors for the Washington County Economic Growth Partnership.

Q4. PLEASE PROVIDE BACKGROUND INFORMATION ON JACKSON COUNTY REMC, INCLUDING THE SERVICES IT PROVIDES.

A4. Jackson County REMC is an Indiana rural electric membership corporation organized under Ind. Code § 8-1-13-1 *et seq.* and registered with the Indiana Secretary of State. A copy of Jackson County REMC's Certificate of Existence is attached hereto as **Exhibit MM-1**. Its principal place of business is located at 274 E. Base Road, P.O. Box K, Brownstown, IN 47220. Jackson County REMC is a member-owned rural electric cooperative with approximately 20,300 members and 25,000 accounts, 2,886 miles of electric service line and an average of 8.4 electric meters per mile. The service territory extends to 10 counties in southern Indiana. Jackson County REMC was founded in 1937 and is governed by a nine-member Board of Directors. The financial history of the cooperative has been steady throughout its history. Electric service reliability ratings over the past five years have been 99.95% with distribution automation and self-healing technologies.

Q5. WHAT CERTIFICATIONS DOES JACKSON COUNTY REMC CURRENTLY HOLD FROM THE INDIANA UTILITY REGULATORY COMMISSION ("COMMISSION")?

A5. Jackson County REMC has traditionally provided electric utility service within the service area designated by the Commission and last modified by Order of the

Commission dated November 21, 2018 in Cause No. 45156. On May 9, 2018 in Cause No. 1804-2, the Commission officially acknowledged a Notice of Change to Jackson County REMC's Certificate of Public Convenience and Necessity ("CPCN") issued on April 30, 1937 in Cause No. 12551. This Notice of Change added broadband service to Jackson County REMC's authorized service offerings within in CPCN service area, including portions of Bartholomew, Brown, Clark, Jackson, Jefferson, Jennings, Lawrence, Monroe, Scott and Washington counties. On August 3, 2018 in Cause No. CSP1806-10, the Commission officially acknowledged a Notice of Change to Jackson County REMC's CPCN that added additional areas within Jackson, Jennings, Scott and Washington counties to Jackson County REMC's authorized broadband service area. On January 7, 2021, Jackson County REMC filed a Notice of Change to its CPCN to become authorized to provide broadband service and interconnected VoIP as a telecommunications service throughout Indiana, which will encompass all of Jackson County REMC's designated ETC service area as requested herein.

Q6. PLEASE SUMMARIZE JACKSON COUNTY REMC'S REQUEST IN THIS PROCEEDING.

A6. Pursuant to Section 214(e)(2) of the Communications Act of 1934 (the "Act") and Section 54.201 of the FCC's rules, Jackson County REMC requests designation as an eligible telecommunications carrier ("ETC") within specified areas to become authorized to receive federal support from the Rural Digital Opportunity Fund ("RDOF") Phase I. Jackson County REMC was allocated RDOF Phase I support through its participation in the NRTC Phase I RDOF Consortium (the "Consortium"). The Consortium was provisionally awarded RDOF Phase I support from the FCC on December 7, 2020, and has allocated the awarded support and census block groups to its members, including

Jackson County REMC. Jackson County REMC will be eligible to receive this support subject to completing certain requirements, such as being designated as an ETC in the funded areas. Pursuant to Section 54.101(d) of the FCC's rules, any ETC, including an ETC designated to receive high-cost support, must offer Lifeline service in its designated service area. Accordingly, to the extent necessary, Jackson County REMC also requests designation as a Lifeline provider within the requested service area. Jackson County REMC respectfully requests that the Commission grant this petition on or before June 7, 2021 to ensure that Jackson County REMC meets the FCC's June 7, 2021 deadline for designation as an ETC in order to receive the RDOF Phase I support allocated to Jackson County REMC.

Q7. PLEASE PROVIDE A BRIEF OVERVIEW OF THE RDOF PHASE I AUCTION.

A7. On August 2, 2019, the FCC proposed the RDOF to provide an additional \$20.4 billion in support through a reverse auction to bring broadband service to areas that lack access to both fixed voice and 25/3 Mbps broadband services.¹ The minimum supported speed under RDOF is 25/3 Mbps, but the auction rules gives priority to faster broadband speeds of up to a gigabit per second and lower latency service. RDOF Phase I support recipients must offer the required voice and broadband service to *all* eligible homes and small businesses within the awarded areas. RDOF Phase I support will be disbursed over a 10-year period. While RDOF Phase I targeted census blocks that are *wholly* unserved with broadband at speeds of 25/3 Mbps, the FCC reserved some of the funding for Phase II,

¹ *In the Matter of Rural Digital Opportunity Fund et al., Notice of Proposed Rulemaking*, 34 FCC Rcd 6778 (August 1, 2019 ("Rural Digital Opportunity Fund NOPR")).

which will target census blocks that are only partially served, as well as census blocks unawarded in the Phase I auction.²

The FCC used a two-step application process for the RDOF Phase I auction. Potential bidders, including the Consortium, were required to submit a short-form application to establish eligibility to participate in the auction. The Bureau of Wireline Competition reviewed the short-form applications and approved bidders, including the Consortium, as qualified to participate in the auction. Winning bidders in RDOF Phase I must file a long-form application that demonstrates the bidder is legally, technically and financially qualified to receive support. The long-form application includes ownership disclosure, financial and technical capability certification, public interest obligations certification, an extensive description of technology and system design, available funds certification and ETC eligibility and documentation.³ Winning bidders must also provide an irrevocable standby letter of credit to ensure that awarded funds can be recovered if the recipient does not comply with the RDOF Phase I deployment and service requirements.

Q8. PLEASE DESCRIBE THE CONSORTIUM'S SHORT-FORM APPLICATION FOR THE RDOF PHASE I AUCTION.

A8. Following the procedure established in the Auction 904 Notice,⁴ the Consortium submitted its FCC Form 183 short-form application prior to the July 15, 2020 deadline. This application provided identification, operations and financial information of the

² *In the Matter of Rural Digital Opportunity Fund et al., Report and Order*, 35 FCC Rcd 686 (January 20, 2020) (“*Rural Digital Opportunity Fund Order*”).

³ *See, generally, Rural Digital Opportunity Fund Order*, 35 FCC Rcd 686.

⁴ *In the Matter of Rural Digital Opportunity Fund et al., Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020, Notice and Filing Requirements and Other Procedures for Auction 904*, 35 FCC Rcd 6077 (June 11, 2020) (“*Auction 904 Notice*”).

Consortium's members and described their proposed networks using RDOF Phase I funding. Specifically, Jackson County REMC's proposed deployment consists of installation of a fiber optic network capable of providing internet access at speeds ranging from 100 Mbps (symmetrical) to 1 Gbps (symmetrical) to both residential and commercial customers. Based upon its Form 183 short-form application, the FCC determined that the Consortium members, including Jackson County REMC, met the legal, technical and financial qualifications to participate in Auction 904 and to meet the service requirements associated with the performance tier and latency combination(s) on which the Consortium bid during Auction 904.

Q9. PLEASE DESCRIBE THE CONSORTIUM'S AUCTION 904 WINNING BIDS.

A9. On December 7, 2020, the FCC announced the winning bidders of Auction 904, including the Consortium, which was awarded \$19,791,000.70 in RDOF Phase I funding over 10 years.⁵ The Consortium was the successful bidder for 30,318 locations in Indiana and participated in the FCC's Divide Winning Bids procedure to allocate to Jackson County REMC \$2,188,212 in RDOF Phase I funding for 41 census block groups, which are identified on **Exhibit B** attached to the Verified Petition in this Cause. Jackson County REMC will deliver broadband services high-speed internet access by installing a fiber optic network capable of providing internet access at speeds ranging from 100 Mbps (symmetrical) to 1 Gbps (symmetrical) to both residential and commercial customers and voice grade access to the public switched telephone network using its own fiber-based network to resell interconnected VoIP services for which it will contract with a vendor of

⁵Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes; Winning Bidders Announced; FCC Form 683 Due January 29, 2021, AU Docket No. 20-34; WC Docket No. 19-126; WC Docket No. 10-90 (December 7, 2020) ("Winning Bidders Announcement").

its choosing that will enable Jackson County REMC to provide the voice telephony services at the appropriate service levels. Deployment timeline is to have the census block groups served with broadband services within three (3) years and VoIP services within the RDOF timeline required. Benefits to the community include: school and work from home capability, decrease in the “homework gap” between students of all ages who have/don’t have broadband internet access, telemedicine options and electronic health record access, positive economic impact due to e-commerce capability, and increase in property value for homeowners with the installation of broadband service.

Q10. PLEASE DESCRIBE JACKSON COUNTY REMC’S SUBSEQUENT AUCTION 904 LONG-FORM APPLICATION.

A10. Winning bidders of Auction 904 must submit the FCC Form 683 long-form post-auction application for support by no later than January 29, 2021 in order to become authorized by the FCC to receive the support awarded during Auction 904.⁶ Jackson County REMC will submit its Form 683 long-form application within the timeframe prescribed by the FCC and, following its submission, will make portions of said application available to the Commission upon request as the Commission considers the Verified Petition and in accordance with the Commission’s rules on confidential filings, if applicable. As part of the long-form application, Jackson County REMC will acknowledge that it must be designated by the Commission as an ETC for all of the eligible census block groups allocated to it. Jackson County REMC has 180 days from the release of the Auction 904 closing public notice (until June 7, 2021) to obtain ETC designation in all areas for which it will receive RDOF Phase I support and to provide documentation of the same to the

⁶ *Auction 904 Notice*, 35 FCC Rcd 6077.

FCC.⁷ Jackson County REMC will not be authorized to receive RDOF Phase I support, nor will any such support be released to Jackson County REMC, if it does not obtain the appropriate ETC designation.

Q11. PLEASE DESCRIBE THE SERVICES AND PLANS THAT JACKSON COUNTY REMC INTENDS TO OFFER IN THE REQUESTED SERVICE AREA USING RDOF PHASE I SUPPORT.

A11. Jackson County REMC will offer service plans within the requested service area that include voice and broadband services that meet the RDOF Phase I tier/latency requirements of Jackson County REMC's winning bids. Jackson County REMC's voice and broadband service plans are as follows:

Internet:

Residential Essential 100: \$54.95/month

Residential Advanced 500: \$69.95/month

Residential 1G Ultra 1000: \$99.95/month

Commercial 50- 50/50 mbps: \$99.95/month

Commercial 100- 100/100 mbps: \$149.95/month

Commercial 500- 500/500 mbps: \$229.95/month

Commercial 1000- 1G/1G: \$349.95/month

Voice:

Unlimited voice with telephone service only: \$54.95/month

Unlimited voice when bundled with Internet service: \$29.95/month

Q12. IS JACKSON COUNTY REMC MANAGERIALLY, FINANCIALLY AND TECHNICALLY CAPABLE OF PROVIDING THE SERVICES TO BE PROVIDED USING RDOF PHASE I SUPPORT?

A12. Yes. The Board of Directors and management team of Jackson County REMC are familiar with the managerial, financial and technical needs of a utility. Jackson County

⁷ Auction 904 Notice, 35 FCC Rcd 6077. The FCC indicated that if a long-form applicant is unable to obtain the necessary ETC designation within the 180-day timeframe, it would be appropriate to waive the 180-day timeframe if the long-form applicant is able to demonstrate that it has engaged in good faith efforts to obtain an ETC designation, but the proceeding is not yet complete. The FCC will presume that a long-form applicant acted in good faith if it files its ETC application with the state commission within 30 days of the release of the Auction 904 closing public notice.

REMC has provided electric service to the rural members in the service territory for more than 80 years. The broadband internet project buildout began in 2017, and the cooperative is now serving more than 5,000 members with electric and broadband service. Brad Pritchett, the Vice President of Operations and Engineering, has 27 years of experience in the Operations and Engineering Department at Jackson County REMC and oversees the day-to-day operations of the broadband internet service. Ben Conner, the Vice President of Information Technology, has more than 15 years of technical experience to assist in managing the fiber network. He has been at the cooperative for five years. I have worked at the cooperative for 24 years and have been the President/CEO since 2014. Jackson County REMC has full financial capabilities to underwrite its share of construction and start-up expenses to get its fiber optic network built and to begin operations in the internet and VoIP business. Jackson County REMC will offer high-speed broadband internet services and resell VoIP services purchased from a third-party provider. As stated, Jackson County REMC will repackage the VoIP services purchased and offer the services over Jackson County REMC's own fiber network. The third-party provider is a large, nationwide carrier that provides wholesale VoIP services to numerous resellers. Jackson County REMC's partnership with this provider further demonstrates Jackson County REMC is technically capable of providing supported services. In addition, Jackson County REMC owns and operates various network facilities and back office, billing and customer support functions to provide the services required as an ETC. Additionally, Jackson County REMC will provide to the FCC, pursuant to the Auction 904 procedure, audited financial statements, including balance sheets, net income and cash flow, which have been audited by an independent

certified public accountant. As evidenced by the FCC's selection of the Consortium as a winning bidder in Auction 904, the FCC is satisfied, based upon the financial information provided, that the members of the Consortium, including Jackson County REMC, are financially capable of providing the required services.

Q13. WHAT IS THE SERVICE AREA IN WHICH JACKSON COUNTY REMC SEEKS DESIGNATION AS AN ETC IN THIS PROCEEDING?

A13. In the *Winning Bidders Announcement*, the Consortium was named the winning bidder for 30,318 locations in Indiana and participated in the FCC's Divide Winning Bids procedure to allocate to Jackson County REMC \$2,188,212 in RDOF Phase I funding for 41 census block groups. Thus, Jackson County REMC is requesting designation as an ETC in the associated census block groups in Indiana listed in **Exhibit B** attached to the Verified Petition. A map of the awarded census block groups was attached as **Exhibit A** to Jackson County REMC's Verified Petition. All of Jackson County REMC's requested service area falls within the ILEC study areas of Frontier Communications Corporation and AT&T, Inc., which are not rural telephone companies as that term is defined in 47 CFR § 51.5, and Smithville Telephone Co. and Southeastern Indiana Rural Telephone Cooperative, which are rural telephone companies as that term is defined in 47 CFR § 51.5. However, similar to the CAF Phase II process, the FCC waived the statutory requirement that the ETC service area of an RDOF participant conform to the service area of the rural telephone company serving the same area.⁸ The FCC stated that this waiver "eliminates the need for redefinition of any rural telephone company service areas in the context of the Rural Digital Opportunity Fund competitive bidding process."⁹

⁸Rural Digital Opportunity Fund Order, 35 FCC Rcd 686.

⁹ *Id.*

Q14. IF DESIGNATED AS AN ETC, WILL JACKSON COUNTY REMC PROVIDE THE REQUIRED VOICE AND BROADBAND SERVICES THROUGHOUT THE ENTIRE DESIGNATED SERVICE AREA?

A14. Yes. Jackson County REMC intends to provide all of the required services in the census block groups it was allocated during Auction 904 and for which it is requesting ETC designation. Jackson County REMC will provide state-of-the-art broadband services via its own fiber optic network to all locations within the eligible census block groups allocated to Jackson County REMC as part of the RDOF Phase I auction. Jackson County REMC will provide voice grade access to the public switched telephone network by reselling interconnected VoIP services over its own fiber network for which it will contract with a vendor of its choosing that will enable Jackson County REMC to provide the voice telephony services at the appropriate service levels.

Q15. IS JACKSON COUNTY REMC A COMMON CARRIER PURSUANT TO 47 USC § 153(11)?

A15. Yes. The term “common carrier” includes any person engaged as a common carrier for hire in interstate or foreign communication by wire or radio.¹⁰ Jackson County REMC will offer communication services for sale to the public by wire and transmits communications both interstate and intrastate, making it a “common carrier” for purposes of being designated at an ETC and receiving universal service support.

Q16. WILL JACKSON COUNTY REMC PROVIDE SERVICES REQUIRED TO BE PROVIDED BY AN ETC USING ITS OWN FACILITIES OR VIA RESALE OF ANOTHER CARRIER’S SERVICES?

A16. Consistent with the requirements of Section 214(e)(1) of the Act and sections 54.101 through 54.207 of the FCC’s rules, Jackson County REMC will provide all services required in order to be eligible for high-cost universal service support using its own

¹⁰ 47 USC § 153(11).

facilities and, if necessary, through resale of another carrier's services. Specifically, Jackson County REMC will use its own fiber optic network to provide broadband services and will resell interconnected VoIP services from a third-party vendor over its own fiber network to end users in the requested service area.

Q17. WILL JACKSON COUNTY REMC PROVIDE VOICE GRADE ACCESS TO THE PUBLIC SWITCHED TELEPHONE NETWORK OR ITS EQUIVALENT?

A17. As set forth in the Verified Petition, Jackson County REMC will provide voice grade access to the public switched telephone network or its equivalent by reselling interconnected VoIP services over its own fiber network for which it will contract with a vendor of its choosing that will enable Jackson County REMC to provide the voice telephony services at the appropriate service levels.

Q18. WILL JACKSON COUNTY REMC PROVIDE MINUTES OF USE FOR LOCAL SERVICE AT NO ADDITIONAL CHARGE TO END USERS?

A18. As part of the voice grade access to the public switched telephone network, an ETC must provide minutes of use for local service at no additional charge to end users.¹¹ The FCC has yet to specify a minimum amount of local usage to be offered by an ETC, but Jackson County REMC will offer rate plans that provide subscribers with minutes of use for local service at no additional charge.

Q19. WILL JACKSON COUNTY REMC PROVIDE ACCESS TO EMERGENCY SERVICES?

A19. Jackson County REMC will provide access to emergency services for its customers in the requested ETC service area, including access to both 911 and enhanced 911 service from local public service answering points ("PSAPs"). Specifically, Jackson County REMC

¹¹ 47 CFR § 54.101(a)(1).

will provide 911 and enhanced 911 services via VoIP service provided by its third-party VoIP services vendor.

Q20. WILL JACKSON COUNTY REMC PROVIDE TOLL LIMITATION SERVICES TO QUALIFYING LOW-INCOME CUSTOMERS?

A20. The VoIP service offerings provided by Jackson County REMC will not distinguish between toll and non-toll calls. Accordingly, Jackson County REMC is not required to provide toll limitation services and currently has no plans to offer this service.

Q21. WILL THE BROADBAND SERVICES PROVIDED BY JACKSON COUNTY REMC IN THE REQUESTED SERVICE AREA BE CAPABLE OF TRANSMITTING AND RECEIVING DATA FROM ALL OR SUBSTANTIALLY ALL INTERNET ENDPOINTS?

A21. Pursuant to 47 CFR § 54.101(a)(2), Jackson County REMC will provide broadband services with the capability to transmit data to and receive data from all or substantially all internet endpoints, including any capabilities that are incidental to and enable the operation of communications service, but excluding dial-up service. Jackson County REMC will not prioritize among endpoints, and there is no plan or intent to limit connectivity within or outside the network.

Q22. HOW WILL JACKSON COUNTY REMC ADVERTISE THE AVAILABILITY OF THE VOICE AND BROADBAND SERVICES REQUIRED TO BE PROVIDED BY AN ETC?

A22. Jackson County REMC will advertise the availability and rates for the voice telephony and broadband access services to be offered within the designated ETC service area using media of general distribution, as required by Section 54.201(d)(2) of the FCC's rules.¹² In its Verified Petition, Jackson County REMC set forth the channels in which it intends to advertise these services. Jackson County REMC intends to follow the FCC's Lifeline

¹² 47 CFR § 54.201(d)(2).

advertising guidelines in establishing an advertising program for its Lifeline services to reach eligible households that do not currently receive service. These guidelines suggest posting notices at public transportation stops and agencies, shelters and soup kitchens; running public service announcements; providing information booths at central locations; providing customer service to disabled program participants on an equal basis by using telecommunications relay services (“TRS”), text telephone (“TTY”), and speech-to-speech (“STS”) services; and providing outreach materials in Braille. Additionally, the guidelines suggest developing advertising that can be read by members of any sizeable non-English speaking populations and coordinating outreach efforts with governmental agencies that administer relevant government assistance programs.

Q23. WHAT INFORMATION HAS JACKSON COUNTY REMC PROVIDED THE FCC THAT SATISFIES THE REQUIREMENTS OF A FIVE-YEAR IMPROVEMENT PLAN WITH RESPECT TO THE SERVICES PROVIDED USING RDOF PHASE I SUPPORT?

A23. In accordance with the ETC designation requirements applicable to winning bidders in Auction 904 adopted by the FCC, Jackson County REMC requested in its Verified Petition that the Commission waive the requirement in the Commission’s General Administrative Order 2019-5 that Jackson County REMC file a five-year improvement plan.¹³ As an Auction 904 winning bidder, Jackson County REMC will provide the FCC with audited financials, cost estimates and descriptions of proposed improvements to its network throughout the proposed service area. In addition, as part of its Form 683 long-

¹³ General Administrative Order of the Indiana Utility Regulatory Commission 2019-5 (December 27, 2019) (“GAO 2019-5”); *WCB Reminds Connect America Fund Phase II Auction Applicants of the Process for Obtaining a Federal Designation as an Eligible Telecommunications Carrier*, WC Docket Nos. 09-197, 10-90 (July 10, 2018) (“*Federal ETC Procedural Guidance*”). The Federal ETC Procedural Guidance was released during the CAF Phase II Auction and provided guidance for CAF Phase II recipients seeking federal ETC designation. However, the Federal ETC Procedural Guidance was re-released during the RDOF Phase I Auction, and its justification for waiving the five-year plan requirement remains true with respect to RDOF Phase I recipients. *See* RDOF Phase I (Auction 904) releases: <https://www.fcc.gov/auction/904/releases>.

form application, Jackson County REMC will provide the FCC with a project schedule describing the major milestones associated with the project and defining a plan to complete the network deployment within the timeframe prescribed by the FCC.

Q24. EXPLAIN THE CAPABILITY OF JACKSON COUNTY REMC TO REMAIN FUNCTIONAL IN EMERGENCY SITUATIONS.

A24. Jackson County REMC provides access to a reasonable amount of back-up power to ensure functionality without an external power source, the ability to reroute traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations. In its Verified Petition, Jackson County REMC described its capabilities of remaining functional in emergency situations for the requested ETC service area.

Q25. EXPLAIN HOW JACKSON COUNTY REMC INTENDS TO COMPLY WITH APPLICABLE CONSUMER PROTECTION AND SERVICE QUALITY STANDARDS WITH RESPECT TO THE SERVICES PROVIDED USING RDOF PHASE I SUPPORT.

A25. Jackson County REMC commits to satisfying all applicable state and federal requirements related to consumer protection and service quality standards with respect to the services provided using RDOF Phase I support. Specifically, Jackson County REMC will provide a router with a firewall, anti-virus and anti-spam protections and a battery backup for VoIP services if applicable.

Q26. HOW WILL JACKSON COUNTY REMC'S SERVICE OFFERINGS RECEIVING RDOF PHASE I SUPPORT BENEFIT INCREASED CONSUMER CHOICE?

A26. The requested ETC service area is generally considered unserved or underserved by communication providers. Jackson County REMC's service offerings will provide services to some customers who currently do not have access to such services. To the

extent some customers within the ETC areas already have access to some level of service, Jackson County REMC's service offerings in the requested ETC service area will promote increased competitive choice, thereby increasing innovation and incentivizing other carriers to improve their existing networks to remain competitive. This will ultimately result in greater access to high-speed broadband and voice services, as well as improved service quality for customers in the requested ETC service area.

Q27. PLEASE EXPLAIN THE UNIQUE ADVANTAGES OF JACKSON COUNTY REMC'S SERVICE OFFERINGS RECEIVING RDOF PHASE I SUPPORT.

A27. As fully set forth in the Verified Petition, Jackson County REMC's use of the RDOF Phase I support in the awarded census block groups will directly advance the Act's principal goals of securing lower prices and higher quality services for consumers and encouraging the rapid deployment of new technology to all citizens regardless of location or income.¹⁴ Not only will Jackson County REMC's service offerings in the designated ETC service area provide critical high-speed and reliable connectivity to consumers and promote economic growth and competition, it also has been determined by the FCC, in awarding RDOF Phase I support to Jackson County REMC, that said service offerings would promote the public interest. Designation of Jackson County REMC as an ETC serves the public interest by allowing Jackson County REMC to offer voice and broadband services, including to low income households that qualify for Lifeline benefits, as the cooperative brings high-speed broadband internet and VoIP services to underserved locations in its designated service area. Jackson County REMC's ETC designation will bring another competitive voice and broadband provider to consumers in the designated service area. Jackson County REMC has been an active member in its

¹⁴ *Telecommunications Act of 1996*, Pub. L. No. 104-104, 110 Stat. 56.

community and has been committed to supporting numerous efforts to help its region grow and prosper. Jackson County REMC is determined to make it easier for consumers located within the designated service area to receive affordable telecommunications and high-speed broadband internet services that are comparable to those enjoyed by other customers. Jackson County REMC understands that access to voice services and high-speed broadband internet services will attract more business and residents to the area, creating better jobs and allowing families to enjoy a decent lifestyle.

Q28. PLEASE EXPLAIN HOW JACKSON COUNTY REMC'S USE OF RDOF PHASE I SUPPORT WILL IMPACT THE UNIVERSAL SERVICE FUND.

A28. As set forth in the Verified Petition, the funds awarded to Jackson County REMC pursuant to Auction 904 have already been set aside by the FCC for that specific purpose; thus, Jackson County REMC's use of said funds will have no *per se* impact on the Universal Service Fund. The use of Auction 904 to award the funds ensured that funding went to bidders who could provide services to unserved or underserved areas for the lowest possible cost to the Universal Service Fund. Additionally, as set forth in the Verified Petition, permitting Jackson County REMC to provide services in previously unserved areas will increase the contributions that Jackson County REMC makes to the Universal Service Fund based upon a portion of its revenues.

Q29. IS THE DESIGNATION OF JACKSON COUNTY REMC AS AN ETC IN THE REQUESTED SERVICE AREA IN THE PUBLIC INTEREST?

A29. Yes. As explained herein, Jackson County REMC's designation as an ETC in the requested service area and subsequent provision of services in this area would benefit increased consumer choice, provide unserved and underserved areas with critical communications infrastructure and promote economic development without having a

detrimental impact upon the Universal Service Fund. Such designation furthers the goals of the Act and subsequent FCC rules.

Q30. PLEASE DESCRIBE JACKSON COUNTY REMC'S PLANNED LIFELINE SERVICE OFFERINGS IN THE REQUESTED SERVICE AREA.

A30. Jackson County REMC will provide Lifeline voice and broadband service throughout the areas covered by its winning RDOF bids to qualifying low-income consumers pursuant to the Lifeline program rules.¹⁵ The terms and conditions of Jackson County REMC's Lifeline offering will be posted on Jackson County REMC's website at www.jacksonremc.com. They include details on the number of minutes provided as part of the plan, additional charges (if any) for toll calls, and rates for each plan. Additionally, customers will be provided with these terms after completion of enrollment. Annually, Jackson County REMC will complete income verifications based on information provided by Lifeline.

Q31. HOW WILL JACKSON COUNTY REMC ADVERTISE AND DISCLOSE THE TERMS OF ITS LIFELINE SERVICE OFFERINGS TO QUALIFYING CUSTOMERS?

A31. Jackson County REMC will advertise the availability of Lifeline services and charges through media of general distribution in a manner reasonably designed to reach potential Lifeline customers and make them aware of such offerings, as required by 47 CFR § 54.405(b), including by disclosing Jackson County REMC'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 household. Specifically, Jackson County REMC will advertise the availability of

¹⁵ See 47 CFR §§ 54.101(c), (d); 54.405(a); 47 CFR Subpart E; *Lifeline and Link Up Reform and Modernization et al.*, Third Report and Order et al., WC Docket No. 11-42 et al., 31 FCC Rcd 3962 (2016).

Lifeline services using the same media outlets as described herein for the advertisement of telephone and internet services and including all required statements pertaining to the availability of Lifeline services. Guidelines for participation in Lifeline will be available on Jackson County REMC's website and printed materials.

Q32. DOES THIS CONCLUDE YOUR TESTIMONY?

A32. Yes.

VERIFICATION

I, Mark McKinney, President and Chief Executive Officer of Jackson County Rural Electric Membership Corporation, affirm under penalties of perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Dated: 1-7-2021



Mark McKinney
President/CEO
Jackson County Rural Electric Membership
Corporation

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Direct Testimony of Mark McKinney in Support of Petition of Jackson County Rural Electric Membership Corporation for Designation as an Eligible Telecommunications Carrier has been electronically served upon the following this 7th day of January, 2021:

Indiana Office of Utility Consumer Counselor
115 W. Washington Street, Suite 1500 South
Indianapolis, Indiana 46204
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/s/ Jeremy L. Fetty

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1597251

**State of Indiana
Office of the Secretary of State**

CERTIFICATE OF EXISTENCE

To Whom These Presents Come, Greeting:

I, CONNIE LAWSON, Secretary of State of Indiana, do hereby certify that I am, by virtue of the laws of the State of Indiana, the custodian of the corporate records and the proper official to execute this certificate.

I further certify that records of this office disclose that

JACKSON COUNTY RURAL ELECTRIC MEMBERSHIP CORPORATION

duly filed the requisite documents to commence business activities under the laws of the State of Indiana on May 04, 1937, and was in existence or authorized to transact business in the State of Indiana on January 04, 2021.

I further certify this Domestic Nonprofit Corporation has filed its most recent report required by Indiana law with the Secretary of State, or is not yet required to file such report, and that no notice of withdrawal, dissolution, or expiration has been filed or taken place. All fees, taxes, interest, and penalties owed to Indiana by the domestic or foreign entity and collected by the Secretary of State have been paid.



In Witness Whereof, I have caused to be affixed my signature and the seal of the State of Indiana, at the City of Indianapolis, January 04, 2021

Connie Lawson

CONNIE LAWSON
SECRETARY OF STATE

193086-083 / 20211785347

All certificates should be validated here: <https://bsd.sos.in.gov/ValidateCertificate>

Expires on February 03, 2021.