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BEFORE THE ARIZONA CORPORATION COMMISSION

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ARIZONA CORPORATION COMMISSION
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IN THE MATTER OF TRANSWORLD) DOCKET NO. T-04246A-11-0377
NETWORK, CORP. PETITION FOR)
DESIGNATION AS AN ELIGIBLE)
TELECOMMUNICATIONS CARRIER)
PURSUANT TO SECTION 214(e)(2) OF THE)
COMMUNICATIONS ACT OF 1934, AS) (Expedited Approval Requested)
AMENDED, 47 U.S.C. § 214(e)(2))
)
)

SUPPLEMENT TO APPLICATION OF
TRANSWORLD NETWORK, CORP. FOR DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER

TransWorld Network, Corp. (“TWN” or “Company”) filed its Petition for Designation as an Eligible Telecommunications Carrier (“ETC”), pursuant to 47 U.S.C. § 214(e)(2), for the purpose of receiving federal (not state) universal service support in the study areas of Valley Telephone Cooperative, Inc. and Copper Valley Telephone, Inc.¹ Since TWN filed its ETC Petition, the Federal Communications Commission (“FCC”) adopted new rules governing the receipt of federal high-cost universal service support.² To date, the FCC has not identified the non-mobility fund areas to be eligible for high-cost universal service support under the Connect

¹ Petition of TransWorld Network, Corp. For Designation As An Eligible Telecommunications Carrier, Docket No. T-04246A-11-0377, filed October 13, 2011 (“ETC Petition”).

² Connect America Fund, WC Docket No. 10-90, A National Broadband Plan for Our Future, GN Docket No. 09-51, Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135, High-Cost Universal Service Support, WC Docket No. 05-337, Developing an Unified Intercarrier Compensation Regime, CC Docket No. 01-92, Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Lifeline and Link-Up, WC Docket No. 03-109, Universal Service Re4form – Mobility, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, rel. November 18, 2011 (“Connect America Fund Order”).

America Fund (“CAF”), but has made clear that carriers must be designated as an ETC prior to participating in auctions or other funding mechanisms and urged state commissions to expeditiously review ETC applications. Consequently, TWN renews its request for ETC designation and requests expeditious processing of the ETC Petition so as to allow TWN to seek support from future CAF auctions or other funding mechanisms, as anticipated by the *Connect America Fund Order*. TWN is not seeking high cost support from the universal service support mechanism available to ETCs designated prior to passage of the *Connect American Fund Order*.

TWN meets all requirements for designation as an ETC, including the modifications to the federal requirements adopted in the *Connect America Fund Order*, which eliminated certain supported services³ and removed some of the additional ETC requirements.⁴ TWN hereby confirms that it meets all applicable federal requirements for ETC designation and operation as a universal service provider, including the new rules adopted by the FCC in the *Connect America Fund Order* and *Lifeline Reform Order*. Specifically, TWN is prepared to satisfy the requirements in the FCC’s Lifeline Reform Order and will comply with the Lifeline certification and verification requirements as set forth in 47 C.F.R. § 54.410. Further, TWN will comply with all the requirements for expanded eligibility criteria, certification, verification and recordkeeping requirements set forth in Lifeline Reform Order and Commission Decision No. 67941.

These new rules include the revised definition of services designated for federal universal service support, which was established in the *Connect America Fund Order*:

³ In the *Connect America Fund Order*, the FCC revised the supported services to eliminate the requirement to offer dual tone multi-frequency signaling, single party service, access to operator service, access to interexchange service, and directory assistance services.

⁴ The FCC clarified the additional requirements for ETC designation found in 47 C.F.R. § 54.202 by: (i) requiring applicants to certify that they will comply with the service requirements applicable to the support receive; (ii) requiring applicants to continue to satisfy the requirements to remain functional in emergency situations and satisfy applicable consumer protection and service quality standards; and (iii) eliminating the requirements to offer local usage comparable to incumbent local exchange carriers and being subject to the equal access obligation.

§ 54.101 Supported services for rural, insular and high cost areas.

- (a) Services designated for support. Voice telephony service shall be supported by federal universal service support mechanisms. The functionalities of eligible voice telephony services include voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; 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 toll limitation for qualifying low-income consumers (as described in subpart E of this part).
- (b) An eligible telecommunications carrier must offer voice telephony service as set forth in paragraph (a) of this section in order to receive federal universal service support.

TWN confirms that it will provide the services designated for support in all of its universal service offerings eligible for federal universal service support.

TWN also meets the revised federal requirements for designation as an ETC, as established in the *Connect America Fund Order*:

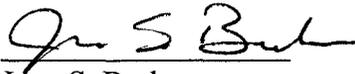
§ 54.202 Additional requirements for Commission designation of eligible telecommunications carriers.

- (a) In order to be designated an eligible telecommunications carrier under section 214(e)(6), any common carrier in its application must:
 - (1) (i) Certify that it will comply with the service requirements applicable to the support that it receives.
 - (ii) Submit a five-year plan that describes with specificity proposed improvements or upgrades to the applicant's network throughout its proposed service area. Each applicant shall estimate the area and population that will be served as a result of the improvements.
- (2) Demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.
- (3) Demonstrate that it will satisfy applicable consumer protection and service quality standards. A commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service will satisfy this requirement. Other commitments will be considered on a case-by-case basis.

As established in its ETC petition, TWN meets the additional requirements for designation and certifies that it will comply with the service requirements applicable to the support that it receives, including, but not limited to, all applicable Lifeline requirements as established in the *Lifeline Reform Order*.⁵

TWN requests expedited consideration of its ETC Petition to enable the Company to participate in federal universal service funding mechanisms that will further the deployment of basic voice and broadband services in rural areas of Arizona. TWN commits to meeting all applicable requirements for the receipt of federal universal service funding and any reasonable conditions imposed on the Company by the Arizona Corporation Commission.

Respectfully submitted this 6th day of June, 2012

By: 
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ORIGINAL and thirteen (13) copies of the foregoing filed this 6th day of June, 2012 with:

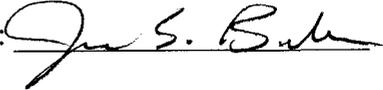
Docket Control
Arizona Corporation Commission
1200 West Washington Street
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⁵ *In the Matter of Lifeline and Link Up Reform and Modernization, Report and Order and Further Notice of Proposed Rulemaking*, WC Docket No. 11-42, FCC 12-11, released February 6, 2012 (“*Lifeline Reform Order*”). The FCC adopted comprehensive reforms to the federal low-income program, including steps to limit fraud, waste and abuse within the program.

COPIES of the foregoing mailed this 6th day of June, 2012 to:

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