

Helping Keep Americans Connected

The USAC Connection High Cost & Low Income monthly newsletter will give you information about upcoming program deadlines, tips to help you ensure timely and proper filings, and other timely information.

High Cost Program

Rural and Non-Rural Certifications Due on or before October 1, 2007

All eligible telecommunications carriers (ETCs) - rural, non-rural, and competitors - are subject to component-specific certification requirements that have a direct impact on those carriers' receipt of High Cost support.

State regulatory commissions typically submit ETC certifications for rural, non-rural, and competitive carriers that are eligible to receive High Cost support for High Cost Loop, High Cost Model, Local Switching Support, Safety Net Additive, or Safety Valve Support in the form of a letter to USAC and the FCC. These are **due annually on or before October 1**.

ETCs should work with their state commissions to ensure they are included in the certifications. Failure

IMPORTANT DATES AND REMINDERS

October 1—State Commissions must file Rural and Non-Rural Use Certifications with USAC and the FCC. ETCs not subject to state jurisdiction must file directly with USAC and the FCC.

October 1—Rural ILECs serving 50,000 or fewer lines must file LSS projected data for 2007.

to timely file October 1 certifications affects ETC support as indicated in the table on the next page.

State Commission Certification Requirements

In order for ETCs within a state to receive High Cost support (including HCL, HCM, LSS, SNA or SVS), the appropriate state public utilities commission must file an annual certification, by October 1 each year, with USAC and the FCC.

The certification must state that all federal High Cost

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Low Income Program

2007 Verification and Certification Submissions are Due August 31

All eligible telecommunications carriers (ETCs) in federal default states (AS, DE, HI, IN, IA, LA, MP, NH) must submit their annual Lifeline verification survey results, signed by an officer of the company to USAC by **August 31, 2007**. If an ETC in a federal default state does not receive replies from all of its sample recipients, the ETC should note the number of outstanding replies on its submission separate from those found to be ineligible and update the verification results upon completing the survey. Updates must be submitted to USAC by **October 31, 2007**. ETCs need only submit one update.

All ETCs in a state with its own state-based Low Income program (all non-federal default states) must submit their annual Low Income certification, signed by an officer of the company to USAC by **August 31, 2007**, attesting that the ETC has complied with the state verification procedures.

Please see the [FCC's Public Notice](#) for more information. The FCC has also established **August 31** as the permanent deadline for submitting annual verification results and certifications, and **October 31** as the

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support provided to rural and/or non-rural carriers and competitive ETCs within the state will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. The certification must also reference CC Docket No. 96-45. If a state fails to certify an ETC, that ETC will not be eligible to receive support in the first quarter of the following calendar year.

Components	Certification filed by:	ETC Eligible For Support:
High Cost Loop	October 1	January 1 to December 31 of the following calendar year
Safety Net Additive	January 1	Second, third, and fourth quarters of the same year
Safety Valve Support	April 1	Third and fourth quarters of the same year
Local Switching Support	July 1	Fourth quarter of the same year
High Cost Model	After July 1	No support for the same year

[Rural Use Certifications](#) on USAC's website explains the certification filings that state commissions make for **rural ETCs** and **competitive ETCs** providing service in the areas of these companies.

[Non-Rural Use Certifications](#) on USAC's website explains the certification filings that state commissions make for **non-rural ETCs** and **competitive ETCs** providing service in the areas of these companies.

If an ETC is not subject to state jurisdiction, it must file a self-certification directly with USAC and the FCC. See [Filing requirements](#).

Addresses for Filing October 1 Use Certifications and Self-Certifications

Karen Majcher
Vice President, High Cost & Low Income Division
Universal Service Administrative Company
2000 L Street, NW, Suite 200
Washington, DC 20036

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

[Check if Your Certification was Received by USAC](#)

To see if USAC has received your October 1 Use Certification, visit the [certification checklist](#).

Local Switching Support Projection Filings for Rural ILECs Due on or before October 1, 2007

Rural incumbent local exchange carriers (ILECs) serving 50,000 or fewer lines may submit a projection filing for Local Switching Support (LSS). LSS projections **are due on October 1 each year** for support in the following calendar year.

A "cost company" serving 50,000 lines or fewer must submit the *Local Switching Support Reporting Worksheet for Cost Companies* (Form LSSc) in order to qualify for local switching support. An "average schedule" company must submit the *Local Switching Support Reporting Worksheet for Average Schedule Companies* (Form LSSa) in order to qualify for LSS. The forms can be found on the [High Cost Forms](#) page. LSS filings can be sent:

Via **Mail**: USAC, 444 Hoes Lane, Piscataway, NJ 08854

Via **Fax**: (866) 873-4695

Via **E-Mail**: hcfilings@hcli.universalservice.org

Note: If the National Exchange Carrier Association (NECA) files this LSS data on a carrier's behalf, the carrier does not need to file the data directly with USAC.

If you have any questions, call our Customer Service Center at 877-877-4925.

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permanent deadline for submitting updated verification results. ETCs should use the following sample letters when submitting data to USAC.

- [Verification Sample Letter](#)
- [Certification Sample Letter](#)

Please submit verification results, follow ups, or certifications to USAC using only ONE of the following methods:

- Fax:** Attention: Low Income Program (202) 776-0080
- E-mail:** Submit scanned Adobe versions with signatures to LiVerifications@usac.org
- Mail:** USAC - Low Income Program
2000 L Street, NW, Suite 200
Washington, D.C. 20036

You can check to see whether USAC has received your submission by visiting USAC's [Verification submissions page](#) or [Certification submissions page](#). These pages are updated every Thursday.

USAC Will Hold Training Sessions for Alabama, Tennessee, and Louisiana in September

USAC will hold three special training sessions on the federal Low Income programs focusing on Alabama, Tennessee, and Louisiana. The results of USAC's most recent Lifeline participation rate study showed that these states had Lifeline participation rates below 10% of the eligible population. The training sessions are designed to provide an overview of the Lifeline, Link Up, and Toll Limitation Service (TLS) programs and identify any impediments to increasing subscribership that might exist in these states. Last year, USAC held similar sessions and participants provided positive feedback indicating that the content was beneficial.

USAC will announce the dates and times for these training sessions within the next few weeks. Telephone companies, public service commissions, and social service organizations in Alabama, Tennessee, and Louisiana will be invited to participate. The training sessions will be "virtual" and USAC will provide a call-in number for participants. Additional information will be posted on USAC's website at www.usac.org/li within the next few weeks. Please call (202) 776-0200 or send an e-mail to Telcolifeline@usac.org with any questions.

Did You Know?

In addition to being exempt from paying a federal Universal Service Fee, Lifeline customers should not be assessed a Local Number Portability fee on their monthly phone bills. Consistent with section 54.401(e) of the Federal Communications Commission's rules (47 C.F.R. § 54.401(e)), ETCs should ensure that their Lifeline customers are not being charged for Local Number Portability.

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USAC appreciates feedback on this newsletter. For any questions or comments, please contact Ed Rovetto, Program Manager, External Relations, at erovetto@usac.org.

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