

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.

Registration Open for High Cost/Low Income Training Session in Indianapolis

USAC is holding a one-day training event **September 24** in Indianapolis for companies that participate in the High Cost and Low Income Programs. The trainings provide guidance on program rules, audits, and support payment calculations. More details on who should attend, topics covered, training registration, and hotel accommodations can be found at [Indianapolis Workshop](#).

Look for information on the [Training Events](#) page for information on an upcoming workshop in Washington, D.C. **November 19**.

High Cost Program

Rural and Non-Rural Certifications Due on or before October 1, 2009

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**.

IMPORTANT DATES AND REMINDERS

Sept. 30	Line Counts as of 3/31	HCL, LSS, HCM, ICLS
Sept. 30	Line Counts as of 6/30	IAS
Oct. 1	Rural, Non-Rural Use Certs. (States and self-certifying ETCs)	HCL, LSS, HCM
Oct. 1	Rate Comparability Review (States)	As required by FCC 03-249.
Oct. 1	Projections for upcoming calendar year	LSS

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August 31: Deadline for Lifeline Certifications and Verifications

Annual Lifeline Certification and Verification submissions are due on **August 31, 2009**. Companies must use the [Annual Lifeline Certification and Verification Letter](#) to submit their certification or verification results.

You can check to see whether USAC has received your company's submission by checking [USAC's website](#).

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Frequently Asked Questions about the Online FCC Form 497

The FCC Form 497 is now available online through USAC's [E-File System](#). USAC has posted on its website links to the [online form and user instructions](#). The instructions include directions for establishing new user accounts, updating existing accounts, completing the online Form 497, and contacting USAC.

ETCs are encouraged to submit Forms 497 electronically rather than sending paper copies and faxes.

Below are FAQs about the form.

Q. I need help using the form, are there instructions available?

A. Yes. The most recent instructions are on [USAC's website](#).

Q. How often are the instructions updated?

A. USAC will update the instructions and FAQs on an as-needed basis. Please refer to the instructions posted on [USAC's website](#) for the most accurate information.

Q. How do I know if I have access to the online 497?

A. Existing E-File users should see *497 Online Form* on his or her information center. Contact your company's 498 Officer or General Contact to modify your entitlements if you do not see the Form 497.

Officers and General Contacts should contact 888-641-8722 and select prompts #3, #1, #2 to reach customer operations. Customer operations can help identify problems with your 498 account.

New Users will need his or her company's 498 Officer or General Contact to set up the appropriate entitlements.

Q. I get an error message when I try to log into E-File through the link on the website. How do I access the Online Form 497?

A. Close your web browser and open a new browser. Cut and paste <https://forms.universalservice.org> into the address bar.

Q. I don't remember my password, how can I get a new one?

A. If you are the officer or general contact, you can call 888-641-8722 and select prompts #3, #1, #2 to reach customer operations. The customer operations team will reset your password over the phone. Everyone else will need his or her password reset by the officer or general contact listed on Form 498.

Q. Can I submit an online 497 for a new ETC or new service area (study area)?

A. No. All new companies must submit their first 497 by mail, fax, or email.

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Q. Can I revise forms originally submitted offline?

A. Yes. Carriers can revise any form that was submitted offline as long as it falls within the current administrative window. For example, you can use the online 497 to submit original or revised forms for 2008 and 2009 data months.

Q. Do I need to re-enter all the data for a revised 497?

A. No. Only modify the data you wish to change. You will need to re-certify the form.

Q. I saved my data but when I click *Exit to 497 Search* I get the following message: “Any unsaved data will be lost. Are you sure you want to return to the Form497 Search page?” Will I lose my data when I exit?

A. You will not lose your data if you received a “Save successful” message after you clicked *Save*.

Q. I certified my data but when I click *Exit to 497 Search* I get the following message: “Any unsaved data will be lost. Are you sure you want to return to the Form497 Search page?” Will I lose my data when I exit?

A. You will not lose your data if you received a “Form 497 certified successfully” message after you clicked *Certify*.

Q. I successfully certified my data. Will I receive a confirmation email?

A. No. You will receive a message on your screen that states: “Form 497 certified successfully.” You may save a copy of this screen for your records.

Q. I successfully certified my data. Should I send a paper copy to USAC as well?

A. No. With the exception of revisions, please provide only one 497 per data month—either offline or online—to USAC.

Q. Can I enter more than one 497 at a time?

A. Yes. You can use the Bulk Upload feature to upload multiple 497s however you will need to certify each form individually.

Q. How do I get a bulk upload template?

A. You can contact [Tanea Davis](#) for a template. Please include the applicable SPINs and SACs.

Q. How should I save my bulk upload template?

A. Templates should be saved as .xls files (EXCEL 97-2003). Other formats, including .xlsx (EXCEL 2007), will not upload.

Q. When will I be able to bulk certify?

A. The bulk certify feature will be installed this fall.

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

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

The certification must state that all federal High Cost 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.

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

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

The [Non-Rural Use Certifications](#) page on USAC's website explains 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](#) for self-certification instructions.

Check if Your Certification was Received by USAC

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

Rate Comparability Review Requirement for States

In the Order on Remand ([FCC 03-249](#), released October 27, 2003), the FCC adopted a new annual state certification requirement that took effect for the first time on October 1, 2004. Section 54.316 of the FCC's rules requires each state to review annually the comparability of residential rates in rural areas of the state

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served by non-rural incumbent local exchange carriers (ILECs) to urban rates nationwide, and to certify to the FCC and USAC as to whether the rates are reasonably comparable.

Please note that the Rate Comparability Review certification is in addition to the annual certifications in which states certify to the use of High Cost universal service support, which are also **due on October 1**.

New Email Addresses for ETC Designation Orders and Program Certifications

All ETCs, State regulatory commissions, carriers, and agents submitting ETC designation orders or High Cost certifications must notify USAC of new or changed designation orders via email to expedite their processing. You may also submit certifications this way. Please **make sure the scanned certifications are signed** or they will not be considered effective.

The new addresses are:

ETC Designation Orders: hcorders@usac.org

Program Certifications: hccerts@usac.org

Effect of Failure to Certify

In the event that a state fails to certify, no eligible telecommunications carrier (ETC) in the state shall receive High Cost Model support pursuant to Section 54.309 of the FCC's rules.

Local Switching Support Projection Filings for Rural ILECs Due on or before October 1, 2009

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 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.