

*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 Washington, D.C.**

USAC is holding a one-day training event on **January 29, 2010** in Washington, D.C. for companies that participate in the High Cost and Low Income Programs. The training provides guidance on program rules, audits, and support payment calculations. More details on who should attend, topics covered, training registration, and hotel accommodations may be found on the [Washington, D.C. Workshop](#) page.

## High Cost Program

### Local Switching Support (LSS) True-Up Data Due by December 31, 2009

Incumbent eligible telecommunication carriers (ETCs) that filed for LSS in 2008 must file actual data for calendar year 2008 no later than **December 31, 2009**. If your LSS data is not timely filed, your 2007 LSS will be recovered, absent a waiver from the FCC.

You must submit the necessary data on an OMB-approved LSS form, which can be found on the [High Cost Forms](#) page. Average schedule companies should complete Form LSSa and cost companies should complete Form LSSc. You must also submit the required certification form, found in the form instructions, for the above forms.

#### IMPORTANT DATES

December 30	Line counts due for HCL, LSS, ICLS, HCM as of 6/30/09
December 31	Line Counts due for IAS as of 9/30
December 31	LSS Actual Data for 2008
December 31	ICLS Actual Data for 2008 (Form 509)
January 29	HCLI Workshop, Washington, D.C.

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## Low Income Program

### Low Income Calendar of Important Dates

USAC's website contains a [Calendar/Reminder tool page](#) for important Low Income filing deadlines. For example, the page has information on when ETCs must submit all original and revised Forms 497 for a previous calendar year that is about to close.

The page also explains how and when to file Form 497 if you choose to file it monthly or quarterly and other useful information.

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# Low Income Program

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## **Reminder: Tier 1 Rate is Equal to the Tariffed EUCL for the Incumbent ETC**

In accordance with [47 C.F.R. 54.403\(a\)\(1\)](#), competitive ETCs must claim Tier 1 support in the amount equal to that of the End User Common Line Charge (EUCL) of the incumbent local exchange carrier serving the area in which the qualifying low-income consumer resides. Competitive ETCs should verify the current EUCL with the incumbent local exchange carrier or their state utility commission on a regular basis.

## **Reminder: Termination of Lifeline Benefits**

Lifeline benefits should be terminated when a consumer is no longer eligible or cannot prove continued eligibility. In most states, consumers are required to notify their company when they cease being eligible for Lifeline. Additionally, a consumer's eligibility may be verified periodically by the carrier or a designated agency.

If a company has a reasonable basis to believe a consumer is no longer eligible, the company must send the consumer a Notification of Impending Termination. This must be sent as a letter separate from the consumer's bill. The consumer will have 60-days from the date of the letter to provide proof of continued eligibility consistent with applicable federal or state verification requirements.

Companies must cease providing Lifeline discounts to consumers who fail to provide proof of continued eligibility within the 60-day period. If the state has dispute resolution procedures in place, the company must comply with the applicable state requirements. Consumers who provide proof of continued eligibility after the 60-day period must reapply for Lifeline benefits.

These requirements are set out in the Federal Communications Commission's rules at 47 C.F.R. §54.405(c) and (d).

## USAC Information

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### **FCC Releases Revised 2009 FCC Form 498 and Instructions**

The Federal Communications Commission (FCC) released a [revised FCC Form 498 and instructions](#) on November 5. This form replaces the current FCC Form 498. Major changes include that only a company officer can certify new or revised Forms 498, all service providers must provide electronic banking (ACH) information to receive USF payments, and all service providers must provide their Dunn & Bradstreet number. Information about the updated form can be found on the [Obtain a SPIN](#) page.

### **USAC Address Change for USF Contributor Invoice Payments**

Effective October 22, 2009, the addresses for companies to send Universal Service Fund (USF) contributor invoice payments have changed. The [Collections Payment Instructions](#) page has the new addresses.

**PLEASE NOTE:** This is only an address change for check payments and all information pertaining to ACH and Wire payments are unchanged.

Payments made via the previous address will be accepted and forwarded for at least 30 days, but extra delays to application of payments to your USAC balance should be expected. USAC will not offer any credits for any late payment fees incurred for continued use of the previous address.

Contact USAC Customer Support at **888-641-8722** if you have any questions or need help.

# High Cost Program

If the National Exchange Carrier Association (NECA) files LSS data on your behalf, NECA must submit the same data as required on the LSS forms. In addition, NECA must file your data with USAC no later than **December 31, 2009**.

If you have questions, contact USAC's customer service center at 877-877-4925.

## Interstate Common Line Support (ICLS) True-Up Data Due by December 31, 2009

All incumbent ETCs that projected for ICLS for any part of calendar year 2008 must file actual ICLS data for that year with USAC by **December 31, 2009**. This data will be used to true-up ICLS for calendar year 2008. If ICLS actual data for calendar year 2008 are not timely filed, all ICLS disbursed for that year will be recovered by USAC, absent an FCC waiver.

You must submit the data necessary to determine actual ICLS on OMB-approved Form 509, which can be found on the [High Cost Forms](#) page.

If the National Exchange Carrier Association (NECA) files ICLS data on your behalf, NECA must submit the same data as required on Form 509. In addition, NECA must file your data with USAC no later than **December 31, 2009**.

If you have questions, contact USAC's customer service center at 877-877-4925.

## Competitive ETCs Must File Quarterly Line Counts by December 30, 2009

All competitive eligible telecommunications carriers (CETCs), or their agents, must file line counts with USAC using Form 525 on a quarterly basis to qualify for high cost support. USAC recommends that CETCs use the [Online Form 525](#) to submit their line count data.

### **High Cost Loop, High Cost Model, Local Switching Support, & Interstate Common Line Support**

Your next line count filing is due no later than **December 30, 2009** for the number of lines served as of June 30, 2009.

Lines must be reported consistent with the disaggregation path(s) selected by the incumbent carrier(s) in whose service areas you serve lines. You may obtain copies of the appropriate disaggregation plans by calling USAC or view maps using the [Disaggregation Map Search](#) tool on the USAC website.

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### THREE WAYS TO FILE YOUR LINE COUNT AND TRUE-UP DATA WITH USAC

You can file line count and other High Cost program data with USAC as follows:

Via Email: [hcfilings@hcli.universalservice.org](mailto:hcfilings@hcli.universalservice.org)

Via Fax: 866-873-4666

Via Mail: Universal Service Administrative Co.  
444 Hoes Lane  
Piscataway, NJ 08854

**Remember:** Line count filings for all High Cost support components must be received by USAC no later than **December 30, 2009**.

LSS True-Up data and ICLS True-Up data must be received by **December 31, 2009**.

If a line count filing is received after the filing date, a petition for waiver will need to be filed with the FCC. Because USAC is not authorized to waive filing deadlines, only an FCC grant of a waiver will permit USAC to use late line counts to calculate high cost support.

# High Cost Program

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In addition, ICLS lines must be reported by customer class (residential and single line business lines are reported separately from multi-line business lines). HCM lines must be reported by wire center.

## ***Interstate Access Support***

Your next line count filing is due by the last business day of the quarter, **December 31, 2009**, for the number of lines served as of September 30, 2009. Lines must be reported by UNE zone and customer class (residential and single line business lines are reported separately from multi-line business lines).

Form 525, with instructions, and other forms can be found on the [High Cost Forms](#) page.

## **Incumbent ETCs Must File Quarterly Line Counts by December 30, 2009**

All incumbent ETCs, or their agents, with a competitive ETC filing line counts in their service area(s) are required to file line counts with USAC or the National Exchange Carrier Association (NECA) on a quarterly basis. Incumbent ETCs must report line counts as follows:

### ***High Cost Loop, High Cost Model, Local Switching Support & Interstate Common Line Support***

Your next line count filing is due no later than **December 30, 2009** for the number of lines served as of June 30, 2009. Lines reported must be consistent with the disaggregation path you selected. For ICLS, you must report lines using FCC Form 507, which is available on the [High Cost Forms](#) page. Lines for ICLS must be reported by customer class (residential and single line business lines are reported separately from multi-line business lines) and consistent with the disaggregation path you selected. For HCM, lines must be reported by wire center.

## ***Interstate Access Support***

Your next line count filing is due no later than the last business day of the quarter, **December 31, 2009**, for the number of lines served as of September 30, 2009. Lines must be reported by UNE zone and customer class (residential and single line business lines are reported separately from multi-line business lines).

### **New Mailing Address for High Cost and Low Income Filings**

USAC now collects all High Cost and Low Income forms at its Washington, DC mailing address. High Cost and Low Income email addresses and fax numbers will remain the same. ETCs must send Low Income FCC Form 497 and High Cost Forms 507, 508, 509, 525, Local Switching Support forms, line count filings, CMT revenue filings, and any additional information to USAC at the address below:

USAC  
Customer Operations  
2000 L Street NW, Suite 200  
Washington, DC 20036

To avoid interruption in form processing, USAC recommends that ETCs file FCC Forms 497 and 525 [online](#).

USAC will continue to receive High Cost and Low Income forms sent to USAC New Jersey until December 31, 2009. **After that date, USAC will not process any High Cost or Low Income data mailed to the old address.** For this reason, we strongly encourage you to change your records to indicate the new address or, if applicable, submit the Forms 497 and 525 [online](#).