

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 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

Do you know States have the primary responsibility for designating carriers as ETCs?

Notify USAC of New ETC Designations

To participate in the High Cost Program, rural and non-rural incumbent local exchange carriers (ILECs) and competitive wireline and wireless telecommunications companies must be designated as eligible telecommunications carriers (ETCs) by their state regulatory commissions or, in some cases, the Federal Communications Commission (FCC). Carriers should contact their state regulatory commission to determine how to initiate the ETC designation process.

Upon adoption or modification of an ETC designation order by the state regulatory commission, a new competitive ETC should receive a copy of the order. To apply for High Cost support, the ETC must submit

MORE INFORMATION

- [Where to send ETC designations](#)
- [Info Requested with ETC designations](#)
- [Notifying USAC of ETC Conditions](#)

(Continued on page 3)

Low Income Program

ETCs Must File Form 497 Revisions for 2008 Low Income Support by March 31, 2010

March 31, 2010 is the last day to submit revisions to [Form 497](#) (*Lifeline and Link Up Worksheet*) for 2008. USAC's administrative window for submitting revisions to Form 497 will close March 31, 2010, for all months prior to January 2009. This applies to submission of data on Form 497, including original (first-time) submissions and revisions of previously submitted data. USAC's administrative window for submitting data for the year 2007 is currently closed.

Carriers are encouraged to submit 2008 and 2009 revisions through the [Online Form 497](#). Carriers may also submit FCC Form 497 via [email](#) or via fax to 866-873-4665.

(Continued on page 2)

Low Income Program

You may also mail Form 497 to the following address:

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

If you have questions, contact the Low Income Customer Service Center at **1-866-873-4727**.

Are you using the Low Income Disbursement Tool?

The [Low Income Disbursement Tool](#) allows you to search and view disbursements, and to see how a particular disbursement was calculated. You can also view your company's support projection, actual support claim, and true-up amount, which permits the company to reconcile its Low Income disbursement against the amount of support claimed on FCC Form 497. Follow the steps below to use the Low Income Disbursement Tool.

1. Select "Disbursement Data" from the Low Income Tools menu OR select "Step 7: Payment Process and Status" from the Telecommunications carriers drop down menu.

2. Click on the "USAC's Low Income disbursement tool" hyperlink.

3. Enter your search criteria. You can search by any combination of SPIN, Study Area Code, Name, State, or time period.

4. Click on "Find."

5. The Low Income Disbursement Tool will display the disbursements for the requested search criteria.

6. Click on the plus sign to view true-ups and projections.

State	SPIN	Study Area	Name	Lifetime	Linkup	TLS	TOTAL	Mo./Year
MT	143002531	482235	BLACKFOOT TELEPHONE COOPERATIVE INC.	\$12,252.00	\$100.00	\$139.00	\$12,491.00	Dec/2009
MT	143002532	482241	HOT SPRINGS TELEPHONE CO.	\$5,439.00	\$62.00	\$0.00	\$5,501.00	Dec/2009
MT	143028555	482242	INTERBEL TELEPHONE COOPERATIVE INC.	\$232.00	\$0.00	\$0.00	\$232.00	Dec/2009
MT	143002534	482244	LINCOLN TELEPHONE COMPANY INC.	\$161.00	\$0.00	\$0.00	\$161.00	Dec/2009
MT	143002535	482246	MID-RIVER'S TELEPHONE COOPERATIVE INC.	\$1,821.00	\$9.00	\$0.00	\$1,830.00	Dec/2009
MT	143002536	482247	NEMONT TELEPHONE COOPERATIVE INC.	\$18,143.00	\$189.00	\$0.00	\$18,332.00	Dec/2009
MT	143002537	482248	NORTHERN TELEPHONE COOPERATIVE INC.	\$88.00	\$0.00	\$0.00	\$88.00	Dec/2009
Entered	11-2009	11-2009	Projection	\$88.00	\$0.00	\$0.00	\$88.00	
MT	143002538	482249	CENTURYTEL OF MONTANA INC.	\$9,969.00	\$8.00	\$0.00	\$9,977.00	Dec/2009
MT	143002539	482250	PROJECT TELEPHONE COMPANY	\$15,165.00	\$11.00	\$0.00	\$15,176.00	Dec/2009
Entered	11-2009	11-2009	True-up	(\$116.00)	(\$28.00)	\$0.00	(\$144.00)	
Entered	11-2009	11-2009	Projection	\$15,281.00	\$39.00	\$0.00	\$15,320.00	

High Cost Program

the order to USAC with all attachments and supporting documentation necessary to identify their service area within the incumbent service area(s) at the study area or wire center level for both rural and non-rural incumbents. The order should be submitted to USAC in a timely manner, via fax, e-mail, or regular mail.

When a competitive carrier requests designation in some, but not all, of the wire centers in those areas, the ETC designation orders must address Section 54.207 of the FCC's rules for redefinition of rural incumbent local exchange carrier study areas. When ILEC study areas must be redefined, the state commission or ETC must file a petition with the FCC seeking concurrence with the redefinition. However, in the FCC's ETC Order ([FCC 05-46](#), released March 17, 2005), the FCC stated that rural ILEC wire centers in study areas that have already been redefined do not need to be redefined again. Wire centers that were not redefined must have FCC approval in order to be eligible for High Cost support.

All ETC designation orders should clearly state any area(s) that require redefinition. If no rural incumbent study area requires redefinition, the ETC designation order should clearly state that the CETC's service area does not require any redefinition by the FCC pursuant to Section 54.207.

What is supported through the High Cost Program?

The High Cost Program of the Universal Service Fund ensures that consumers in all regions of the Nation have access to and pay rates for telecommunications services that are reasonably comparable to those in urban areas.

Only eligible telecommunications carriers (ETCs) — whether rural or non-rural incumbent local exchange carriers (ILECs) or competitive carriers serving in the areas of ILECs — may receive High Cost support.

The High Cost Program has five support components:

- [High Cost Loop \(HCL\) support](#), which includes two sub-components - [Safety Net Additive \(SNA\) support](#) and [Safety Valve Support \(SVS\)](#)
- [High Cost Model \(HCM\) support](#)
- [Interstate Access Support \(IAS\)](#)
- [Interstate Common Line Support \(ICLS\)](#)
- [Local Switching Support \(LSS\)](#)

Long Term Support (LTS) was merged into ICLS in July 2004. Each of the High Cost components has its own requirements for certification and submission of line count and revenue data as required.

ILECs can be a combination of either rural or non-rural company, and "price cap" or "rate-of-return" company. These categories determine the type of High Cost support for which an ILEC is eligible. You can view a [table](#) in the High Cost section of USAC's website to see which types of high cost support is available to each category.

For more information on High Cost Program support, visit www.usac.org/hc and click on the tabs for [Incumbent Carriers](#), [Competitive Carriers](#), or [State Commissions](#) to learn more.

USAC CONNECTION is published monthly by the Universal Service Administrative Company, 2000 L Street, NW, Suite 200, Washington, DC 20036 Phone (202) 776-0200 Fax (202) 776-0080

You may download and print copies of USAC Connection on USAC's website. You may [subscribe](#) to or [unsubscribe](#) from this newsletter. For program information, please visit the USAC website at www.usac.org. Feel free to forward this newsletter to any interested parties.

Please do not reply to this email directly, as it was sent from an unattended mailbox.
© 1997-2010, Universal Service Administrative Company, All Rights Reserved.