

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

High Cost Site Visits Well Under Way

As of June 15, 37 of the 50 High Cost Program site visits were completed. These visits have identified numerous trends among carriers.

- Most of the carriers visited this year report having at least one competitive carrier in their study area. Additionally, nearly all of the wireline carriers visited report having at least one broadband competitor in their study area. Competitors include cable operators, Voice-over-Internet Protocol providers, and wireless carriers.
- Carriers visited this year stated that they offer broadband Internet access to at least a portion of their service territory. Most of the carriers report being able to provide 90% or more of their customers with broadband service.

IMPORTANT DATES AND REMINDERS

July 31—HCL, HCM, LSS, ICLS Line Counts as of 12/31/2006 due

August 1—Contributor Form 499-Q due at USAC

For 2007, USAC is considering the development of tip sheets to help carriers better understand USAC's role in administering the High Cost Program, and to help highlight tools and information on USAC's website in response to data and information gathered from site visits. USAC's External Relations Division continues to collect feedback and identify best practices of companies that are successfully using High Cost support. These best practices can be shared with other companies and used for outreach

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Low Income Program

Lifeline Certifications and Verification Results are Due August 31

The 2007 deadline for filing Lifeline certifications and verification results with USAC is August 31, said the Federal Communications Commission (FCC) in a July 11 public notice. An eligible telecommunications carrier (ETC) in a state with its own state-based Low Income program must submit a 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. All ETCs in federal default states must submit their annual Lifeline verification survey results 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.

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High Cost Program

and education efforts.

During the second quarter of 2007, USAC visited a carrier providing service in Northwestern Wisconsin. Approximately 40% of the company's 3,200 customers are widely dispersed throughout 515 square miles. In some of the more remote portions of the company's study area, population density is less than 1 customer per square mile. In order to provide high-speed Internet access to these remote customers, the company has made significant investment in its loop plant infrastructure and has installed several Digital Loop Carriers (DLCs) to improve the quality of service. Because of these investments, the company can provide DSL service to nearly 100% of its existing customers.

Despite these challenges, High Cost support has made it possible for the company to provide telephone service at affordable rates. Customers pay only \$8.25 per month for basic residential service. The carrier's representative estimated that without High Cost support, the company would have to raise its rates to \$28.38 per month, a nearly 250% increase.

Visit USAC's High Cost Program [site visit](#) page for more information.

USAC Projection Filings to the Federal Communications Commission

Sixty days prior to the start of each quarter, USAC is required to submit projections of the High Cost, Low Income, Rural Health Care, and Schools & Libraries support requirements for the ensuing quarter to the FCC. Go to USAC's [FCC Filings](#) page to view current and past year filings.

Each quarter's filing contains a set of appendices that project the support amounts for each program, which are then further broken down by support component, recipient, study area, and other pertinent categories.

For example, the High Cost appendices include items such as High Cost Support Projected by State by Study Area, High Cost Support Projected by State, and Rural Study Areas with Competition as well as individual appendices for each of the High Cost components.

For the Low Income Program you can find appendices such as Quarterly Low Income Support Disbursement Amounts by Company, Lifeline Subscriberhip by State or Jurisdiction, and Eligible Telecommunications Carriers as of a certain quarter.

Did You Know About the High Cost Model CLLI Search Tool?

The [High Cost Model CLLI Search Tool](#) enables competitive ETCs and competitive companies seeking ETC designation to accurately report line counts for High Cost Model Support. The tool enables companies to use various search methods to locate the correct ILEC wire center CLLI and other related information.

USAC Information: **Form 499-Q for Contributors due August 1, 2007**

The *Telecommunications Reporting Worksheet* (Form 499-Q) must be received by USAC **on or before August 1, 2007** to be considered timely filed. Form 499-Q is used by contributors to report projected future quarters' revenue and is only open for downward revisions for **45 days** after the original due date. The August 1 Form 499-Q reports projected revenue for the fourth quarter (October-December 2007). If a form due date falls on a weekend or holiday, the form is due the following business day. USAC will charge [late filing penalties](#) when a required form is not filed by the due date.

USAC encourages fund contributors to take advantage of its online submission capabilities ([E-file](#)). Contributors must have filed their first Form 499 on paper with certification to enable online filing. Contributors can also file a paper copy of [Form 499-Q](#). Call USAC's Customer Service Center at **1-888-641-8722** for questions about Form 499-Q.

Low Income Program

The FCC also established **August 31 as the permanent deadline** for submitting annual certifications and verification results, and **October 31 as the 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 certifications, verification results, and updates to USAC by one of the following methods:

Fax: (202) 776-0080 Attention: Low Income Program

E-mail: Submit scanned Adobe PDF versions with signatures to LiVerifications@usac.org

Mail: USAC
Low Income Program
2000 L Street, NW, Suite 200
Washington, D.C. 20036

The [FCC's Public Notice](#) provides more information and answers to frequently asked questions.

Check to see if USAC has Received Your 2007 Certification and/or Verification

ETCs submitting 2007 Lifeline verification survey results (federal default states) or 2007 Low Income certifications (all non-federal default states) can check to see if USAC has received and processed their submissions by using the links below. Both verifications and certifications must be signed by an officer of the ETC. The lists are updated weekly.

[2007 Verification](#)

[2007 Certification](#)

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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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