

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 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](#).

High Cost Program

HCL, LSS, HCM, ICLS Line Counts Due July 31

Incumbent and competitive carriers must file line count data for High Cost Loop (HCL), Local Switching Support (LSS), High Cost Model (HCM), and Interstate Common Line Support (ICLS) **by July 31, 2009**. All carriers must report lines served as of December 31, 2007. Rural and non-rural ILECs must file line count data with the National Exchange Carrier Association (NECA) with their annual cost data filings July 31, 2009.

IMPORTANT DATES AND REMINDERS

July 31	Line Counts	HCL, LSS, HCM, ICLS
August 3	FCC Form 499Q	Revenue Reporting Worksheet for projected 4Q revenue due

(Continued on page 3)

Low Income Program

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](#).

Online Form 497 will be available August 1

ETCs can begin using the online FCC Form 497 August 1. The online form will allow carriers to input their monthly support claims directly rather than sending a paper copy or fax to USAC. The online form includes

(Continued on page 2)

Low Income Program

automated validations, which should reduce the number of resubmissions made by carriers.

ETCs can use the online form to submit original support claims or revised data previously submitted between January 2008 and July 2009. USAC strongly encourages ETCs to use the online form for future Low Income support claims.

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.

USAC is very excited about the online Form 497 rollout; if the number of attendees at the recent webinars is any indication, then you are excited as well! Good luck and please let us know if you encounter any difficulties.

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).

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Please do not reply to this email directly, as it was sent from an unattended mailbox.

High Cost Program

ICLS line count information

Rate-of-return carriers must submit line count data **by July 31, 2009** for each study area by customer class as of December 31, 2008 in the following categories: number of residential and single-line business access lines in service; number of multi-line business access lines in service; and total number of access lines in service. Carriers must file disaggregated line count data, if such zones have been established within the study area. You, or your agent, must use the [Interstate Common Line Support Mechanism Line Count Report](#) (Form 507) and file your ICLS line count information with USAC.

Line count information for rural carriers

Rural ILECs must submit line count information at the study area level or consistent with the [Disaggregation Plan](#) adopted under the FCC's Rural Task Force Order. Rural ILECs without competition may voluntarily submit updated quarterly information. Rural incumbent carriers must file line count information with NECA.

Line count information for non-rural carriers

Non-rural ILECs are required to submit updated line count data at the wire center level on a quarterly basis. High Cost Model support is calculated and distributed at the wire center level. Non-rural ILECs must file HCM line count information with NECA.

Line count information for competitive carriers

Competitive eligible telecommunications carriers (CETCs) must file line count data in the same manner as the ILEC in whose service area the CETC competes. CETCs must use the [Competitive Carrier Line Count Report](#) (Form 525) to submit line count data to USAC. USAC has developed an online Form 525 (e525) and CETCs are encouraged to use this option, which makes it easier to certify and submit line count data with USAC. The online Form 525 is accessed through USAC's [E-File](#) system.

For HCL and LSS, CETCs must report lines consistent with the disaggregation plan selected by the incumbent carrier(s) in whose service area(s) you serve lines. For HCM, you must report lines by wire centers. For ICLS, you must file the number of working loops you serve in the service area of a rate-of-return incumbent carrier, disaggregated by the incumbent carrier's cost zones and customer class, if any.

If the Form 525 is filed by fax or e-mail, the signed certifications of the authorized persons must still be received by USAC by the due date. If an agent files on behalf of a company, the company must complete the top portion of the agent certification page and the agent must complete the bottom portion.

Notice to All Carriers About Filing Line Count Data in a Timely Manner

Remember that your line count filings must be received by USAC or NECA (as noted above) **by July 31, 2009**. If your line count filing is received after that date, you will need to file a petition with the FCC for a waiver of the line count filing rule in order for USAC to be permitted to use your line counts to calculate high cost support.

Line Count Forms

ILECs must submit Part 36 data to NECA and Part 54 data to USAC using the appropriate forms. The Part 54 data filings can be sent by mail, e-mail, or fax to:

Universal Service Administrative Company
444 Hoes Lane
Piscataway, NJ 08854

Fax: (866) 873-4695

E-Mail: hcfilings@hcli.universalservice.org

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

High Cost Program

Using the Online Form 525 for Competitive ETC Line Count Filings

USAC encourages Competitive Eligible Telecommunications Carriers (CETCs) to use its E-File System to file their Form 525 line count data online using the e525. Using the e525 provides you with tabs for each component of High Cost support and drop-down menus to easily select the ILECs in whose areas you provide service. After the first time you use the e525, the wire centers will be pre-populated the next time you use it. You can also revise previously filed data or submit data via a bulk upload feature. The e525 also validates your data before it is submitted to ensure accurate filings. Once your data is validated you must finalize your submission by clicking the Certify/Submit button on the Certify/Submit tab of the form.

In order to use E-File, USAC recommends that CETCs confirm that all personnel filing High Cost line count data have access to USAC's [E-File](#) system. Access to e525 is managed through the E-File portal. It is critical that you identify your online users, update their information, and/or confirm their logins and passwords.

Carrier Info	HCL/LSS	ICLS	HCM	IAS	UNE Reporting	Certify/Submit		
SPIN: 143027419 SAC: 559007 Study Area Name: USACETC5								
Quarterly Submission for 2Q2008 HCL/LSS lines as of: Dec 31, 2007 due Jul 31, 2008								
(16) and (17)* Select ILEC Name and SAC (20) Select Disaggregation Zone (21) Select Wire Center (22) Lines* 0 (23) UNE <input type="checkbox"/>								
Add Line Counts								
Line Count Data for Path 1, 2 and 3 Carriers								
(16) ILEC Name	(17) ILEC SAC	(18) ETC?	(19) Path	(20) Disaggregation Zone	(21) Wire Center CLLI	(22) Total Lines In Service	(23) UNEs?	Remove
HOPI TELECOMMUNICATIONS COMPANY	450815	N	1		KMCNAZXC	1	N	X
GILA RIVER TELECOM.	452179	N	3	zone 2	BLWRAXXA	1	N	X
Delete All Rows Upload Data Save Return to 525 List								

To gain access to the e525, CETC personnel must be the Officer and/or General Contact discussed above **OR** be set up as an "Authorized" user by the Officer or General Contact as found in Block 14 of Form 498 (*Service Provider Identification Number and Contact Information Form*). For password assistance, call **(888) 641-8722**.

Only the Officer and General Contact have authority to submit the e525 until other "Authorized" users are established such as company staff, as well as agents. In the case of agent-entered data, as is the case with the paper Form 525, an authorized company representative must make a final certification for the e525. Step-by-step instructions for setting up "Authorized" users can be found in the [E-File User Guide](#).

Carrier Info	HCL/LSS	ICLS	HCM	IAS	UNE Reporting	Certify/Submit
FCC Form 525						
Certification of Agent Authorized to File FCC Form 525, Line Count Report for Competitive Carriers, on Behalf of Reporting Carrier						
I, as agent for the reporting carrier, certify that I am authorized to submit the information reported on FCC Form 525 on behalf of the reporting carrier; I have provided the line count data reported herein based on actual line count data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate. I also certify that I will provide copies of the line count filing to the reporting carrier within 15 days.						
Name of Reporting Carrier	USACETC					
Name of Authorized Agent*	John Smith					
Signature of authorized agent or employee of agent	By logging into my account and clicking the Certify/Submit button below, I am electronically signing this form.					
Printed name of authorized agent or employee of agent*	John Smith					
Title or position of authorized agent or employee of agent*	Manager					
Telephone number of authorized agent*	123-456-7890					
Study Area Code of Reporting CETC	559007					
Filing Due Date for this form (mm/dd/yyyy)	06/30/2008					
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. ?? 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. ? 1001.						
Certify/Submit Validate Form 525 Return to 525 List						

The e525 provides a convenient way for CETCs to file their line count data for all components of High Cost support. It allows for timely and accurate filings as well as the ability to review prior filings.

For questions, call **1-877-877-4925**.