

The USAC Connection High Cost & Low Income newsletter will give you information about upcoming program deadlines, tips to help you ensure timely and proper filings, and other timely information. This electronic newsletter will be issued monthly.

High Cost Program

IAS Annual Self-Certifications Due June 30, 2006

Each price-cap carrier, and CETCs serving lines in the service area of a price-cap carrier, must file an annual self-certification **by June 30, 2006** in order to receive Interstate Access Support (IAS) for the upcoming program year (July 1, 2006 to June 30, 2007). This self-certification must be filed with USAC and the FCC, and must state that all IAS provided will be used **ONLY** for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

An IAS self-certification sample letter can be found on [USAC's High Cost Forms page](#) and may be filed by an authorized representative for the carrier. Be sure to reference CC Docket No. 96-45 and file the self-certification with USAC and the FCC. After you

IMPORTANT DATES AND REMINDERS

June 30—IAS Self-Certifications due at USAC & FCC
June 30—ICLS Self-Certifications due at USAC & FCC
June 30—IAS Line Counts due (report as of 3/31/06)

file, go to the [Certifications Page](#) to see if your self-certification has been received. If your self-certification is filed late, absent a waiver from the FCC, you will be eligible for IAS as follows:

- By **9/30/06**, eligible for 4Q06, 1Q07, 2Q07.
- By **12/31/06**, eligible for 1Q07, 2Q07.
- By **3/31/07**, eligible for 2Q07.

See [File Certifications for IAS](#) for more information or call our Customer Service Center at 877-877-4925.

Low Income Program

Results of Lifeline Eligibility Verifications are due June 22, 2006

Eligible telecommunications carriers (ETCs) in federal default states must verify the continued eligibility of a statistically valid sample of their Lifeline customers and submit the results to USAC **by June 22, 2006**.

ETCs should survey a statistically valid sample of their Lifeline customers and report the number of customers surveyed, the number found to be ineligible, and the number that failed to respond to the survey (if any). ETCs should follow-up with consumers that do not respond and file updated results with USAC after June 22. In the alternative, an ETC can contact a state agency to determine whether subscribers continue to participate in a particular qualifying program or have a certain income level. Under either procedure, ETCs should submit their verification results on the [Sample Letter](#) on the Low Income Program section of USAC's website.

TIPS AND HINTS

Completing FCC Form 497

Please remember to complete and submit page two of FCC Form 497.

- Be sure to check the box indicating whether your company is, or is not, subject to state regulation
- Sign and date the form

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High Cost Program

ICLS Annual Self-Certifications Due June 30, 2006

Each rate-of-return carrier, and CETCs serving lines in the service area of a rate-of-return carrier, must file an annual self-certification **by June 30, 2006** in order to receive Interstate Common Line Support (ICLS) for the upcoming program year (July 1, 2006 to June 30, 2007). This self-certification must be filed with USAC and the FCC, and must state that all ICLS provided will be used **ONLY** for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

An ICLS self-certification sample letter can be found on [USAC's High Cost Forms page](#) and may be filed by an authorized representative for the carrier. Be sure to reference CC Docket No. 96-45 and file the self-certification with both USAC and the FCC. After you file, go to the [Certifications Page](#) to see if your self-certification has been received. If your self-certification is filed late, absent a waiver from the FCC, you will be eligible for ICLS as follows:

By **9/30/06**, eligible for 1Q07, 2Q07.

By **12/31/06**, eligible for 2Q07.

After **12/31/06**, not eligible for ICLS support.

See [File Certifications for ICLS](#) for more info or call our Customer Service Center at 877-877-4925.

Addresses for Filing IAS and ICLS 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

Price-Cap Carriers and CETCs Receiving IAS Must File Quarterly Line Counts by June 30, 2006

All price-cap carriers and CETCs serving lines in the service area of a price-cap carrier, or their agents, are required to file line counts for IAS with USAC **by June 30, 2006** for the number of lines served as of March 31, 2006. CETCs must use the new [Form 525](#). Lines must be reported by UNE zone and customer class.

An officer or authorized employee must complete the reporting carrier certification page of Form 525. If an agent files on behalf of the company, the company must complete the top portion of the agent certification page and the agent is responsible for completing the bottom portion.

If the Form 525 is filed electronically (e.g., by fax or e-mail), the signed certifications of the authorized persons still must be received by USAC by the due date. If filings, including certifications, are not received by the due date, you will need to seek a waiver from the FCC. USAC cannot waive the filing deadline. Only an FCC waiver will permit USAC to use your filings to calculate IAS. CETCs can send Form 525 to:

Universal Service Administrative Company
444 Hoes Lane
RRC 4A1060
Piscataway, NJ 08854
By Fax: (866) 873-4666
By E-mail: hcfilings@hcli.universalservice.org

For questions about IAS line counts, call our Customer Service Center at (877) 877-4925.

For more information on the High Cost Program, visit www.usac.org/hc.

Low Income Program

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All verification submissions must be signed. You may submit a completed Sample Letter that includes a signature electronically to USAC via e-mail at liverifications@usac.org. Signed paper copies should be mailed to:

USAC – LI Verifications
2000 L Street, NW
Suite 200
Washington, DC 20036

You can confirm whether USAC has received your company's verification results by checking the [2006 Verification](#) list. This list will be updated weekly beginning in mid-May.

Frequently Asked Questions About the Verification Process

Q. Is my state a federal default state?

A. Currently, Delaware, Hawaii, Iowa, Illinois, Indiana, Louisiana, New Hampshire, American Samoa, and Northern Mariana Islands are federal default states. If your state is not listed here, contact your state commission for its certification and verification procedures.

Q. What is a “statistically valid sample”?

A. The size of a company's statistically valid sample depends on the number of Lifeline customers served and the number of ineligible customers found to be taking Lifeline during the 2005 Verification Process. [Appendix J](#) of the FCC's *Lifeline and Link-Up Order* (FCC 04-87) provides a chart and additional explanation.

Q. On what geographic basis should verification results be presented?

A. The *Lifeline and Link-Up Order* contemplates program eligibility requirements on a state-by-state basis. Therefore, in federal default states, the verification sample should be drawn from the company's Lifeline customers on a statewide basis. In states that mandate their own state-based Lifeline support, ETCs should consult the state verification procedures.

USAC's website provides more [FAQs about the verification process](#) including the [Sample Letter](#) on which verification results should be submitted, as well as information on [Statistically Valid Sample](#) and the [FCC's Lifeline and Link Up Order](#).

For more information on the Low Income Program, visit www.usac.org/li.

USAC Information: USAC will be closed Monday, May 29, in observance of Memorial Day.

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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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