

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.

New Mailing Address for High Cost/Low Income Filings Begins October 1

USAC will begin collecting all High Cost and Low Income forms at its Washington, DC mailing address **beginning October 1, 2009**. High Cost and Low Income email addresses and fax numbers will remain the same.

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Rural and Non-Rural Certifications Due on or before October 1, 2009

All eligible telecommunications carriers (ETCs) - rural, non-rural, and competitors - are subject to component-specific certification requirements that have a direct impact on those carriers' receipt of High Cost support.

State regulatory commissions typically submit ETC certifications for rural, non-rural, and competitive carriers that are eligible to receive High Cost support for High Cost Loop, High Cost Model, Local Switching Support, Safety Net Additive, or Safety Valve Support in the form of a letter to USAC and the FCC. These are **due annually on or before October 1**.

New Email Addresses for ETC Designation Orders and Program Certifications

All ETCs, State regulatory commissions, carriers, and agents submitting ETC designation orders or High Cost certifications must notify USAC of new or changed designation orders via email to expedite their processing. You may also submit certifications this way. Please **make sure the scanned certifications are signed** or they will not be considered effective.

The new addresses are:

ETC Designation Orders: hcorders@usac.org

Program Certifications: hccerts@usac.org

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Online Form 497 Bulk Certification to be Available Soon

As noted in the past few issues, the FCC Form 497 is now available online through USAC's [E-File System](#). A new feature of the Online Form 497 will be Bulk Certification. As part of its ongoing outreach to educate filers about the Online Form 497, USAC will be conducting a training session in October on using the Bulk Certification feature for the online Form 497. USAC will notify eligible telecommunications carriers (ETCs) when the date and time are set.

Meanwhile, USAC's website has links to the [online form and user instructions](#). The instructions include

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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:

NEW MAILING ADDRESS FOR HIGH COST/LOW INCOME FOR OCTOBER 1
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](#).

CONTACT INFORMATION

HIGH COST PROGRAM	LOW INCOME PROGRAM
Toll Free: (877) 877-4925 Fax: (866) 873-4695 E-Mail: HC Questions	Toll Free: (866) 873-4727 Fax: (866) 873-4665 E-mail: LI Filings (497)

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directions for establishing new user accounts, updating existing accounts, completing the online Form 497, and contacting USAC.

ETCs are encouraged to submit Forms 497 electronically rather than sending paper copies and faxes.

If you want to use the Bulk Certification feature before mid-October or have questions about the Online Form 497, contact [Tanea Davis](#) or go to the [Online Form 497 FAQ](#) page.

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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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.

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ETCs should work with their state commissions to ensure they are included in the certifications. Failure to timely file October 1 certifications affects ETC support as indicated in the table on the next page.

State Commission Certification Requirements

In order for ETCs within a state to receive High Cost support (including HCL, HCM, LSS, SNA or SVS), the appropriate state public utilities commission must file an annual certification, by October 1 each year, with USAC and the FCC.

Components	Certification filed by:	ETC Eligible For Support:
High Cost Loop	October 1	January 1 to December 31 of the following calendar year
Safety Net Additive	January 1	Second, third, and fourth quarters of the same year
Safety Valve Support	April 1	Third and fourth quarters of the same year
Local Switching Support	July 1	Fourth quarter of the same year
High Cost Model	After July 1	No support for the same year

The certification must state that all federal High Cost support provided to rural and/or non-rural carriers and competitive ETCs within the state will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. The certification must also reference CC Docket No. 96-45. If a state fails to certify an ETC, that ETC will not be eligible to receive support in the first quarter of the following calendar year.

Addresses for Filing October 1 Use Certifications and 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

The [Rural Use Certifications](#) page on USAC's website explains certification filings that state commissions make for **rural ETCs** and **competitive ETCs** providing service in the areas of these companies.

The [Non-Rural Use Certifications](#) page on USAC's website explains certification filings that state commissions make for **non-rural ETCs** and **competitive ETCs** providing service in the areas of these companies.

If an ETC is not subject to state jurisdiction, it must file a self-certification directly with USAC and the FCC. See [Filing requirements](#) for self-certification instructions.

Check if Your Certification was Received by USAC

To see if USAC has received your October 1 Use Certification, visit the [certification checklist](#).

Rate Comparability Review Requirement for States

In the Order on Remand ([FCC 03-249](#), released October 27, 2003), the FCC adopted a new annual state certification requirement that took effect for the first time on October 1, 2004. Section 54.316 of the FCC's rules requires each state to review annually the comparability of residential rates in rural areas of the state

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served by non-rural incumbent local exchange carriers (ILECs) to urban rates nationwide, and to certify to the FCC and USAC as to whether the rates are reasonably comparable.

Please note that the Rate Comparability Review certification is in addition to the annual certifications in which states certify to the use of High Cost universal service support, which are also **due on October 1**.

Effect of Failure to Certify

In the event that a state fails to certify, no eligible telecommunications carrier (ETC) in the state shall receive High Cost Model support pursuant to Section 54.309 of the FCC's rules.

Local Switching Support Projection Filings for Rural ILECs Due on or before October 1, 2009

Rural incumbent local exchange carriers (ILECs) serving 50,000 or fewer lines may submit a projection filing for Local Switching Support (LSS). LSS projections **are due on October 1 each year** for support in the following calendar year.

A "cost company" serving 50,000 lines or fewer must submit the *Local Switching Support Reporting Worksheet for Cost Companies* (Form LSSc) in order to qualify for local switching support. An "average schedule" company must submit the *Local Switching Support Reporting Worksheet for Average Schedule Companies* (Form LSSa) in order to qualify for LSS. The forms can be found on the [High Cost Forms](#) page. LSS filings can be sent:

Via **Mail**: USAC, 444 Hoes Lane, Piscataway, NJ 08854

Via **Fax**: (866) 873-4695

Via **E-Mail**: hcfilings@hcli.universalservice.org

Note: If the National Exchange Carrier Association (NECA) files LSS data on a carrier's behalf, the carrier does not need to file the data directly with USAC.

If you have any questions, call our Customer Service Center at 877-877-4925.

IMPORTANT DATES AND REMINDERS

September 30	Line Counts as of 3/31	HCL, LSS, HCM, ICLS
September 30	Line Counts as of 6/30	IAS
October 1	Rural, Non-Rural Use Certs. (States and self-certifying ETCs)	HCL, LSS, HCM
October 1	Rate Comparability Review (States)	As required by FCC 03-249.
October 1	Projections for upcoming calendar year	LSS
November 19	High Cost/Low Income Training, Washington, DC	HCLI Training Events Page