

Eric Fryson

From: Westman, Beth [Portland, ME.] [beth.westman@fairpoint.com]
Sent: Friday, June 29, 2012 2:57 PM
To: Filings@psc.state.fl.us
Subject: TL719 Universal Service Certification 47 USC 254(e); 47 CFR §54.314

Attachments: Florida - GTC-S.pdf

Responsible Party: Beth Westman
State Government Affairs Manager
FairPoint Communications
1 Davis Farm Road
Portland, ME 04103
bwestman@fairpoint.com
207-535-4249

Docket No: 120150-TL - 2013
State Annual certification of rural telecommunications carriers pursuant to 47 C.F.R. 54.314, High Cost Universal Service.

Filed on behalf of: GTC, Inc. d/b/a FairPoint Communications

No. of Attachments: 1

No. of Pages: 4

Description: Affidavit in support of FUSF for 2013

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6/29/2012

RECEIVED MAIL ROOM DATE
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FPSC-COMMISSION CLERK

July 2, 2012

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-085

Re: GTC, Inc. d/b/a FairPoint Communications - Universal Service Certification
47 USC 254(e); 47 CFR ' 54.314

GTC, Inc. d/b/a FairPoint Communications, hereby submits the enclosed affidavit in support of its use of federal universal funds for 2013 to facilitate certification by the Commission as contemplated in 47 C.F.R. §54.314.

The amount of federal high-cost support received in 2013 will continue to be used for the provision, maintenance, and upgrading of facilities and service for which such support is intended.

Please feel free to contact me at the number below or via email at aprior@fairpoint.com should you have any questions concerning this filing.

Sincerely,



Audrey Prior
VP Government Relations - Maine
FairPoint Communications
P: 207-535-4247
F: 207-797-1221

Attachment

1001 MARKET STREET, SUITE 200

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AFFIDAVIT

BEFORE ME, the undersigned authority appeared Michael T. Skrivan, who deposed and said:

1. My name is Michael T. Skrivan. I am employed by GTC, Inc. d/b/a FairPoint Communications (the "Company") as its Vice President of Regulatory. I am authorized to give this affidavit on behalf of the Company. This affidavit is being given to support the Florida Public Service Commission's certification as contemplated in 47 C.F.R. §54.314.

2. GTC, Inc. d/b/a FairPoint Communications hereby certifies that the federal high-cost universal service support the Company received in 2012 and will receive in 2013 was and will be used for the services and functionalities outlined in 47 C.F.R. §54.101(a), and that it will only use the federal high-cost support it receives for the provision, maintenance and upgrading of facilities and services for which such support is intended, consistent with section 254(e) of the Act.

3. GTC, Inc. d/b/a FairPoint Communications hereby certifies that it has submitted via annual NECA filings, the supporting documentation on network improvements and expenditures in support of our universal service filing and refers to this in lieu of formal network plans. USF disbursement received by the Company and other rural incumbent local exchange companies is divided into four categories: Interstate Common Line Support ("ICLS"), Local Switching Support ("LSS"), High Cost Loop Support ("HCLS"), and Safety Net Additive Support ("SNAS"). Each of these mechanisms has been created by the FCC in conjunction with the Federal-State Joint Board on Universal Service. This means that representatives from State Commissions have also been involved in the development of these mechanisms through their representation in the Joint Board process.

ICLS is a universal service mechanism which is based upon each company's embedded interstate loop costs and allows rate-of-return companies to offset interstate common line access charges and recover its interstate common line revenue requirement and still allow SLCs to remain affordable to customers. ICLS is reimbursing ILECs for investments and expenses already incurred. The ICLS calculation uses the interstate cost structure of a rural incumbent local exchange carrier ("ILEC") based upon annual interstate cost studies that are submitted and certified by the companies and received by NECA. The difference between the interstate common line revenue requirement, again as set forth in the company's annual interstate cost study and the SLC revenue collected from end users, makes up the ICLS.

LSS rules established by the FCC use the embedded costs of the rural ILECs associated with switching investments, depreciation, maintenance, expenses, taxes, and an FCC established rate of return. Therefore, LSS is reimbursing ILECs for investments and expenses already incurred. This amount is used to offset the rural ILECs interstate switching revenue requirement. The difference between the

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interstate switching revenue requirement, again as set forth in the company's annual interstate cost study and LSS, makes up the switching rate which is charged to interexchange carriers.

The HCLS for rural ILECs is based upon each company's embedded, unseparated loop costs. These costs are calculated using a set of complex algorithms approved by the FCC, the inputs for which are scrutinized by NECA. Therefore, HCLS is reimbursing ILECs for investments and expenses already incurred.

Pursuant to the FCC Order, SNAS is support above the HCL cap for carrier that make significant investment in rural infrastructure in years in which HCL is capped. To receive SNAS, a rural carrier must show that growth in telecommunications plant in service (TPIS) per line is at least 14 percent greater than the study area's TPIS in the prior year. Therefore, SNAS is reimbursing ILECs for investments and expenses already incurred. Carriers seeking to qualify for Safety Net Additive Support must provide written notice to USAC that a study area meets the 14 percent TPIS trigger.

All of these programs are administered through the USAC. USAC, as a private, not-for-profit corporation, is responsible for providing every state and territory of the United States with access to affordable telecommunications service through the federal USF. USAC has contracted with NECA to assist in data collection necessary for the remittance of universal service funds. What this means is that each company submits, no less frequently than annually, detailed information requested by NECA in the USF data collection process.

Rural ILECs must attest to the information submitted. Further, NECA and its auditors must attest to the validity and integrity of NECA's process. In other words, the ILEC cost studies and responses to data collection requests are subject to audit. The information provided in response to all of the universal service fund mechanisms utilizes FCC accounts for regulated costs and must be in compliance with FCC rules in Parts 32, 36, 54, and 64.

All cost studies submitted by rural ILECs and all USF funding submitted by rural ILECs must be based upon financial statements. In addition, NECA performs focus reviews of cost studies as well as the USF filings for the cost companies involved in the NECA process. In addition, an officer of the rural ILEC must certify the accuracy and validity of the filed information.

HCLS data used in the HCLS calculations by NECA must also be filed with the FCC in October of each year. This data contains the regulated financial inputs into the algorithm as well as the number of loops that will receive universal service support.

4. GTC, Inc. d/b/a FairPoint Communications hereby certifies that it follows appropriate procedures for network outage reporting as per the Federal Outage Reporting Order and State Outage Reporting requirements. For the period between March 1, 2011 and February 29, 2012, GTC, Inc. d/b/a FairPoint Communications did not have any Federal FCC reportable outages nor did the company have any State PSC reportable outages.

5. GTC, Inc. d/b/a FairPoint Communications hereby certifies that it did fulfill all requests for service from potential customers.

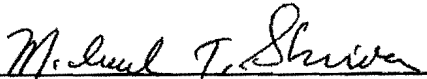
6. GTC, Inc. d/b/a FairPoint Communications hereby certifies that for the period from March 1, 2011 to February 29, 2012, four (4) FCC complaints were received, processed, and resolved per FCC rules. During the same period, eight (8) state PSC complaints were received, processed, and resolved per PSC rules.

7. GTC, Inc. d/b/a FairPoint Communications hereby certifies that for the period ending February 29, 2012, the company had no requests for service that were unfulfilled due to company construction requirements.

8. GTC, Inc. d/b/a FairPoint Communications hereby certifies that the company is complying with all applicable service quality standards and consumer protection rules in accordance with Florida Statutes and Florida Administrative Code.

9. GTC, Inc. d/b/a FairPoint Communications hereby certifies that it is able to function in emergency situations, offers a tariffed local usage plan, and provides equal access to long distance carriers.

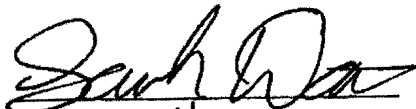
FURTHER AFFIANT SAYETH NOT.


Michael T. Skrivan
Vice President of Regulatory

STATE OF MAINE

COUNTY OF CUMBERLAND

Acknowledged before me, a notary public for the state of Maine, this 29th day of June, 2012, by Michael T. Skrivan, as Vice President of Regulatory, GTC, Inc. d/b/a FairPoint Communications, who is personally known to me or produced identification and who did take an oath.


Maine Bar No. 4219