

AUSLEY & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

123 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

October 11, 2013

VIA HAND DELIVERY

Ms. Ann Cole, Director
Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RECEIVED-FPSC
13 OCT 11 PM 1:22
COMMISSION
CLERK

RE: Smart City Telecommunications LLC d/b/a Smart City Telecom; High-cost
Certification
Docket No. 130158-TL-2014

Dear Ms. Cole:

In accordance with 47 CFR § 54.313, enclosed for filing is Smart City's affidavit that attests the company will only use the federal high-cost support it receives for the purposes outlined in statute.

Smart City requests that the Florida Public Service Commission file the annual certifications regarding federal high-cost support with the FCC and Universal Service Administrative Company (USAC) pursuant to 47 CFR § 54.314.

You may contact me if there are questions regarding this filing.

Sincerely,



J. Jeffrey Wahlen

Enclosures

cc: Debbie Huttenhower; Jim Polk; Bob Casey (w/o encls.)

Florida Public Service Commission
Docket No. 130158-TL

AFFIDAVIT

BEFORE ME, the undersigned authority appeared **James T. Schumacher**, who deposed and said:

1. My name is James T. Schumacher. I am employed by Smart City Telecommunications LLC d/b/a Smart City Telecom ("Smart City Telecom" or the "Company") as its Vice President – Finance and Administration. I am an officer of the Company and 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. §54.313 and §54.314.

2. Smart City Telecom hereby certifies that all federal high-cost and CAF support was used in the preceding year and will be used in 2014 only for the provision, maintenance and upgrading of facilities and service for which such support is intended.

3. Smart City Telecom hereby certifies that it has submitted via annual NECA filings, the supporting documentation on network improvements and expenditures in support of its 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 companies 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 incumbent local exchange carriers ("ILECs") for investments and expenses already incurred. The ICLS calculation uses the interstate cost structure of a rural 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 were discontinued in July 2012. They were 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 had reimbursed the ILECs for investments and expenses

Florida Public Service Commission
Docket No. 130158-TL

already incurred. This amount was used to offset the rural ILECs' interstate switching revenue requirement. The difference between the interstate switching revenue requirement, again as set forth in the company's annual interstate cost study and LSS, made 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 carriers 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. NECA also 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.

Florida Public Service Commission
Docket No. 130158-TL

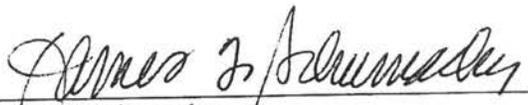
4. SCT hereby certifies that it follows appropriate procedures for network outage reporting as per the Federal Outage Reporting Order and State Outage Reporting Requirements. For the period between March 1, 2012 and March 1, 2013, SCT did not have any Federal FCC reportable outages or Florida Public Service Commission reportable outages.

5. SCT hereby certifies that it did fulfill all requests for service from potential customers.

6. SCT hereby certifies that for the period from March 1, 2012 and March 1, 2013 no Florida Public Service Commission or FCC complaints were received.

7. SCT 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.

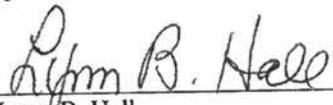
FURTHER AFFIANT SAYETH NOT.



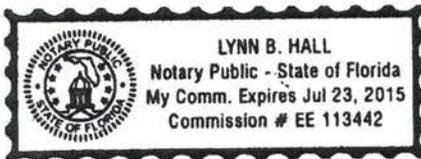
James T. Schumacher
Vice President – Finance and Administration

STATE OF FLORIDA
COUNTY OF ORANGE

Acknowledged before me this 11th day of October, 2013, by James T. Schumacher, as Vice President – Finance and Administration of Smart City Telecommunications LLC d/b/a Smart City Telecom, who is personally known to me or produced identification and who did take an oath.



Lynn B. Hall
Notary Public – State of Florida



Personally Known _____ X _____
Produced Identification _____
Type of Identification Produced _____