

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 29, 2023

TO: Office of Commission Clerk (Teitzman)

FROM: Office of Industry Development and Market Analysis (Nave, Wooten) *CH*
Office of the General Counsel (Sparks) *ACH*

RE: Docket No. 20230076-TP – 2024 State certification under 47 C.F.R. §54.313 and §54.314, annual reporting requirements for high-cost recipients and certification of support for eligible telecommunications carriers.

AGENDA: 09/12/23 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: La Rosa

CRITICAL DATES: 10/02/23 (Filing deadline with the Federal Communications Commission and the Universal Service Administrative Company)

SPECIAL INSTRUCTIONS: None

Case Background

One of the primary principles of universal service support as described in the Telecommunications Act of 1996 (Telecom Act) is for consumers in all regions to have reasonably comparable access to telecommunications and information services at reasonably comparable rates.¹ The federal universal service high-cost program is now designed to help ensure that consumers in rural, insular, and high-cost areas have access to modern communications networks capable of providing voice and broadband service, both fixed and mobile, at rates that are reasonably comparable to those in urban areas.² The program supports

¹ 47 U.S.C. §254(b)(3) (2023)

² FCC, “Universal Service for High Cost Areas - Connect America Fund,” updated July 7, 2023, <https://www.fcc.gov/general/universal-service-high-cost-areas-connect-america-fund>, accessed August 17, 2023.

the goal of universal service by allowing eligible telecommunications carriers (ETCs) to recover some of the costs of service provision in high-cost areas from the federal Universal Service Fund. Carriers can be designated as ETCs in Florida by the Florida Public Service Commission (Commission) or the Federal Communications Commission (FCC).

In order for carriers to receive federal universal service high-cost support, state commissions must annually certify to the Universal Service Administrative Company (USAC) and to the FCC that each carrier complies with the requirements of Section 254(e) of the Telecom Act by using high-cost support “only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.”³ Certification will be filed online by the Commission through USAC’s online portal. Immediately following online certification, the USAC website will automatically generate a letter that may be submitted electronically to the FCC to satisfy the submission requirements of 47 C.F.R. §54.314(c). In order for a carrier to be eligible for high-cost universal service support for all of calendar year 2024, certification must be submitted by the Commission by October 2, 2023.⁴

The Commission has jurisdiction pursuant to 47 C.F.R. §54.313 and §54.314, as well as Chapter 364, F.S.

³ 47 C.F.R. §54.314(a) (2023)

⁴ 47 C.F.R. §54.314(d) (2023)

Discussion of Issues

Issue 1: Should the Commission certify to USAC and the FCC that Bright House Networks Information Services (Florida), LLC; CenturyLink of Florida, Inc.; Consolidated Communications of Florida Company; Frontier Florida LLC; ITS Telecommunications Systems, LLC d/b/a Blue Stream Fiber; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; and Smart City Telecommunications LLC d/b/a Smart City Telecom are eligible to receive federal high-cost support?

Recommendation: Yes. The Commission should certify to USAC and the FCC that Bright House Networks Information Services (Florida), LLC; CenturyLink of Florida, Inc.; Consolidated Communications of Florida Company; Frontier Florida LLC; ITS Telecommunications Systems, LLC d/b/a Blue Stream Fiber; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; and Smart City Telecommunications LLC d/b/a Smart City Telecom are eligible to receive federal high-cost support. (Nave, Wooten)

Staff Analysis: Bright House Networks Information Services (Florida), LLC; CenturyLink of Florida, Inc.; Consolidated Communications of Florida Company; Frontier Florida LLC; ITS Telecommunications Systems, LLC d/b/a Blue Stream Fiber; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; and Smart City Telecommunications LLC d/b/a Smart City Telecom are seeking certification from the Commission under 47 C.F.R §54.314 and 47 U.S.C. §254(e) to receive federal high-cost universal service support. Each carrier has filed an affidavit attesting that it has used the federal high-cost support received in the preceding calendar year and will use the federal high-cost support received in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. Staff recommends that the Commission certify to USAC and the FCC that these carriers are eligible to receive federal high-cost support. Based on previous years' data and projected changes in support, staff estimates that the amount of 2024 high-cost support that these carriers may receive in Florida will be approximately \$14 million.⁵

⁵ This estimate was obtained using data from the USAC high-cost funding data disbursement search tool, and it only includes carriers designated as ETCs by the Commission.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a Final Order.
(Sparks)

Staff Analysis: This docket should be closed upon issuance of a Final Order.