

State of Florida



# Public Service Commission

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

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**DATE:** August 29, 2024

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Office of Industry Development and Market Analysis (Nave, Wooten, Long) <sup>CH</sup>  
Office of the General Counsel (Farooqi, Marquez) <sup>AEH</sup>

**RE:** Docket No. 20240097-TP – 2025 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:** 09/10/24 – Regular Agenda – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Fay

**CRITICAL DATES:** 10/01/24 (Filing deadline with the Federal Communications Commission and the Universal Service Administrative Company)

**SPECIAL INSTRUCTIONS:** None

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## 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.<sup>1</sup> The federal universal service high-cost program is 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.<sup>2</sup> The program supports the goal of universal

<sup>1</sup> 47 U.S.C. §254(b)(3) (2024)

<sup>2</sup> FCC, “Universal Service for High Cost Areas - Connect America Fund,” updated August 21, 2024, <https://www.fcc.gov/general/universal-service-high-cost-areas-connect-america-fund>, accessed August 23, 2024.

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 requesting 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.”<sup>3</sup> 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 2025, the Commission must submit the certification by October 1, 2024.<sup>4</sup>

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

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<sup>3</sup> 47 C.F.R. §54.314(a) (2024)

<sup>4</sup> 47 C.F.R. §54.314(d) (2024)

## 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; Smart City Telecommunications LLC d/b/a Smart City Telecom; Windstream Communications, LLC; and Windstream Florida, LLC 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; Smart City Telecommunications LLC d/b/a Smart City Telecom; Windstream Communications, LLC; and Windstream Florida, LLC are eligible to receive federal high-cost support. (Nave, Wooten, Long)

**Staff Analysis:** All Florida ETCs that are seeking high-cost support have filed affidavits with the Commission attesting that the high-cost funds received for the preceding calendar year were used, and funds for the upcoming calendar year will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. Additionally, each company has filed FCC Form 481 with USAC. Form 481 includes information such as emergency operation capability, FCC pricing standards comparability for voice and broadband service, holding company and affiliate brand details, and tribal lands service and outreach. Based on previous years' data and projected changes in support, staff estimates that approximately \$18 million in high-cost support may be received by these Florida ETCs in 2025.<sup>5</sup>

Staff reviewed the affidavits and submissions made by each carrier to the Commission and to USAC. Each of the Florida ETCs receiving high-cost support has attested that all federal high-cost support provided to them within Florida was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

Having reviewed the carriers' filings, staff recommends that 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; Smart City Telecommunications LLC d/b/a Smart City Telecom; Windstream Communications, LLC; and Windstream Florida, LLC are eligible to receive federal high-cost support, that they have used the federal high-cost support received in the preceding calendar year, and that they will use the federal high-cost support they receive in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

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<sup>5</sup> This estimate was obtained using data from the USAC high-cost funding data disbursement search tool.

**Issue 2:** Should this docket be closed?

**Recommendation:** Yes. This docket should be closed upon issuance of a Final Order.  
(Farooqi, Marquez)

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