

ALLTEL COMMUNICATIONS
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ORIGINAL
ALLTEL

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COMMISSION
CLERK

May 14, 2002

Mrs. Blanca S. Bayo'
Director, Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

020000-PU

Re: Notice of Election of Path Three for Purposes of Universal Service Disaggregation of ALLTEL Florida, Inc.

Dear Mrs. Bayo':

By this letter, ALLTEL Florida, Inc., ("ALLTEL") hereby certifies to the Florida Public Service Commission ("Commission") and the Universal Service Administration Corporation ("USAC") that ALLTEL elects Path Three for Universal Service Disaggregation. Path Three is an election that permits carriers to self-certify a method of disaggregation with the state commission and USAC.

The Federal Communications Commission ("FCC") first announced that incumbent rural local exchange carriers may elect to disaggregate their high cost support in its Rural Task Force Order ("RTF Order") (FCC 01-157) issued May 23, 2001. Subsequently, the FCC issued its MAG Order (FCC 01-304) on November 8, 2001, in which the deadline for rural rate of return carriers to elect which path of disaggregation was extended to May 15, 2002.

ALLTEL has enclosed its disaggregation plan. Included in its plan, is a description of the rationale used to disaggregate support, including methods, data and a discussion of how the plan complies with the guidelines. The plan also includes a per-line amount of support for each element in each disaggregation zone and maps which precisely identify the boundaries of the designated disaggregation zones of support. Consistent with the FCC Orders, ALLTEL understands that this election becomes effective upon filing and will remain in place for at least four years subject to Commission discretion, changes in state or federal law or change in ownership.

I certify that under this election, ALLTEL disaggregates support to the wire center level and that I am authorized to make this certification on behalf ALLTEL Florida, Inc.

Please file stamp the extra copy and return to me in the enclosed envelope. Please direct any questions or additional request on this matter directly to me at (501) 905-5692.

Sincerely,
Betty Willis
Betty Willis

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RJM
FPSC-BUREAU OF RECORDS

Enclosure

cc: Jeff Wahlen - Ausley & McMullen

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DISTRIBUTION CENTER

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FILING CERTIFICATION

**Path 3: Self-Certification of the Disaggregation and Targeting of Support
Florida**

Required Information	Compliance
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1. Statement certifying each of the following:

(a) Disaggregated support is to the wire center level; or

Study area is disaggregated to Wire Center level with 3 zones per study area.

(b) Disaggregated support is into no more than two cost zones per wire center; or

Wire Center level is disaggregated to one zone.

(c) Disaggregation plan complies with a prior regulatory determination made by the state commission.

No knowledge of prior state plan.

2. Each of the following requirements must be met:

(a) The plan must be supported by a description of the rationale used, including the methods and data relied upon to develop the disaggregation zones, and a discussion of how the plan complies with the requirements of this subsection (c)(2). Such filing must provide information sufficient for interested parties to make a meaningful analysis of how the carrier derived its disaggregation plan.

See Methodology page.

(b) The plan must be reasonably related to the cost of providing service for each disaggregation zone within each disaggregated category of support.

Zone disaggregation is based on local loop costs at exchange.

(c) The plan must clearly specify the per-line level of support for each category of high-cost universal service support provided pursuant to §§ 54.301, 54.303, and/or 54.305 of this subpart and/or part 36, subpart F of this chapter in each disaggregation zone.

See Per Line Support page.

(d) If the plan uses a benchmark, the carrier must provide detailed information explaining what the benchmark is and how it was determined. The benchmark must be generally consistent with how the total study area level of support for each category of costs is derived to enable a competitive eligible telecommunications carrier to compare the disaggregated costs used to determine support for each cost zone.

See Methodology page.

3. The following information must be submitted to the administrator:

(a) Copy of the self-certification plan including the information submitted to the state commission.

Enclosed

(b) Maps which precisely identify the boundaries of the designated disaggregation zones of support within the carrier's study area.

Maps are enclosed and color coded as follows:

Zone 1 = Green

~~**Zone 2 = Blue**~~

Zone 3 = Yellow



DISAGGREGATION METHODOLOGY

Path 3: Self-Certification of the Disaggregation and Targeting of Support

Florida

Description

ALLTEL has selected Path 3 for the disaggregation and targeting of support. Methodology to disaggregate study areas into zones is based on one zone per wire center and three zones per study area. Wire center zones are determined by comparing a wire center's cost per loop to the average study area cost per loop. A wire center's cost per loop is based on local COE and CWF investment at each wire center times the study area's annual cost factor, divided by the wire center's loops.

Each wire center's cost per loop is compared to the study area's average cost per loop. If a wire center's cost per loop is less than 100.00% of the study area's cost per loop then the wire center is placed in Zone 1. If a wire center's cost per loop is greater than 100.00% and is less than 150.00% of the study area's cost per loop then the wire center is placed in Zone 2. Any wire center that has a cost per loop greater than 150.00% of the study area's cost per loop is placed in Zone 3. Benchmarks of 100.00% and 150.00% are based on the average study area cost per loop, above and below the average.

A wire center's per line support is determined by weighting the lines in each zone to develop a percent of weighted lines in each zone to total lines. Total study area support is allocated to each zone based on the weighted percent to total. Allocated zone support is then divided by the number of lines in each wire center.

Wire Center Cost Per Loop

Name	Description	Zone Methodology	Benchmark Methodology	Study Area Cost Per Loop
1. Costs	Total Local Costs per Loop	Local COE investment plus Local CWF investment in a Wire Center times Annual Cost Factor divided by total loops in a Wire Center.	Based on average local investment per loop of all Wire Centers in study area.	\$320.23

Wire Center Zones

Zone	Description	Methodology	Cost Percent	Zone Benchmark
1	Low Cost per Loop	If Wire Center's cost per loop is greater than 100.00% of the study area's cost per loop then the Wire Center is considered Low Cost per Loop	Under 100.00%	< \$320.23
2	Medium Cost per Loop	If Wire Center's cost per loop is greater than 100.00% and is less than 150.00% of the study area's cost per loop then the Wire Center is considered Medium Cost per Loop	From 100.00% To 150.00%	> \$320.23 < \$480.35
3	High Cost per Loop	If Wire Center's cost per loop is greater than 150.00% of the study area's cost per loop then the Wire Center is considered High Cost per Loop	Over 150.00%	> \$480.35

Wire Center Support Weighting

Zone	Description	Methodology	Support Percent
1	Low Cost per Loop	Wire Center's in this zone receive 15.00% of the study area's support per loop.	15.00%
2	Medium Cost per Loop	Wire Center's in this zone receive 25.00% of the study area's support per loop.	25.00%
3	High Cost per Loop	Wire Center's in this zone receive 60.00% of the study area's support per loop.	60.00%



WIRE CENTER PER LINE SUPPORT
 Path 3: Self-Certification of the Disaggregation and Targeting of Support
 Florida

WIRE CENTER			USF LINES				BCL/L PER LINE				LSL PER LINE				LTS PER LINE				TCL/L PER LINE			
ZONE 1	ZONE 2	ZONE 3	ZONE 1	ZONE 2	ZONE 3	TOTAL	ZONE 1	ZONE 2	ZONE 3	TOTAL	ZONE 1	ZONE 2	ZONE 3	TOTAL	ZONE 1	ZONE 2	ZONE 3	TOTAL	ZONE 1	ZONE 2	ZONE 3	TOTAL
Total Support			44,736	43,620	4,788	93,144	\$759,452	\$1,234,178	\$325,130	\$2,318,760	\$0	\$0	\$0	\$0	\$663,899	\$1,078,895	\$284,223	\$2,027,016	\$0	\$0	\$0	\$0
Alachua	Branford	Jennings	8,317	4,966	1,738		\$16 98	\$28 29	\$67 91		\$0 00	\$0 00	\$0 00		\$14 84	\$24 73	\$59 36		\$0 00	\$0 00	\$0 00	
Callahan	Brooker	Luraeville	6,868	1,513	1,498		\$16 98	\$28 29	\$67 91		\$0 00	\$0 00	\$0 00		\$14 84	\$24 73	\$59 36		\$0 00	\$0 00	\$0 00	
Citra	Florabome	White Springs	2,449	1,375	1,552		\$16 98	\$28 29	\$67 91		\$0 00	\$0 00	\$0 00		\$14 84	\$24 73	\$59 36		\$0 00	\$0 00	\$0 00	
Creacent City	Fort White		2,786	2,117			\$16 98	\$28 29			\$0 00	\$0 00			\$14 84	\$24 73			\$0 00	\$0 00		
Dowling Park	Hastings		1,516	2,461			\$16 98	\$28 29			\$0 00	\$0 00			\$14 84	\$24 73			\$0 00	\$0 00		
High Springs	Hillaard		6,321	3,449			\$16 98	\$28 29			\$0 00	\$0 00			\$14 84	\$24 73			\$0 00	\$0 00		
Interlachen	Jasper		4,911	3,507			\$16 98	\$28 29			\$0 00	\$0 00			\$14 84	\$24 73			\$0 00	\$0 00		
Lake Butler	Lave Oak		4,606	12,103			\$16 98	\$28 29			\$0 00	\$0 00			\$14 84	\$24 73			\$0 00	\$0 00		
Melrose	Mayo		3,668	2,927			\$16 98	\$28 29			\$0 00	\$0 00			\$14 84	\$24 73			\$0 00	\$0 00		
Raiford	Melrotoeb		1,081	4,398			\$16 98	\$28 29			\$0 00	\$0 00			\$14 84	\$24 73			\$0 00	\$0 00		
Waldo	Orange Springs		2,213	2,270			\$16 98	\$28 29			\$0 00	\$0 00			\$14 84	\$24 73			\$0 00	\$0 00		
	Shenff Boys' Ranch			628				\$28 29				\$0 00				\$24 73				\$0 00	\$0 00	
	Wellborn			1,906				\$28 29				\$0 00				\$24 73				\$0 00	\$0 00	



WIRE CENTER ZONE CALCULATION
Path 3: Self-Certification of the Disaggregation and Targeting of Support
Florida

WIRE CENTER	TOTAL COE INVESTMENT	LOCAL COE INVESTMENT	LOCAL CWF INVESTMENT	TOTAL LOCAL INVESTMENT	STUDY AREA ANNUAL COST FACTOR	ANNUAL COST	TOTAL LOOPS	ANNUAL COST PER LOOP	ZONE	USF LOOPS	ANNUAL HIGH COST LOOP SUPPORT	ANNUAL LOCAL SWITCHING SUPPORT	ANNUAL LONG TERM SUPPORT	ANNUAL INTERSTATE COMMON LINE SUPPORT	TOTAL SUPPORT
Alachua	\$6,185,965	\$2,635,672	\$8,935,082	\$11,570,754	20.96%	\$2,425,239	8,515	\$284.81	1	8,317	\$141,192	\$0	\$123,427	\$0	\$264,619
Branford	\$3,495,436	\$2,220,660	\$8,808,807	\$11,029,467	20.96%	\$2,311,785	5,084	\$454.68	1	4,966	\$140,507	\$0	\$122,829	\$0	\$263,336
Brooker	\$1,970,894	\$730,322	\$2,554,444	\$3,284,766	20.96%	\$688,490	1,549	\$444.45	1	1,513	\$42,809	\$0	\$37,422	\$0	\$80,231
Callahan	\$4,680,361	\$2,131,338	\$8,061,351	\$10,192,689	20.96%	\$2,136,396	7,032	\$303.82	1	6,868	\$116,593	\$0	\$101,924	\$0	\$218,517
Citra	\$2,250,077	\$664,807	\$2,658,656	\$3,323,463	20.96%	\$696,600	2,507	\$277.82	1	2,449	\$41,575	\$0	\$36,344	\$0	\$77,919
Crescent City	\$2,466,790	\$782,586	\$2,599,760	\$3,382,345	20.96%	\$708,942	2,852	\$248.54	1	2,786	\$47,296	\$0	\$41,345	\$0	\$88,641
Dowling Park	\$818,954	\$163,346	\$1,389,092	\$1,552,438	20.96%	\$325,392	1,552	\$209.64	1	1,516	\$25,736	\$0	\$22,498	\$0	\$48,234
Florahome	\$1,614,551	\$502,212	\$1,840,267	\$2,342,479	20.96%	\$490,985	1,408	\$348.76	1	1,375	\$38,904	\$0	\$34,009	\$0	\$72,913
Fort White	\$1,937,412	\$734,310	\$3,071,623	\$3,805,933	20.96%	\$797,727	2,167	\$368.04	1	2,117	\$59,898	\$0	\$52,362	\$0	\$112,260
Hastings	\$2,223,185	\$645,744	\$3,271,163	\$3,916,907	20.96%	\$820,987	2,520	\$325.83	1	2,461	\$69,631	\$0	\$60,870	\$0	\$130,501
High Springs	\$4,477,176	\$2,161,328	\$6,820,272	\$8,981,600	20.96%	\$1,882,550	6,472	\$290.89	1	6,321	\$107,307	\$0	\$93,806	\$0	\$201,113
Hilliard	\$3,851,340	\$1,008,589	\$4,702,955	\$5,711,544	20.96%	\$1,197,144	3,531	\$339.02	1	3,449	\$97,585	\$0	\$85,307	\$0	\$182,893
Interlachen	\$2,836,095	\$843,307	\$4,308,704	\$5,152,011	20.96%	\$1,079,866	5,028	\$214.77	1	4,911	\$83,371	\$0	\$72,881	\$0	\$156,252
Jasper	\$1,942,544	\$803,305	\$4,737,236	\$5,540,540	20.96%	\$1,161,302	3,591	\$323.43	1	3,507	\$99,227	\$0	\$86,742	\$0	\$185,968
Jennings	\$1,754,373	\$989,628	\$3,657,651	\$4,647,279	20.96%	\$974,073	1,779	\$547.40	1	1,738	\$118,019	\$0	\$103,170	\$0	\$221,190
Lake Butler	\$4,015,961	\$1,606,978	\$5,431,075	\$7,038,053	20.96%	\$1,475,181	4,716	\$312.81	1	4,606	\$78,193	\$0	\$68,355	\$0	\$146,548
Live Oak	\$19,239,983	\$4,406,384	\$14,564,866	\$18,971,250	20.96%	\$3,976,389	12,392	\$320.89	1	12,103	\$342,440	\$0	\$299,355	\$0	\$641,795
Luraville	\$1,098,819	\$356,496	\$3,667,263	\$4,023,759	20.96%	\$843,383	1,534	\$549.89	1	1,498	\$101,722	\$0	\$88,923	\$0	\$190,646
Mayo	\$2,134,664	\$685,078	\$4,995,690	\$5,680,768	20.96%	\$1,190,693	2,997	\$397.32	1	2,927	\$82,816	\$0	\$72,396	\$0	\$155,212
McIntosh	\$3,020,664	\$1,076,109	\$6,017,417	\$7,093,527	20.96%	\$1,486,809	4,503	\$330.19	1	4,398	\$124,436	\$0	\$108,780	\$0	\$233,216
Melrose	\$2,927,433	\$885,013	\$3,420,705	\$4,305,718	20.96%	\$902,482	3,755	\$240.31	1	3,668	\$62,269	\$0	\$54,434	\$0	\$116,704
Orange Springs	\$1,708,142	\$821,501	\$3,128,714	\$3,950,215	20.96%	\$827,968	2,324	\$356.25	1	2,270	\$64,227	\$0	\$56,146	\$0	\$120,373
Raiford	\$666,323	\$50,114	\$1,366,702	\$1,416,816	20.96%	\$296,966	1,107	\$268.32	1	1,081	\$18,351	\$0	\$16,042	\$0	\$34,394
Sheriff Boys' Ranch	\$483,231	\$105,184	\$1,061,190	\$1,166,374	20.96%	\$244,473	643	\$380.22	1	628	\$17,769	\$0	\$15,533	\$0	\$33,301
Waldo	\$1,520,955	\$513,401	\$2,619,000	\$3,132,401	20.96%	\$656,554	2,266	\$289.77	1	2,213	\$37,569	\$0	\$32,842	\$0	\$70,410
Wellborn	\$1,664,979	\$716,555	\$3,535,633	\$4,252,189	20.96%	\$891,262	1,951	\$456.72	1	1,906	\$53,928	\$0	\$47,143	\$0	\$101,071
White Springs	\$1,598,694	\$338,497	\$3,425,904	\$3,764,400	20.96%	\$789,021	1,589	\$496.55	1	1,552	\$105,389	\$0	\$92,129	\$0	\$197,518



RATE ZONE BENCHMARKS

Path 3: Self-Certification of the Disaggregation and Targeting of Support Florida

Description	Cost Benchmark		Cost Per Loop	Support Benchmark	Support Per Loop
Study Area			\$320.23		
Zone 1	Less than	100.00%	\$320.23	15.00%	\$48.03
Zone 2	Between	101% - 149%	\$320.24 - \$480.34	25.00%	\$48.04 - \$288.20
Zone 3	Greater than	150.00%	\$480.35	60.00%	\$288.21



STUDY AREA INFORMATION

Path 3: Self-Certification of the Disaggregation and Targeting of Support Florida

Description	Amount
Unseparated Loop Cost	\$30,538,981
Interstate Local Switching Cost	\$1,542,739
USF Cat. 1.3 Loops	93,144
Total Loops	95,365
Study Area Cost per Loop	\$320.23
Current National Average Cost Per Loop	\$261.40
115% of National Average Cost Per Loop	\$300.61
Amount over 115% of National Average Cost Per Loop	\$19.62
Annual High Cost Loop Support	\$2,318,760
Annual Local Switching Support	
Annual Long Term Support	\$2,027,016
Annual Interstate Common Line Support	\$0
COE Loop Investment	\$28,363,245
CWF Loop Investment	\$118,542,206
Total Loop Investment	\$146,905,451
USF Revenue Requirement	\$30,791,498
Study Area Annual Cost Factor	20.96%

