

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: 2013 State Annual certification of rural
telecommunications carriers pursuant to 47
C.F.R. 54.314, High Cost Universal Service.

DOCKET NO. 120150-TL
ORDER NO. PSC-12-0405-FOF-TL
ISSUED: August 8, 2012

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

ORDER GRANTING ANNUAL CERTIFICATION

BY THE COMMISSION:

Case Background

Section 254(e) of the Telecommunications Act of 1996 provides, in part, that a carrier that receives universal service support “shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.” In its Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 00-256 (the Rural Task Force Order), the Federal Communications Commission (FCC) modified its rules pertaining to the provision of high-cost support for rural telephone companies.¹ The FCC adopted a rule requiring that states desiring for rural carriers within their jurisdiction to receive federal high-cost support must each file a certification annually with the FCC and with the Universal Service Administrative Company (USAC). This certification is to affirm that the federal high-cost funds flowing to rural carriers in the state, or to any competitive eligible telecommunications carriers seeking support for serving customers within a rural carrier’s service area, will be used in a manner that comports with Section 254(e) of the Act. 47 C.F.R. §54.314(a) and (c) provide the following:

Certification of support for eligible telecommunications carriers.

- (a) *Certification.* States that desire eligible telecommunications carriers to receive support pursuant to the high-cost program must file an annual certification with the Administrator and the Commission stating that all federal high-cost support provided to such carriers within that State 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. High-cost support

¹ *Rural Task Force Order*, CC Docket 96-45, FCC 01-157, par. 187 (2001)

DOCUMENT NUMBER-DATE

05403 AUG-8 02

FPSC-COMMISSION CLERK

shall only be provided to the extent that the State has filed the requisite certification pursuant to this section.

- (c) *Certification format.* (1) A certification pursuant to this section may be filed in the form of a letter from the appropriate regulatory authority for the State, and must be filed with both the Office of the Secretary of the Commission clearly referencing WC Docket No. 10–90, and with the Administrator of the high-cost support mechanism, on or before the deadlines set forth in paragraph (d) of this section. If provided by the appropriate regulatory authority for the State, the annual certification must identify which carriers in the State are eligible to receive federal support during the applicable 12-month period, and must certify that those carriers only used support during the preceding calendar year and will only use support in the coming calendar year for the provision, maintenance, and upgrading of facilities and services for which support is intended. A State may file a supplemental certification for carriers not subject to the State's annual certification. All certificates filed by a State pursuant to this section shall become part of the public record maintained by the Commission.

The FCC requires that certifications for the next calendar funding year must be submitted by the preceding October 1 in order for a rural carrier to be eligible for high-cost universal service support for all of calendar year 2013. Therefore, certification of Florida's rural carriers must be submitted by October 1, 2012.

Additionally, 47 C.F.R. §54.314 contains one new requirement which must be completed for high-cost certification. ETC high-cost certification must now include a statement that all federal high-cost support was used in the preceding calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support was intended. This Order addresses our certification of Florida's rural LECs for 2013 in accordance with 47 C.F.R. §54.314.

Analysis

Unless the certifications are submitted to the FCC and to the USAC by October 1, 2012, Florida's rural carriers will not receive high-cost universal service funds during the first quarter of 2013, and would forego all federal support for that quarter. Certifications filed after October 1, 2012, would cause rural carriers to be eligible for high-cost funds for only partial quarters of 2013. For example, certifications filed by January 1, 2013, would allow rural carriers to be eligible for high-cost funds in the second, third, and fourth quarters of 2013. Certifications filed by April 1, 2013, would only allow rural carriers to be eligible for high-cost funds in the third and fourth quarters of 2013.

As has been done in prior years, the Florida rural ETCs have provided affidavits (see Attachments A through G) in which they have certified that their use of high-cost universal

service support they will receive during 2013 will comport with Section 254(e) of the Act and applicable FCC rules. In addition, to comply with the new requirement, the rural ETCs each certified that all federal high-cost support was used in the preceding calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support was intended.

Given these ETCs' certifications, we find it appropriate to certify to the FCC and to the USAC that Windstream Florida, Inc., Frontier Communications of the South, LLC, GTC, Inc. d/b/a FairPoint Communications, ITS Telecommunications Systems, Inc., Northeast Florida Telephone Company d/b/a NEFCOM, Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone, and Smart City Telecommunications, LLC d/b/a Smart City Telecom, have used the federal high-cost support in the preceding calendar year, and 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.

This docket shall be closed upon the issuance of this Order and subsequent annual certifications of rural telephone companies shall be addressed in a new docket.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that we certify to the FCC and to the USAC that Windstream Florida, Inc., Frontier Communications of the South, LLC, GTC, Inc. d/b/a FairPoint Communications, ITS Telecommunications Systems, Inc., Northeast Florida Telephone Company d/b/a NEFCOM, Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone, and Smart City Telecommunications, LLC d/b/a Smart City Telecom, have used the federal high-cost support in the preceding calendar year, and 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. It is further

ORDER that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 8th day of August, 2012.



ANN COLE
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

PER

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request:

- 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or
- 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.



4001 Rodney Parham Drive • Little Rock, Arkansas 72212
(501) 748-7000

Tim Loken
Director – Regulatory Reporting
Tim.p.loken@windstream.com
(501) 748-7442
(501) 748-6583 (fax)

July 5, 2012

Filed Electronically
Ann Cole – Commission Clerk
Division of Communications Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No 120150-TL Windstream Florida, Inc.

Dear Ms. Cole,

The attached affidavit includes revisions based on comments from Staff.

This letter is to request that the Florida Public Service Commission notify the Universal Service Administrative Company (USAC) and the Federal Communications Commission (FCC) that Windstream Florida, Inc. ("Windstream") is eligible to receive federal high cost support in accordance with the above referenced statute and federal rule.

The amount of federal high-cost support that Windstream will receive in 2013 will continue to be used for the services and functionalities outlined in 47 C.F.R 54.101(a) and as the attached affidavit shows Windstream certifies that it will only use the federal high-cost support it receives for the provision, maintenance and upgrading of facilities and service for which such support is intended.

This state certification for federal support is an annual process. In order to receive federal support beginning January 1 of each year, the Florida Public Service Commission must file its annual certification on or before October 1 of the year before.

Windstream respectfully requests that the Commission notify the FCC prior to October 1 of this year that Windstream is eligible to receive federal high-cost support for 2013.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to be "T. Loken", written over the word "Sincerely".

Tim Loken
Director Regulatory Reporting

Cc: Beth Salak
Bettye Willis (Windstream)

DOCUMENT NUMBER DATE

04495 JUL -6 2

FPSC - COMMISSION CLERK

AFFIDAVIT

BEFORE ME, the undersigned authority appeared John Eichler who deposed and said:

1. My name is John Eichler. I am Windstream Florida, Inc.'s, ("Windstream" or the "Company") Controller. 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. §54.314.

2. Windstream certifies that all federal high-cost and CAF support was used in the proceeding calendar year and will be used in the new calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

3. Windstream hereby certifies that it has submitted information required for its universal service filing and refers to these filings in lieu of providing formal network plans. USF disbursements received by the Company and other rural incumbent local exchange companies are divided into four categories: Interstate Common Line Support ("ICLS"), Local Switching Support ("LSS"); High Cost Loop Support ("HCLS"); and Safety Net Additive Support ("SNAS"). The FCC in conjunction with the Federal-State Joint Board on Universal Service has created each of these mechanisms, except ICLS. 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 allows these companies to recover from the fund the difference between their interstate common line costs and the subscriber line charge ("SLC") revenues collected from their customers. ICLS provides support to ILECs for investments and expenses already incurred.

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 prescribed rate of return. Therefore, LSS provides support to rural ILECs for investments and expenses already incurred. This amount is used to offset the rural ILECs' interstate switching revenue requirement. Therefore, the difference between the interstate switching revenue requirement again as set forth in the company's annual interstate cost study, and LSS is used to calculate the local switching rate charged to interexchange carriers.

Rural ILECs are eligible for HCLS based upon their 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 provides support to rural ILECs for investments and expenses already incurred.

Pursuant to FCC Orders, SNAS is support above the HCL cap for carriers that make significant investments in rural infrastructure. 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 providing support to rural 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.

04495 JUL -6 2

FPSC COMMISSION CLERK

All of these programs are administered through USAC, a private, not-for-profit corporation. USAC assists NECA 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 necessary for the remittance of universal service funds.

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 received 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.

Windstream is eligible for and receives ICLS.


4. Windstream hereby certifies that it follows appropriate procedures for network outage reporting in accordance with the Federal Outage Reporting Order and State Outage Reporting Requirements. For the period between March 1, 2011 and March 1, 2012, Windstream had 2 FCC reportable outages. Windstream had 0 PSC reportable outages.

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

6. Windstream hereby certifies that for the period from March 1, 2011 through March 1, 2012 it had 13 FCC complaint and 4 state PSC complaints were received.

7. Windstream 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.

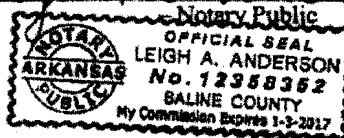


John Eichler
Controller

STATE OF ARKANSAS
COUNTY OF PULASKI

Acknowledged before me this ___th day of July 2012, by John Eichler, as Controller of Windstream Florida, Inc. who is personally known to me or produced identification and who did take an oath.

Leigh A. Anderson



Personally Known _____
Produced Identification _____
Type of Identification Produced _____



180 S. Clinton Ave.
Rochester, NY 14648

June 29, 2012

Beth Salak
Director, Division of Regulatory Analysis
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Frontier Communications of the South, LLC
Study Area Code: 210318
47 C.F.R. § 54.314
Order No. PSC-05-0824-FOF-TL
Docket No. 120150-TL

Dear Ms. Salak:

This filing includes an amended Certification to the revised letter filed on June 11, 2012 requesting that the Florida Public Service Commission notify the Federal Universal Fund Administrator and the Federal Communications Commission that Frontier Communications of the South, LLC ("Frontier") is eligible to receive federal high-cost support in accordance with the above-referenced statute, federal rule and docket. Frontier made an adjustment to certify that all federal high-cost and CAF support was used in the preceding calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

Frontier respectfully requests that the Commission notify the FCC prior to October 1 of this year that Frontier is eligible to receive federal high-cost support for 2013.

Sincerely,

A handwritten signature in cursive script that reads "Deborah Fasciano".

Deborah Fasciano
Sr. Analyst - Regulatory Compliance

Filed electronically to the FPSC Clerks office

Enclosure

4304 JUN 29 2012

AFFIDAVIT

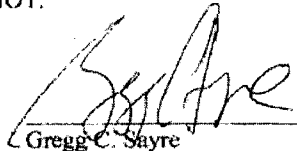
STATE OF NEW YORK
COUNTY OF MONROE

BEFORE ME, the undersigned authority, appeared Gregg C. Sayre, who deposed and said:

My name is Gregg Sayre. I am Assistant Secretary of Frontier Communications of the South, LLC ("Frontier" or the "Company"). As an officer of the Company, 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. Please refer to Docket No. 120150-TL.

Frontier hereby certifies that all federal high-cost support was used in the preceding calendar year and will be used in the new calendar year only for the provision, maintenance, upgrading of facilities and services for which the support is intended.

FURTHER AFFIANT SAYETH NOT.



Gregg C. Sayre
Assistant Secretary
Frontier Communications of the South, LLC

STATE OF NEW YORK
COUNTY OF MONROE

Acknowledged before me this 29th day of June 2012 by Gregg C. Sayre, as Assistant Secretary for Frontier Communications of the South, LLC, who is personally known to me or produced identification and who did take an oath.

Holly M. James
NOTARY PUBLIC

HOLLY M. JAMES
Notary Public, State of New York
Qualified in Monroe County
Registration No. 01JA4805136
My Commission Expires Nov. 30, 2014

Printed Name of Notary

Personally Known X
Produced Identification _____
Type of Identification Produced _____

4304 JUN 29 2012

AFFIDAVIT

STATE OF NEW YORK
COUNTY OF MONROE

BEFORE ME, the undersigned authority, appeared Gregg C. Sayre, who deposed and said:

My name is Gregg Sayre. I am Assistant Secretary of Frontier Communications of the South, LLC ("Frontier" or the "Company"). As an officer of the Company, 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. Please refer to Docket No. 120150-TL.

Frontier hereby certifies that it will only use the federal high-cost support it receives during 2013 for the provision, maintenance and upgrading of facilities and service for which such support is intended.

1. Frontier Communications of The South currently holds ETC status and is an ILEC offering a ubiquitous network throughout the service area. The FCC has clarified that, for the ETCs that it designates, the "service quality improvements in the five-year plan do not necessarily require additional construction of network facilities." *FCC 05-46*, ¶ 23. In such situations, the FCC has stated that the ETC Applicant may provide "an explanation of why service improvements in a particular wire center are not needed and how funding will otherwise be used to further the provision of supported services in that area." *FCC 05-46*, ¶ 23.

Because Frontier Communications of The South has coverage throughout the service area, the company will continue to use USF support to maintain its existing network, rather than to construct additional facilities to expand the coverage area. The company will replace and upgrade facilities and equipment on an "as needed" basis and for this reason, providing projected start and completion dates for projects, and specific geographic locations of such projects, is very difficult.

Frontier has submitted via annual NECA filings, the supporting documentation on network improvements and expenditures in support of our universal service filing and refer to this in lieu of formal network plans.

FILED

03835 JUN 12 2013

FPSC-ADMINISTRATIVE CLERK

2. Frontier experienced two outages that lasted more than 30 minutes and affected more than ten percent of the end users in its service area.
 - a. Date and Time of Outage – March 6, 2011 at 00:44 CT to March 6, 2011 at 08:43 CT
 - b. Cause – Network congestion caused a loss of toll service for Atmore, AL and all of its remotes to include the Remote Nodal Switch (Monroeville AL, Camden AL, Molino FL and Walnut Hill FL).
 - c. Services Affected – Toll Isolation
 - d. Site – Atmore AL
 - e. Steps Taken – The SSC processors were restarted clearing the problem and call processing was restored.
 - f. Customers affected – 12,951 customers in Monroeville AL, Camden AL, Molino FL and Walnut Hill FL
- a. Date and Time of Outage – March 22, 2011 at 14:30 CT to March 23, 2011 at 10:50 CT
- b. Cause – CISCO 15454 fiber terminal went out of service for unknown reasons.
- c. Services Affected – Toll Isolation
- d. Site – Molino RNS & Remotes
- e. Steps Taken – Problem was determined to be in the fiber MUX. Cisco vendor support was called in and was able to reset and restore the system, which restored the SS7 links. Frontier is working on an upgrade plan to replace the current configuration.
- f. Customers affected – 2,220
3. Frontier did not have any requests for service that were unfulfilled from March 1, 2011 through March 1, 2012.
4. Frontier certifies that for the period from March 1, 2011 through March 1, 2012 Frontier had two complaints. The rate of troubles per 1,000 access lines was 0.69.
5. Frontier certifies that the company is complying with applicable service quality standards and consumer protection rules, in accordance with Florida Statutes and the Florida Administrative Code.
6. Frontier hereby certifies that it is able to function in emergency situations.
7. Frontier is the incumbent LEC in the relevant exchange area and offers a tariffed local flat rate plan.
8. Frontier provides equal access to long distance carriers within its service area.



1 Davis Farm Road
Portland, ME 04103

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,

A handwritten signature in cursive script that reads "Audrey Prior".

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

Attachment

DOCKET NO. 120150-TL

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

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.

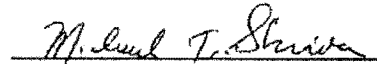
6. GTC, Inc. d/b/a FairPoint Communications hereby certifies that for the period from March 1, 2011 to February 29, 2012, four (4) FCC complaints were received, processed, and resolved per FCC rules. During the same period, eight (8) state PSC complaints were received, processed, and resolved per PSC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

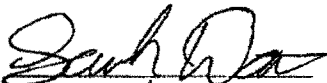


Michael T. Skrivan
Vice President of Regulatory

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. 4217



ITS TELECOMMUNICATIONS SYSTEMS, INC.

15925 SW Warfield Blvd. • P. O. Box 277

Indiantown, Florida 34956

772-597-2111

July 2, 2012

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

RE: FPSC Docket No. 120150-TL
2013 State Certification of Rural Telecommunication Carriers pursuant to 47 C.F.R. §54.31 -
Amended

Dear Ms. Cole:

Enclosed for filing in the above referenced docket is the signed Affidavit of Don Pittman on behalf of ITS Telecommunications certifying that all federal high cost support received by ITS Telecommunications in 2013 will only be used for the provisioning, maintenance, and upgrading of facilities and services for which such support is intended.

Please contact me at 772-597-3161 if you have any questions regarding this filing.

Sincerely,

Donna J. Marree
Regulatory Manager

Enclosure

Cc: Jim Polk (electronic)

RECEIVED-FPSC
12 JUL -5 AM 10:52
COMMISSION
CLERK

07 JUL 2012

04462 JUL-5 2012
FPSC-COMMISSION CLERK

FPSC DOCKET NO. 120150-TL
2013 State Certification of Rural Telecommunication Carriers Pursuant to
47 C.F.R. §54.314 - Amended

AFFIDAVIT

STATE OF FLORIDA
COUNTY OF MARTIN

BEFORE ME, the undersigned authority, personally appeared Don Pittman, known to me to be a credible person and of lawful age, who deposed and said:

My name is Don Pittman. I am employed by ITS Telecommunications Systems, Inc. (ITS or the "Company") as Vice President/CFO. I possess substantial knowledge of the Company's operations and am an officer authorized to give this affidavit on behalf of the Company. This affidavit is being given to support the certification of the Florida Public Service Commission ("Commission") as contemplated in 47 C.F.R. §54.314.

ITS hereby certifies that all federal high-cost support was used in the preceding calendar year and will utilize it during 2013 only for the provision, maintenance and upgrading of facilities and services for which the support is intended, consistent with 47 U.S.C. §254(e) of the Telecommunications Act of 1996.

1. In lieu of providing progress reports on a five-year service quality improvement plan, ITS submits that certain requirements, procedures and processes to which the Company adheres, and which are further explained in the following paragraphs, constitute the Company's progress report with respect to the receipt and utilization of federal universal service support. Under the existing rules and processes discussed the federal support funds received by the Company and other rural incumbent local exchange carriers ("ILECs") are, in fact, an integral part of the rural ILEC's recovery of expenditures incurred in the provision, maintenance and upgrading of its provision of universal service. Essentially, the Company receives federal universal service support ("USF") through various programs which are administered through the Universal Service Administrative Company ("USAC"). USAC has contracted with the National Exchange Carrier Association, Inc. ("NECA") to assist in data collection necessary for the remittance of USF. The company submits, not less frequently than annually, detailed information requested by NECA in the USF data collection process. USF data used in the USF calculations by NECA must also be filed with the FCC by November 1st of each year.

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's 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.

NOTARIAL PUBLIC STATE OF FLORIDA

04462 JUL-5 2013

FPSC-DOCKET NO. 120150-TL

Page 2

FPSC DOCKET NO. 120150-TL

2013 State Certification of Rural Telecommunication Carriers Pursuant to
47 C.F.R. §54.314 – Amended

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. This process ensures that the Company will not be deprived of the USF funding upon which the Company depends to provide rural telephone customers with affordable and quality telecommunications services.

The federal USF received by the Company and other rural ILECs is divided into four categories: High Cost Loop Support ("HCLS"); Local Switching Support ("LSS"); Interstate Common Line Support ("ICLS"); 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.

HCLS for rural ILECs is based upon each company's embedded, unseparated loop cost. 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.

LSS rules established by the FCC use the embedded costs of the rural ILECs associated with switching investments, depreciation, maintenance, expenses, taxes and a 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 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.

ICLS is a universal service mechanism, which is based upon each company's embedded, interstate loop cost 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 a FCC

Page 3

FPSC DOCKET NO. 120150-TL

2013 State Certification of Rural Telecommunication Carriers Pursuant to
47 C.F.R. §54.314 – Amended

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 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.

SNAS is support above the HCLS cap for carriers that make significant investment in rural infrastructure in years in which HCLS is capped. To receive this support, a rural ILEC 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. Carriers seeking to qualify for SNAS must provide written notice to USAC that a study area meets the 14 percent TRIS trigger.

2. ITS 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 March 1, 2012, ITS did not have any Federal FCC or Florida Public Service Commission reportable outages.
 3. ITS hereby certifies that it did fulfill all requests for service from potential customers.
 4. ITS hereby certifies that it received zero (0) FCC complaints during the period of March 1, 2011 through March 1, 2012. ITS received zero (0) complaints filed with the FPSC during the period March 1, 2011 to March 1, 2012.
 5. ITS hereby certifies that it complies with the applicable state PSC quality of service standards and state consumer protection rules in accordance with Florida Statutes and the Florida Administrative Code.
 6. ITS hereby certifies that it is able to function in emergency situations.
 7. ITS hereby certifies that it offers a tariffed local usage plan.
 8. ITS hereby certifies that it provides equal access to long distance carriers.
-

Page 4
FPSC DOCKET NO. 120150-TL
2013 State Certification of Rural Telecommunication Carriers Pursuant to
47 C.F.R. §54.314 - Amended


FURTHER AFFIANT SAYETH NOT.



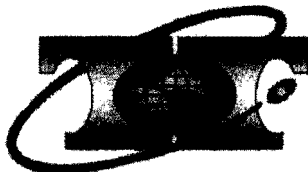
Don Pittman
Vice President/CFO
ITS Telecommunications Systems, Inc.

STATE OF FLORIDA
COUNTY OF MARTIN

Acknowledged before me this 3rd day of JULY, 2012 by Don Pittman, as Vice President of ITS Telecommunications Systems, Inc., who is personally known to me and did not take an oath.


Eva Martinez
Notary Public

Personally known
Produced Identification _____
Type of Identification Produced _____



TOWNES TELECOMMUNICATIONS SERVICES CORPORATION

July 27, 2012

FILED ELECTRONICALLY

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

Re: FPSC Docket No. 120150-TL
Northeast Florida Telephone Company
State Certification of Rural Telecommunications Carriers Pursuant to
47 C.F.R. §54.314

Dear Ms. Cole:

Enclosed herewith for filing in the above referenced docket, is an amended signed affidavit of Northeast Florida Telephone Company, Inc. d/b/a/ NEFCOM ("NEFCOM") certifying that all federal high-cost support received by NEFCOM in 2013 will only be used for the provision, maintenance and upgrading of facilities and services for which such support is intended. In addition, NEFCOM has certified to the new ETC reporting requirements established by Order No. PSC-05-0824-FOF-TL, issued August 15, 2005 in the above referenced docket.

The affidavit was amended to also certify that the company used the federal high cost support received in the preceding calendar year for the provision, maintenance and upgrading of facilities and services for which such support is intended in compliance with Paragraph 609 of FCC Order 11-161.

Please contact me at (904) 688-0029 should you have any questions regarding this filing.

Sincerely,



Deborah Nobles
Vice President of Regulatory Affairs

Enclosure

4255 JUN 27 2012

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 120150-TL

AFFIDAVIT

STATE OF FLORIDA
COUNTY OF CLAY

BEFORE ME, the undersigned authority, appeared Deborah Nobles who deposed and said:

1. My name is Deborah Nobles. I am employed by Northeast Florida Telephone Company, Inc. d/b/a NEFCOM ("NEFCOM" or the "Company") as its Vice President of Regulatory Affairs. 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. §54.314.

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

3. NEFCOM 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. The basis for the federal high-cost support the Company will receive in 2013 is the actual costs incurred during 2011. Therefore, the 2013 federal high-cost support is reimbursing the Company for investments and expenses already incurred.

The federal high-cost program is administered through the Universal Service Administrative Company (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 Incumbent Local Exchange Carriers (ILECs) 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.

Cost studies and all USF funding submitted by NEFCOM are based upon audited financial statements. In addition, NECA performs focus reviews of cost studies as well as the USF filings

4259 JUN 27 2012

1730 12 27 2012

for the cost companies involved in the NECA process. In addition, an officer of the Company must certify the accuracy and validity of the filed information.

NEFCOM does not provide services outside of the regulated study area (service area) that is used in the calculation of federal high cost support. The Company's network provides the services supported by federal USF throughout its entire service area and the existing network requires extensive annual investments and expenditures to replace or upgrade facilities and equipment in order to maintain a high level of quality of service for the supported services. Therefore, NEFCOM certifies that the federal high-cost funds received in 2013 has and will continue to be used solely for the purpose for which it is intended.

4. NEFCOM 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 March 1, 2012, NEFCOM had one (1) service outage that was reported to both the FCC and to the state PSC.

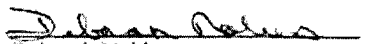
The service outage was first reported to the FPSC at 11:51 AM on April 7, 2011. The outage began at 10:30 AM on April 7, 2011 and service was restored by 12:30 AM that same day. A full report of the outage was provided to Clayton Lewis with the FPSC on April 8, 2012 via telephone and via email.

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

6. NEFCOM hereby certifies that for the period from March 1, 2011 and March 1, 2012, zero service complaints were received.

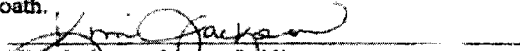
7. NEFCOM hereby certifies that it complies with applicable state quality of service standards, federal and state consumer protection rules, is able to function in emergency situations, offers a tariffed local usage plan and provides equal access to long distance carriers.

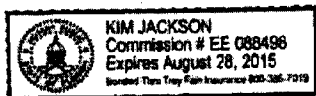
FURTHER AFFIANT SAYETH NOT.


Deborah Nobles
Vice President of Regulatory Affairs

STATE OF FLORIDA
COUNTY OF CLAY

Acknowledged before me this 27th day of July 2012, by Deborah Nobles, as Vice President of Regulatory Affairs of Northeast Florida Telephone Company, Inc. d/b/a NEFCOM, who is personally known to me and who did take an oath.


Kim Jackson - Notary Public





525 Junction Rd
Madison, WI 53717
www.tds telecom.com

June 25, 2012

FILED ELECTRONICALLY

Ann Cole- Commission Clerk
Division of Communications Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 120150-TL; Quincy Telephone Company d/b/a TDS Telecom

Dear Ms. Cole:

This letter is to request that the Florida Public Service Commission notify the Universal Service Administrative Company (USAC) and the Federal Communications Commission (FCC) that Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone ("Quincy") is eligible to receive federal high-cost support in accordance with the above-referenced statute and federal rule.

The amount of federal high-cost support that Quincy will receive in 2013 will continue to be used for the services and functionalities outlined in 47 C.F.R. §54.101(a) and as the attached affidavit shows Quincy certifies that it will only use the federal high-cost support it receives for the provision, maintenance and upgrading of facilities and service for which such support is intended.

This state certification for federal support is an annual process. In order to receive federal support beginning January 1 of each year, the Florida Public Service Commission must file its annual certification on or before October 1 of the year before.

Please note, the affidavit was amend to comply with paragraph 609 of the connect America order.

Quincy respectfully requests that the Commission notify the FCC prior to October 1 of this year that Quincy is eligible to receive federal high-cost support for 2013. If there any questions, please contact Tom McCabe at 850-875-5207.

Regards,

A handwritten signature in cursive script that reads "Amber Gaudreau".

Amber Gaudreau
Senior Administrator, Regulatory Compliance

DOCKET NO. 120150-TL

AFFIDAVIT

BEFORE ME, the undersigned authority appeared Kevin G. Hess who deposed and said:

My name is Kevin G. Hess. I am employed by TDS Telecommunications Corporation, the parent company of Quincy Telephone Company d/b/a TDS Telecom/Quincy ("TDS" or the "Company") as its Senior Vice President, Government & Regulatory Affairs. 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. §54.314.

TDS hereby certifies that all federal high-cost support was used in the preceding calendar year and will be used in the new calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

1. TDS 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 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 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 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.

DOCKET NO. 120150-TL
Page 2 of 3

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. 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.

2. TDS 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 March 1, 2012, TDS had no Federal FCC reportable outage and no State PSC reportable outages.
3. TDS hereby certifies that it did fulfill all requests for service from potential customers.
4. TDS hereby certifies that for the period from March 1, 2011 and March 1, 2012 one FCC complaint was received and no state PSC complaints were received.

DOCKET NO. 120150-TL
Page 3 of 3

5. TDS hereby certifies that it made all reasonable efforts to comply with applicable service quality standards and consumer protection rules, in accordance with Florida Statutes and the Florida Administrative Code.
6. TDS hereby certifies that it is able to function in emergency situations.
7. TDS already provides equal access to long distance carriers.


FURTHER AFFIANT SAYETH NOT.



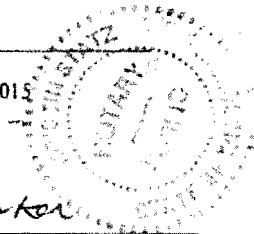
Kevin G. Hess
Senior Vice President
Government & Regulatory Affairs

STATE OF WISCONSIN
COUNTY OF DANE

Acknowledged before me this 25th day of June, 2012, by Kevin G. Hess, as Senior Vice President, Government & Regulatory Affairs of TDS Telecommunications Corporation d/b/a TDS TELECOM/Quincy Telephone, who is personally known to me or produced identification and who did take an oath.



Kristin M. Statz - Notary Public
My Commission expires: May 24, 2015



Personally Known Co-Worker
Produced Identification Yes
Type of Identification Produced Driver License



June 28, 2012

SENT VIA FEDERAL EXPRESS

Ms. Ann Cole
Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED FPSC
12 JUN 28 PM 1:11
COMMISSION
CLERK

www.smartcity.com

Re: Docket No. 120150-TL
State Certification of Rural Telecommunications
Carriers Pursuant to 47 C.F.R. §54.314

Dear Ms. Cole:

Enclosed for filing in the above referenced Docket, is an original and fifteen (15) copies of the signed revised Affidavit of James T. Schumacher on behalf of Smart City Telecommunications LLC d/b/a Smart City Telecom.

Should you have any questions, please contact me at (407) 828-6656.

Sincerely,

Debbie Huttenhower
Director - Regulatory Compliance

Enclosures

cc: Robert J. Casey, FPSC
Jim Polk, FPSC

YFM _____
SBA _____
ER _____
CL 1 _____
AD 14 _____
RC _____
ADM _____
JPC _____
TLK _____

Post Office Box 22555 Lake Buena Vista, FL 32830-2555 phone (407) 827-2000 fax (407) 828-6651

4281 JUN 28 2012

Florida Public Service Commission
Docket No. 120150-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. §54.314.

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 2013 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 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 interstate switching revenue requirement, again as set forth in the

4281 JUL 26 2012

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 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.


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, 2011 and March 1, 2012, 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, 2011 and March 1, 2012 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 27th day of June, 2012, by James T. Schumacher, as Vice President – Finance and Administration of Smart City Telecommunications I.L.C. 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 _____

