

# High Cost Program Filings & Deadlines



October 2011 | Denver, CO

- Types of Data Submissions
- Filing Types & Deadlines
- Filings & Support Payments
- Use Certifications
- Other Certifications
- Annual Reporting Requirements
- High Cost Forms
- Notifications
- Q & A



# High Cost Program Data Submissions

## Line Counts

- ILECs (Rural & Non-Rural)
- CETCs

## Certifications

- Use Certifications
  - Rural / Non-Rural
  - Interstate Access Support (IAS)
  - Interstate Common Line Support (ICLS)
- Rate Comparability

## Annual Reporting Requirements

(214(e)(6) Carriers)

## Notifications

- Safety Net Additive
- Safety Valve

# High Cost Program

## **Filing Types & Deadlines**

# Filing Types and Deadlines

DATE	TYPE OF CARRIER	COMPONENT	FILING TYPE	FILING DATA DUE
<b>March 30</b>	Rural & Rate-of-Return	HCL, LSS, ICLS	Voluntary	Quarterly Line Counts
	CETC		Mandatory	
	Non-Rural, CETC	HCM	Mandatory	Quarterly Line Counts
<b>March 31</b>	Rate-of-Return	ICLS	Mandatory	Projections (Form 508) for upcoming Program Year
<b>March*</b>	Price-Cap, CETC	IAS	Mandatory	Quarterly Line Counts
<b>April 16</b>	Price-Cap	IAS	Mandatory	CMT Revenue, UNE Zone Rates, UNE Zone Boundaries
<b>June 30</b>	Rate-of-Return	ICLS	Voluntary	Revisions to projections for current & upcoming Program Years
	Rate-of-Return, CETC	ICLS	Mandatory	Annual Use Certifications for upcoming Program Year
	Price-Cap, CETC	IAS	Mandatory	Annual Use Certifications for upcoming Program Year
<b>June*</b>	Price-Cap, CETC	IAS	Mandatory	Quarterly Line Counts as of 3/31

\*Due on last business day of month

# Filing Types and Deadlines

DATE	TYPE OF CARRIER	COMPONENT	FILING TYPE	FILING DATA DUE
<b>July 31</b>	Rural & Non-Rural ILECs	HCL	Mandatory	Annual filing of cost, investment, expense (Part 36) data for previous calendar year (filed with NECA)
	Non-Rural, CETC	HCM	Mandatory	Quarterly Line Counts
	Rural & Rate-of-Return, CETC	HCL, LSS, ICLS	Mandatory	Quarterly Line Counts
<b>Sept. 30</b>	Rural & Rate-of-Return	HCL, LSS, ICLS	Voluntary	Quarterly Line Counts
	CETC		Mandatory	
	Non-Rural, CETC	HCM	Mandatory	Quarterly Line Counts
<b>Sept.*</b>	Price-Cap, CETC	IAS	Mandatory	Quarterly Line Counts

\*Due on last business day of month



# Filing Types and Deadlines

DATE	TYPE OF CARRIER	COMPONENT	FILING TYPE	FILING DATA DUE
<b>Oct. 1</b>	Rural, Non-Rural, CETC	HCL, LSS, ICLS	Mandatory	Rural & Non-Rural Annual Use Certification for upcoming year
	Rural	LSS	Mandatory	Projections for upcoming year
<b>Dec. 30</b>	Rural & Rate-of-Return	HCL, LSS, ICLS	Voluntary*	Quarterly Line Counts as of 6/30
	CETC		Mandatory	
	Non-Rural, CETC	HCM	Mandatory	Quarterly Line Counts as of 6/30
<b>Dec. 31</b>	Rural	LSS	Mandatory	Actual data for previous year
	Rate-of-Return	ICLS	Mandatory	Actual data (Form 509) for previous year
<b>Dec.*</b>	Price-Cap, CETC	IAS	Mandatory	Quarterly Line Counts as of 9/30

\*Due on last business day of month

# Filings & Support Payments

## Line Count Filings Affect Support Payments

Component	Filing Date	Time frame of Reported Data	FCC Filing Date	Affects Payments for
HCL, LSS	July 31	Lines served as of 12/31 previous year	August 2 (4Q projections)	1Q – following year
	Sept. 30	Lines served as of 3/31 current year	Nov. 2 (1Q projections)	1Q – following year*
	Dec. 30	Lines served as of 6/30 current year	Jan. 31 (2Q projections)	2Q – following year
	March 30	Lines served as of 9/30 preceding year	May 2 (3Q projections)	3Q + 4Q – current year
HCM, ICLS	July 31	Lines served as of 12/31 preceding year	August 2 (4Q projections)	4Q – current year
	Sept. 30	Lines served as of 3/31 current year	Nov. 2 (1Q projections)	1Q – following year
	Dec. 30	Lines served as of 6/30 current year	Jan. 31 (2Q projections)	2Q – following year
	March 30	Lines served as of 9/30 preceding year	May 2 (3Q projections)	3Q – current year
IAS (due last business day of month)	June	Lines served as of 3/31 current year	August 2 (4Q projections)	3Q – current year
	Sept.	Lines served as of 6/30 current year	Nov. 2 (1Q projections)	4Q – current year
	Dec.	Lines served as of 9/30 current year	Jan. 31 (2Q projections)	1Q – following year
	March	Lines served as of 12/31 preceding year	May 2 (3Q projections)	2Q – current year

**Use Certifications:** FCC rules require ETCs or States to certify that High Cost support “will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.”

Certification Type	Due Date	FCC Rule	Affects Payments For
<b>Non-Rural Use</b>	October 1 Annually	47 CFR 54.313	Subsequent Calendar Year
<b>Rural Use</b>	October 1 Annually	47 CFR 54. 314	Subsequent Calendar Year
<b>Interstate Access Use</b>	June 30 Annually	47 CFR 54.809	Tariff Year (July 1-June 30)
<b>Interstate Common Line Use</b>	June 30 Annually	47 CFR 54.904	Tariff Year (July 1-June 30)

Consistent with 47 CFR 54.316, **states** are required to:

- Review comparability of rates in rural areas of the state served by non-rural ILECs to urban rates nationwide
- Certify to the FCC and USAC as to whether rates are reasonably comparable

Failure to certify results in the loss of High Cost Model Support for ETCs within the state.

47 CFR 54.209 requires that federally designated ETCs must file:

- Service Quality Improvement report
- Detailed outage information
- Unfulfilled service requests report
- Complaints per 1,000 handsets or lines report

47 CFR 54.209 requires that federally designated ETCs must file certifications that:

- ETC is complying with quality of service standards
- ETC is offering comparable service plans to local ILEC plans
- ETC is able to function in emergency situations
- ETC acknowledges that the FCC may require ETC to offer equal access to Interexchange carriers (IXCs) where no other ETC is providing equal access

All forms can be found at:  
**[www.usac.org/hc/tools/required-forms.aspx](http://www.usac.org/hc/tools/required-forms.aspx)**

▶ Incumbent Carriers
▶ Competitive Carriers
▶ State Commissions

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### Required Forms

High Cost Forms	Additional Forms
<p>The following forms collect data necessary for USAC to administer the High Cost Program. Forms are available in two formats: Adobe Acrobat and Microsoft Excel.</p>	<ul style="list-style-type: none"> <li>▶ E-file Forms 499-Q, 499-A, 498, 525</li> <li>▶ Download Forms 499-Q, 499-A, 498</li> <li>▶ Certification Sample Letters</li> <li>▶ Notification Sample Letters</li> </ul>




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#### High Cost Forms



**LSSc**  
Local Switching Support Reporting Worksheet for Cost Companies

Download Worksheet:  38kb |  18kb  
 Download Instructions:  53kb



**LSSa**  
Local Switching Support Reporting Worksheet for Average Schedule Companies

Download Form:  33kb |  11kb  
 Download Instructions:  53kb

**Form 507**  
Interstate Common Line Support Mechanism Line Count Report

Download Form:  56kb  
 Download Instructions:  123kb

**Form 508**  
ICLS Projected Annual Common Line Revenue Requirement

Download Form:  55kb  
 Download Instructions:  64kb

## **HCL, SNA, & SVS**

- ILECs file HCL data with NECA and USAC receives data electronically from NECA
- CETCs provide HCL line counts via FCC Form 525 (online or on paper)
- ILEC and CETC HCL data must be provided on a disaggregated basis, where applicable



## HCM

- ILECs file HCM line count data with NECA and USAC receives data electronically from NECA
- CETCs provide HCM line counts via FCC Form 525 (online or on paper)
- ILEC & CETC HCM data must be provided on a wire center basis

## IAS

- ILECs file IAS line count data directly with USAC
  - USAC receives data electronically from carriers by customer class and by UNE zone, where applicable
- CETCs provide IAS line counts via FCC Form 525
  - CETC line count information also must be by customer class and UNE zone, where applicable

## ICLS

- ILECs submit projected ICLS on FCC Form 508
- ILECs submit actual ICLS for true-up purposes on FCC Form 509
- ILECs submit ICLS line counts on FCC Form 507
- CETCs use FCC Form 525 (online or on paper)
- Line Counts must be filed by customer classes
- Line Counts must be disaggregated, where applicable

## LSS

- ILECs submit LSS data for projection purposes on FCC Forms LSSa and LSSc
- LSSa used by Average Schedule ILECs to project and true-up LSS payments
- LSSc used by Cost ILECs to project and true-up LSS payments
- FCC Form 525 used by CETCs to provide LSS line counts

## Incumbent Carriers

### **Safety Valve Support (SVS)** (47 CFR 54.305)

- Incumbent ETC must notify USAC of its potential eligibility for Safety Valve Support subsequent to an acquisition

### **Safety Net Additive (SNA) Support** (47 CFR 36.605)

- Incumbent ETC must notify USAC of its qualification for SNA



**Thank You!**

To learn more, visit:

[www.usac.org/hc](http://www.usac.org/hc)

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