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STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

G. Nanette Thompson, Chair  
Bernie Smith  
Patricia M. DeMarco  
Will Abbott  
James S. Strandberg

In the Matter of the Commission Compliance )  
with Federal Requirements to Certify Proper Use )  
of Federal Universal Service Funds by )  
Telecommunications Carriers )

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U-01-90  
ORDER NO. 1

**ORDER OPENING DOCKET AND REQUIRING FILINGS**

BY THE COMMISSION:

Summary

As a condition for continued receipt of federal universal service funding for local service, we are required by the Federal Communication Commission (FCC) to certify that local carriers will appropriately use any funds received during 2002. Through this Docket, we require local exchange carriers to provide information necessary for us to meet the certification requirement.

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Background

All rural local exchange carriers in Alaska receive federal universal service funds to ensure affordable local rates. The FCC released its Order<sup>1</sup> adopting, for the most part, the recommendation of the Rural Task Force on federal universal service funding for rural carriers. We are now required to certify<sup>2</sup> annually by October 1 that federal universal service funds<sup>3</sup> received by regulated Alaskan companies will be used only for the provision, maintenance, and upgrade of facilities and services for which the support is intended. The FCC will deny federal funding to Alaskan companies if we are unable to provide this certification.<sup>4</sup>

Discussion

To comply with our FCC certification requirement, we require regulated local exchange carriers to provide us with detailed information. The required information is identified on the Data Response and Affidavit form attached as an appendix to this Order. We may ask for additional information over the course of our review. A company's failure to timely provide the information we seek could compromise universal service funding in Alaska.

The Data Response and Affidavit form was developed after opportunity for informal comment from the industry.<sup>5</sup> We revised our initial data request form in

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<sup>1</sup> CC Docket No. 96-45, CC Docket No. 00-256, *Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256*, FCC 01-157, Released May 23, 2001.

<sup>2</sup> See 47 C.F.R. § 54.314.

<sup>3</sup> Funds in question are those provided pursuant to 47 CFR §§ 54.301, 54.305, 54.307 and 47 C.F.R. § 36 Subpart F.

<sup>4</sup> See 47 CFR § 54.314(a).

<sup>5</sup> Targeting of Federal Universal Funds Workshop, June 20, 2001.

1 response to some of the industry suggestions. We believe that the current form  
2 requests the minimum critical information we need in order to meet our FCC  
3 obligations. We may ask for different or more detailed information in subsequent  
4 years as we gain experience with the certification process.

5 The local exchange carrier companies that we do not economically  
6 regulate<sup>6</sup> are required by the FCC<sup>7</sup> to file a sworn affidavit executed by a corporate  
7 officer attesting that all federal high-cost support will be used in 2002 only for the  
8 provision, maintenance, and upgrade of facilities and services for which the support is  
9 intended. We believe this affidavit must be filed on or before October 1 with both the  
10 Fund Administrator and the FCC's Office of the Secretary and clearly referencing  
11 "CC Docket No. 96-45." We urge you to familiarize yourself with the FCC's  
12 requirements in this area. We request that a copy of your completed affidavit be filed  
13 in Docket U-01-90 no later than 4 p.m., August 31, 2001.

14 Failure to provide the information we seek could compromise your  
15 universal service funding. Any questions regarding this matter may be directed to  
16 Keith Day or Lorraine Kenyon of our Staff.

17 **ORDER**

18 THE COMMISSION FURTHER ORDERS:

19 1. By 4 p.m., August 13, 2001, local exchange carrier companies  
20 receiving federal universal service support and subject to our economic regulation are  
21

22  
23 \_\_\_\_\_  
24 <sup>6</sup> For purposes of this Order, companies that are economically regulated with  
25 respect to local exchange service are those entities required to maintain a service tariff  
26 on file with the Regulatory Commission of Alaska.

<sup>7</sup> See 47 C.F.R. § 54.314(b).

1 required to complete and return the Data Response and Affidavit Form accompanying  
2 this Order as an appendix.

3           2. By 4 p.m., August 31, 2001, local exchange carrier companies that  
4 are not subject to our economic regulation and that receive federal universal service  
5 support are required to provide us with a copy of the affidavit discussed in the body of  
6 this Order.

7  
8 DATED AND EFFECTIVE at Anchorage, Alaska, this 13th day of July, 2001.

9                           BY DIRECTION OF THE COMMISSION  
10                           (Commissioners G. Nanette Thompson, Chair,  
11                           and Bernie Smith not participating.)

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**U-01-90(1) Data Response and Affidavit**

Data to be provided by economically regulated Eligible Telecommunications Carriers receiving loop or switch federal universal service support.

Company Name: \_\_\_\_\_

Date: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Phone Number: \_\_\_\_\_

DATA IS TO BE PROVIDED BY SEPARATE FORM FOR EACH STUDY AREA SERVED. COMPANIES THAT HAVE RECENTLY PURCHASED GTE EXCHANGES SHOULD FILE SEPARATE FORMS FOR THEIR NON-GTE AND GTE AREAS.

STUDY AREA: \_\_\_\_\_

Line	Data	USOA* Title	USOA* Acct. No.	Amount Estimated For 2001	Amount Estimated For 2002	
1	Federal Local Loop Support:					
		_____	_____	_____	_____	
		_____	_____	_____	_____	
		_____	_____	_____	_____	
		Total Federal Local Loop Support			_____	_____
2	Federal Local Switching Support:					
		_____	_____	_____	_____	
		_____	_____	_____	_____	
		_____	_____	_____	_____	
		Total Federal Switching Support			_____	_____

\* For companies not required to follow the Uniformed System of Accounts (USOA), please indicate your account title and number.

Line Data	USOA Title	USOA Acct. No.	Amount Estimated For 2001	Amount Estimated For 2002
3	State Local Switching Support			
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	Total State Switching Support		_____	_____
4	Total Federal and State Loop and Switching Support		_____	
5	Identify the RCA Order Approving Your Current Intrastate Access Charge Revenue Requirement *		_____	
6	Total Study Area Revenue Requirement Reported in Last Approved Intrastate Access Charge Proceeding:		_____	
7	Local Switched Service Revenue Requirement Reported in Last Approved Intrastate Access Charge Proceeding:		_____	
8	Local Service Rate Base for Switched Services Reported in Last Approved Intrastate Access Charge Proceeding:		_____	
<p>* Questions 5 to 8 do not apply to companies that do not file access charge revenue requirement studies. If your company falls in this category, provide information in sufficient detail in your response to Questions 11 and 12 to demonstrate your company will appropriately use universal service funds. If you believe the data requested in response to Questions 5 to 8 is not available or not reasonably reflective of your operations, explain why. If you believe you have more up-to-date or better representative data than what we have requested, you may include it in your response to the Commission.</p>				

Line Data	Amount Estimated For 2001
9 Local Revenues by Service*:	
Residential	_____
Business	_____
Private Line	_____
ISDN	_____
Private Pay Phone	_____
UNE	_____
Other	_____
Total Local Regulated Operating Revenue	_____
10 Rate of Return Data for Local Switched Service:	
10a Authorized Rate of Return pursuant to Order U-__ - ____ ( )	_____
10b Estimated Achieved Local Service Rate of Return**	_____
10c Narrative explanation of variance, if applicable:	
_____	
_____	
_____	
_____	
_____	
_____	

\* It is not our intent that companies spend significant resources providing an answer to this question. At the same time we require information on revenues in the categories requested. We will accept budget estimates of revenue data in response to this question, or any other appropriate source of estimate, provided an explanation is given regarding how the estimate is calculated.

\*\* Please provide local switched service return for most recent fiscal year. A brief explanation of any significant variance in actual achieved rate of return versus authorized rate of return may be provided, as well as any information felt to be helpful in reconciling achieved rate of return to the company's annual operating report for the period.

11 Explain how your company plans to use federal universal service funds anticipated to be received in 2002. Categorize those funds as to how they will be applied for provision, maintenance, and upgrade of eligible facilities and services. For funds anticipated to be used for upgrades, please provide a descriptive list of those projects.

Narrative Explanation:

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Provision \_\_\_\_\_  
 Maintenance \_\_\_\_\_  
 Upgrade \_\_\_\_\_

Total Federal Universal Service Support \_\_\_\_\_

Estimated to be Received in 2002:

12 Explain how your company plans to use state universal service funds anticipated to be received in 2002 and categorize those funds as to how they will be applied for provision, maintenance, and upgrade of eligible facilities and services. For funds anticipated to be used for upgrades, please provide a descriptive list of those projects.

Narrative Explanation:

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Provision \_\_\_\_\_  
 Maintenance \_\_\_\_\_  
 Upgrade \_\_\_\_\_  
 Other \_\_\_\_\_

Total State Universal Service Support \_\_\_\_\_

Estimated to be Received in 2002:

13 Affidavit:

*As an authorized corporate officer of \_\_\_\_\_ (Utility Name), the holder of Certificate of Public Convenience and Necessity No. \_\_\_\_\_, issued by the Regulatory Commission of Alaska, I declare under penalty of unsworn falsification that I have examined this form, including Accompanying schedules and statements, and to the best of my knowledge and belief it is true, Correct, and complete. I hereby affirm familiarity with and understanding of the requirements of the Communications Act of 1934 as Amended by The Telecommunications Act of 1996 with Respect to the receipt of Universal Service Funds and affirm that such funds received will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended pursuant to 47 U.S.C. 254(e).*

Signature	Type or Print Name	Date
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Subscribed and Sworn to before me this \_\_\_\_ day of \_\_\_\_\_, A.D. 20\_\_

NOTARY PUBLIC

Commission Expires \_\_\_\_\_