

State of Florida



# Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

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CLERK

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**DATE:** July 23, 2007  
**TO:** Ann Cole, Commission Clerk - PSC, Office of Commission Clerk  
**FROM:** James S. Polk, Regulatory Analyst I, Division of Competitive Markets & Enforcement  
**RE:** Docket No. 010977-TL

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*JP* *PSZ*

Please find attached the corrected copy of Attachment A on the above Docket File that should have been submitted on the July 19<sup>th</sup> Recommendation. The Recommendation submitted to you on that date did not have the notarized copy. Thank you for your assistance in correcting this error.

Please redistribute the corrected copy of this Recommendation to Parties as soon as possible.

If you have any questions please give me a call.

**Jim Polk, Regulatory Analyst**  
**FLORIDA PUBLIC SERVICE COMMISSION**  
Bureau of Telecommunications Service Quality, Certification and Enforcement  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

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ORIGINAL

Windstream Communications, Inc.  
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Betty J. Willis  
Director - External Affairs

(p) 501.748.5692  
(f) 501.748.7996  
(m) 501.690.5451



April 27, 2007

Ms. Ann Cole  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 323399-0870

RECEIVED FPOD  
07 APR 30 AM 9:44  
COMMISSION  
CLERK


Re: Docket No. 010977-TL

Dear Ms. Cole:

Enclosed for filing in the above docket are the original and fifteen (15) copies of the signed Affidavit of Michael D. Rhoda on behalf of Windstream Florida, Inc.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,  
  
Betty Willis

Enclosure

cc: James White (Windstream)

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07 APR 30 PM 9:30

DOCUMENT NUMBER-DATE  
03618 APR 30 5  
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**AFFIDAVIT**

BEFORE ME, the undersigned authority appeared Michael D. Rhoda who deposed and said:

1. My name is Michael D. Rhoda. I am Windstream Florida, Inc.'s, ("Windstream" or the "Company") Senior Vice President, Governmental 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. Windstream hereby certifies that it will only use the federal high-cost support it receives during 2008 for the provision, maintenance and upgrading of facilities and service for which such support is intended.

3. Windstream hereby certifies that it has submitted via annual NECA filings, expenditures in support of 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 is based on the embedded, interstate loop costs of rate-of-return companies and 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 rate-of-return ILECs for investments and expenses already incurred. The ICLS calculation uses the interstate cost studies submitted and certified by the companies and received by NECA.

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.

All of these programs are administered through USAC, a private, not-for-profit corporation. USAC assist 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.

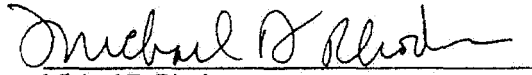
4. Windstream hereby certifies that it follows appropriate procedures for network outage reporting in accordance with the Federal Outage Reporting Order and State Outage Reporting Requirements. For the period between March 1, 2006 and March 1, 2007, Windstream did not have any FCC reportable outages. Windstream had no 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, 2006 through March 1, 2007 seven FCC complaints and sixty-six 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.

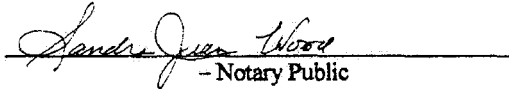
FURTHER AFFIANT SAYETH NOT.



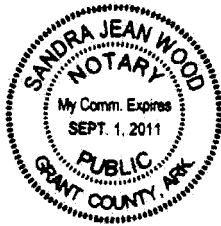
Michael D. Rhoda  
Senior Vice President, Governmental Affairs

STATE OF ARKANSAS  
COUNTY OF PULASKI

Acknowledged before me this 12 th day of July 2007, by Michael D. Rhoda, as Senior Vice President, Governmental Affairs of Windstream Florida, Inc. who is personally known to me or produced identification and who did take an oath.



- Notary Public



Personally Known   
Produced Identification \_\_\_\_\_  
Type of Identification Produced \_\_\_\_\_