BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: 2020 State certification under 47 C.F.R. §54.313 and §54.314, annual reporting requirements for high-cost recipients and certification of support for eligible telecommunications carriers.

DOCKET NO. 20190119-TP ORDER NO. PSC-2019-0398-FOF-TP ISSUED: October 4, 2019

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman JULIE I. BROWN DONALD J. POLMANN GARY F. CLARK ANDREW GILES FAY

ORDER AUTHORIZING ANNUAL UNIVERSAL SERVICE CERTIFICATION

BY THE COMMISSION:

Case Background

One of the primary principles of universal service support as described in the Telecommunications Act of 1996 (Telecom Act) is for consumers in all regions to have reasonably comparable access to telecommunications and information services at reasonably comparable rates. The federal universal service high-cost program is designed to help ensure that consumers in rural, insular, and high-cost areas have access to modern communications networks capable of providing voice and broadband service, both fixed and mobile, at rates that are reasonably comparable to those in urban areas. The program supports the goal of universal service by allowing eligible telecommunications carriers (ETCs) to recover some of the costs of service provision in high-cost areas from the federal Universal Service Fund. In order for carriers to receive universal service high-cost support, state commissions must certify annually to the Universal Service Administrative Company (USAC) and to the Federal Communications Commission (FCC) that each carrier complies with the requirements of Section 254(e) of the Telecom Act by using high-cost support "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."

¹ 47 U.S.C. §254(b)(3) (2019)

² FCC, "Universal Service for High Cost Areas - Connect America Fund," updated July 25, 2019, https://www.fcc.gov/general/universal-service-high-cost-areas-connect-america-fund, accessed July 30, 2019.

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Certification of ETCs for high-cost support is defined as follows:

(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 [USAC] and the Commission [FCC] 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 shall only be provided to the extent that the State has filed the requisite certification pursuant to this section.³

Certification may be filed online with USAC through USAC's online portal. Immediately following online certification, the USAC website will automatically generate a letter that may be submitted electronically to the FCC to satisfy the submission requirements of 47 C.F.R. §54.314(c). In order for Florida carriers to be eligible for high-cost universal service support for all of calendar year 2020, certification must be submitted by the Commission by October 11, 2019.⁴

Review and Decision

All Florida ETCs that are seeking high-cost support, BellSouth Telecommunications, LLC d/b/a AT&T Florida d/b/a AT&T Southeast; Embarq Florida, Inc. d/b/a CenturyLink; Frontier Florida LLC; Frontier Communications of the South, LLC; Consolidated Communications of Florida Company; ITS Telecommunications Systems, Inc. d/b/a ITS Fiber; Knology of Florida, Inc. d/b/a WOW! Internet, Cable and Phone; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; Smart City Telecommunications LLC d/b/a Smart City Telecom; and Windstream Florida, LLC, have filed affidavits with the Commission attesting that the high-cost funds received for the preceding calendar year and for the upcoming calendar year will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

Additionally, each company has filed FCC Form 481 with USAC. Form 481 includes information such as emergency operation capability, FCC pricing standards comparability for voice and broadband service, holding company and affiliate brand details, and tribal lands service and outreach. Price cap carriers certify in Form 481 that high-cost support received was used to build and operate broadband-capable networks used to offer the provider's own retail broadband service in areas substantially unserved by an unsubsidized competitor. Rate-of-return carriers certify in Form 481 that reasonable steps are being made to achieve FCC broadband upload and download standards and, if privately held, submit documents detailing the company's

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³ 47 C.F.R §54.314(a) (2019)

⁴ FCC Order DA-19-197, released September 16, 2019, https://www.fcc.gov/document/wcb-waives-54314-deadline-fl-psc-until-october-11, accessed September 17, 2019.

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financial condition. Based on previous years' data, we estimate that the amount of 2020 high-cost support that these carriers may receive in Florida will be approximately \$45 million.⁵

We reviewed the affidavits and submissions made by each carrier to the Commission and to USAC. Each of the Florida ETCs receiving high-cost support has attested that all federal high-cost support provided to them within Florida 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.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that we shall certify to USAC and to the FCC, through online certification with USAC and by electronic filing of a USAC-generated certification letter with the FCC, that BellSouth Telecommunications, LLC d/b/a AT&T Florida d/b/a AT&T Southeast; Embarq Florida, Inc. d/b/a CenturyLink; Frontier Florida LLC; Frontier Communications of the South, LLC; Consolidated Communications of Florida Company; ITS Telecommunications Systems, Inc. d/b/a ITS Fiber; Knology of Florida, Inc. d/b/a WOW! Internet, Cable and Phone; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; Smart City Telecommunications LLC d/b/a Smart City Telecom; and Windstream Florida, LLC are eligible to receive federal high-cost support, that they have used the federal high-cost support received in the preceding calendar year, and that they 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

ORDERED that this docket is hereby closed.

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⁵ This estimate was obtained using data from the USAC high-cost funding data disbursement search tool, and does not include wireless carriers.

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By ORDER of the Florida Public Service Commission this 4th day of October, 2019.

ADAM J. TEITZMAN

Commission Clerk

Florida Public Service Commission

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

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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.