

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
ETC Annual Reports and Certifications	)	WC Docket No. 14-58
	)	
Establishing Just and Reasonable Rates for Local Exchange Carriers	)	WC Docket No. 07-135
	)	
Developing a Unified Intercarrier Compensation Regime	)	CC Docket No. 01-92

**COMMENTS OF HAYNEVILLE TELEPHONE COMPANY**

Hayneville Telephone Company (“Hayneville” or the “Company”), hereby submits these comments in response to the Federal Communications Commission’s (“FCC” or “Commission”) March 23, 2018 Notice of Proposed Rulemaking, wherein the FCC seeks input on a number of items related to allowing rate-of-return carriers on legacy Universal Service Fund (“USF”) support to elect Alternative Connect America Model (“A-CAM”) support if the FCC decides in the future to release additional offers of A-CAM support.<sup>1</sup> Hayneville applauds the Commission for not only providing an additional funding for both A-CAM and legacy carriers, but also considering the possibility of providing opportunities in the future for legacy carriers to elect A-CAM.

As a result of an inadvertent error caused by a lack of understanding of the FCC’s Form 477 instructions, the FCC found that Hayneville had greater than 90 percent 10/1 and thus was

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<sup>1</sup> See *Report and Order, Third Order on Reconsideration, and Notice of Proposed Rulemaking*, WC Docket Nos. 10-90, 14-58, 07-135, CC Docket No. 01-92, FCC 18-29 (rel. March 23, 2018) (“*NPRM*”).

ineligible for A-CAM support. Upon discovery of the inadvertent error, which did not occur until after the FCC's deadline for calculating A-CAM eligibility, Hayneville revised its incorrectly filed Form 477s and has been correctly filing the forms on an on-going basis. Accordingly, Hayneville would be eligible for the A-CAM if the FCC were to allow an opportunity for non-glide path legacy carriers to elect A-CAM as proposed in the *NPRM* and hereby files these comments in support of the FCC's proposals including its proposal to use the most recent Form 477 data.

## **I. Introduction**

Hayneville, a rate-of-return company, has ILEC operations that are extremely rural in nature spanning over 229 square miles and including 3 exchanges in southcentral Alabama. The unserved and underserved locations are typically in parts of the study area that have approximately 8.5 or fewer homes per square mile. Using the FCC's broadband deployment percentages for rate-of-return carriers, Hayneville still needs to extend 10/1 Mbps or greater broadband to approximately 60% of its study area, or approximately 136 square miles and 1156 subscribers.

Given these characteristics, Hayneville would appear to be a prime candidate for A-CAM. However, the Company was excluded from participating due to an inadvertent error on its June 2015 Form 477 report. This error consisted of speeds being reported that could be delivered at each remote office location, not each subscriber's location. Hayneville's error caused the Company to report 100% capable of delivering 10/1 Mbps services, which is not accurate. Given that the Form 477 data reported the Company as being over 90 percent 10/1, the Company was excluded from participating in the A-CAM. Hayneville filed a waiver in October, 2016, arguing that the Company had special circumstances that prevented it from being eligible

for A-CAM support at that time.<sup>2</sup> The FCC, however, denied this waiver<sup>3</sup> resulting in Hayneville remaining on legacy support.

## **II. The Commission Should Allow for a One-Time Option for Legacy Carriers to Elect A-CAM Using Updated Form 477 Data**

In the *NPRM*, the FCC asks both whether the Commission should open a “new window” for only “glide path” legacy carriers to have the opportunity to adopt A-CAM or if a new window should be opened for all legacy carriers to have that option.<sup>4</sup> In seeking comment on whether to extend a new model offer only to “glide path” legacy carriers, the FCC proposes to “update the broadband coverage data with the most recent publicly available FCC Form 477 data prior to any additional offer of support.”<sup>5</sup> Hayneville is not a “glide path” carrier, and thus urges the Commission, if it were to adopt its proposal to initiate a new window for all legacy carriers to elect A-CAM, that the Commission should utilize the most recently publicly available Form 477 data in this context as well.

Should the FCC proceed with extending a new model offer based on the most recent FCC Form 477 data, it will find that Hayneville would be eligible for considerably more funding, due to the fact that it corrected the clerical error that prevented it from obtaining the amount of A-CAM support it should have received in the initial offer. The rural missing locations that would have been funded have not been served with 10/1 Mbps or greater broadband in the interim. Hayneville faces challenges in providing advanced communications services to its extremely rural subscribers, and these challenges are exacerbated by economic conditions and the long

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<sup>2</sup> Hayneville Telephone Company, Petition for Waiver of Deadline to Submit Form 477 Revisions, WC Docket Nos. 10-90 & 14-58, CC Docket No. 01-92 (filed October 25, 2016), at p. 2.

<sup>3</sup> Order, WC Docket No. 10-90, (rel. October 31, 2016), DA 16-1237.

<sup>4</sup> *NPRM* at ¶¶ 117 & 144. “Glide path” carriers are carriers that have A-CAM support that is less than the legacy support they receive. *Id.* at para. 117.

<sup>5</sup> *Id.* at ¶ 123.

loops needed to reach the most rural customers. Lowndes County is one of the poorest counties in our nation, which is reflected in their negative population growth since 1968. In addition, economic development is difficult in such a rural community. Broadband development is one of the few infrastructure improvements that might make a difference in Lowndes County's economic outlook. Despite these hardships, Hayneville's commitment to providing the most advanced telecommunications and broadband services to its rural and low income consumers remains steadfast.

Further, in seeking comment on additional funding for existing A-CAM carriers, the FCC seeks comment on using "additional headroom in the budget" for this potential funding.<sup>6</sup> Hayneville points out the Commission's acknowledgement of "additional headroom in the budget" and urges the Commission to take all steps necessary to identify funding necessary to allow for a new window for all legacy carriers to have the opportunity to adopt A-CAM. This is especially critical for Hayneville as it was not afforded the opportunity to consider the initial offer of A-CAM due to an inadvertent clerical error.

Respectfully Submitted,

/s/ Evelyn Causey  
Evelyn Causey, President/COO  
Hayneville Telephone Company

Filed May 25, 2018

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<sup>6</sup> See *Id.* at ¶ 143.