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Senior Counsel

REDACTED – FOR PUBLIC INSPECTION

Via ECFS

June 22, 2018

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: *In the Matter of ETC Annual Reports and Certifications*; WC Docket No. 14-58 –
CenturyLink's 2018 Local Rate Floor Data Submission

Dear Ms. Dortch:

In connection with the FCC's November 18, 2011 *USF/ICC Transformation Order* in WC Docket Nos. 10-90, *et al.* and in accord with 47 C.F.R. §§ 54.313(h) and (i),¹ CenturyLink hereby submits in WC Docket No. 14-58 rate floor data information for its 2018 annual reporting requirement as a high-cost recipient in 2017. The information is provided using the FCC's Rate Floor Data Collection Form and reflects data on voice rates for residential local service as of June 1, 2018, in areas where CenturyLink receives frozen support and where CenturyLink's tariffed rate/standard rate for local service and associated state regulated fees result in a rate below this year's local urban rate floor of \$25.50.² Also, in accord with the Commission's

¹ *In the Matter of Connect America Fund, et al.*, WC Docket No. 10-90, *et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, 26 FCC Rcd 17663 (2011) (*USF/ICC Transformation Order*) (subsequent regulatory history omitted), *aff'd sub nom.*, *Direct Communs. Cedar Valley, LLC v. FCC* and *In re: FCC 11-161*, Nos. 11-9900, *et al.*, 753 F.3d 1015 (10th Cir. 2014), *petitions for rehearing en banc denied*, Orders, Aug. 27, 2014, *cert. denied*, 135 S. Ct. 2072, May 4, 2015 (Nos. 14-610, *et al.*); 47 C.F.R. §§ 54.313(h) & (i). See also Report and Order, Declaratory Ruling, Order, Memorandum Opinion and Order, Seventh Order on Reconsideration, and Further Notice of Proposed Rulemaking, WC Docket Nos. 10-90, *et al.*, FCC 14-54, 29 FCC Rcd 7051, 7075-83 ¶¶ 73-89 (rel. June 10, 2014).

² On May 19, 2017, the Commission froze the effective rate floor at \$18 for two years pending its review of the rate floor methodology and associated reporting obligation. See Notice of Proposed Rulemaking and Order, *Connect America Fund*, WC Docket No. 10-90, 32 FCC Rcd 4509, 4511 ¶ 5 (2017). The Commission's decision was effective upon release (May 19, 2017).

waiver of its rules regarding local rate floor reductions for lines provided to customers enrolled in the Lifeline program,³ CenturyLink has removed lines it was providing to Lifeline customers as of June 1, 2018 from this submission.

Portions of the CenturyLink submission to the Commission include confidential information that is filed and protected from disclosure to the public pursuant to 47 C.F.R. §§ 0.457(d), 0.459.⁴ The confidential information is the number of line/loop counts for certain of CenturyLink's reporting companies. The non-redacted version of the cover correspondence and each page of the submission that includes confidential information has been marked "**CONFIDENTIAL – NOT FOR PUBLIC INSPECTION**". As such, CenturyLink requests that the non-redacted version of its submission be withheld from public inspection.

The confidential information included in these documents is competitively sensitive information and thus should not be available for public inspection. Such information would not ordinarily be made available to the public. Release of the confidential information in the submission would have a substantial negative competitive impact on CenturyLink. Accordingly, the non-redacted information in question is appropriate for non-disclosure under sections 0.457(d) and 0.459. Pursuant to 47 C.F.R. §§ 0.457(d), 0.459, CenturyLink provides justification for the confidential treatment of this information in the Appendix to this letter.

For the non-redacted version of the submission, CenturyLink is providing to the Office of the Secretary an original hard copy of the cover letter and one Compact Disc (CD), along with an extra copy of the cover letter to be stamped and returned to the courier. In addition, CenturyLink is providing two hard copies of the non-redacted cover letter and two copies of the CD to Alex Minard of the Wireline Competition Bureau. Because it was not feasible to separate out the confidential information, *see* 47 C.F.R. § 0.459(a), without destroying the integrated nature of the information presented in this submission, CenturyLink is also filing today under separate cover, via the Commission's Electronic Comment Filing System (ECFS), a redacted version of its submission. Each page of the redacted version of the submission, where confidential

Id. at 4517 ¶ 26. Nevertheless, for areas where carriers receive frozen support that replaced high-cost loop support or high-cost model support carriers are still required to report voice service rates below the current survey-based rate floor of \$25.50. *See also Wireline Competition Bureau Announces Results of 2018 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for ETCs Subject to Broadband Public Interest Obligations for all United States Carriers, Including Carriers in Alaska*, WC Docket No. 10-90, Public Notice, 32 FCC Rcd 9339 (2017) (announcing 2018 rate floor for fixed voice and broadband services).

³ Order, FCC 14-54, 29 FCC Rcd 7051, 7081 ¶ 85 (rel. June 10, 2014).

⁴ 47 C.F.R. §§ 0.457(d) (2017), 0.459 (2011).

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information has been omitted (mirroring the corresponding page of the non-redacted version with the confidential information), is marked “**REDACTED – FOR PUBLIC INSPECTION**”.

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings and the annotation on the initial page noting the manner of submission.

Under separate cover, CenturyLink is also simultaneously transmitting the content of this submission (including the confidential information) today to the Universal Service Administrative Company.

Please contact me via the above contact information or Jeff Lanning in CenturyLink’s Federal Regulatory Affairs office (202-429-3113) if you have any questions.

Sincerely,

/s/ Tiffany West Smink

Enclosures

cc: Alexander Minard, Wireline Competition Bureau (via courier) (two hard copies of non-redacted cover letter and two copies of CD)

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APPENDIX

Confidentiality Justification

CenturyLink requests confidential treatment of certain information enclosed with its 2018 annual reporting requirements as a high-cost recipient in 2017 for submission in WC Docket No. 14-58. This information, which includes detailed information on company voice rate information identified by number of line/loop counts, is competitively sensitive and its disclosure would have a negative competitive impact on CenturyLink. Such information would not ordinarily be made available to the public, and should be afforded confidential treatment under both 47 C.F.R. §§ 0.457(d) and 0.459.

47 C.F.R. § 0.457 (2017)

Specific information in the submission for certain CenturyLink affiliates related to voice rate data (as to number of line/loop counts) is confidential and proprietary to CenturyLink as “commercial or financial information” under section 0.457(d). Disclosure of such information to the public would risk revealing company-sensitive proprietary information and have a harmful competitive effect on CenturyLink’s ongoing business enterprise and its operations. Therefore, in the normal course of Commission practice this information should be considered “Records not routinely available for public inspection.”

47 C.F.R. § 0.459 (2011)

Specific information related to voice rate data (as to number of line/loop counts) is also subject to protection under 47 C.F.R. § 0.459(b), as demonstrated below.

Information for which confidential treatment is sought

CenturyLink requests that the specific information related to voice rate data in its submission regarding number of line/loop counts be treated on a confidential basis under Exemption 4 of the Freedom of Information Act. This information is competitively sensitive data that CenturyLink maintains as confidential and does not normally make available to the public. Release of the information would have a substantial negative competitive impact on CenturyLink. The non-redacted version of the cover correspondence and each page of CenturyLink’s submission that includes confidential information is marked “**CONFIDENTIAL – NOT FOR PUBLIC INSPECTION**”.

Commission proceeding in which the information was submitted

The information is being submitted in connection with CenturyLink’s submission in response to 47 C.F.R. §§ 54.313(h) & (i), as filed in WC Docket No. 14-58.

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Degree to which the information in question is commercial or financial, or contains a trade secret or is privileged

The competitive information designated as confidential in the submission is detailed information on the number of line/loop counts in connection with voice rates for residential local service, including those rates below the local urban rate floor. As noted above, this data is competitively sensitive information that is not normally released to the public, as such release would have a substantial negative competitive impact on CenturyLink.

Degree to which the information concerns a service that is subject to competition; and manner in which disclosure of the information could result in substantial competitive harm

This type of commercial information would generally not be subject to routine public inspection under the Commission's rules (47 C.F.R. § 0.457(d)), demonstrating that the Commission already anticipates that the release of this kind of information likely would produce competitive harm. CenturyLink confirms that release of the information designated as confidential in its submission would cause it substantial competitive harm by allowing its competitors to become aware of sensitive proprietary information regarding the operation of CenturyLink's business.

Measures taken by CenturyLink to prevent unauthorized disclosure; and availability of the information to the public and extent of any previous disclosure of the information to third parties

CenturyLink has treated and treats the non-public information included in its submission (in non-redacted form) as confidential and has protected it from public disclosure to parties outside the company.

Justification of the period during which CenturyLink asserts the material should not be available for public disclosure

CenturyLink cannot determine at this time any date on which this information should not be considered confidential or would become stale for purposes of the current matters, except that the information would be handled in conformity with general CenturyLink records retention policies, absent any continuing legal hold on the data.

Other information that CenturyLink believes may be useful in assessing whether its request for confidentiality should be granted

Under applicable Commission and court rulings, the information in question should be withheld from public disclosure. Exemption 4 of the Freedom of Information Act shields information that is (1) commercial or financial in nature; (2) obtained from a person outside government; and (3) privileged or confidential. The information in question satisfies this test.