



*Southern Montana Telephone Company*

*PO Box 205, Wisdom, MT 59761*

*Phone: 406-689-3333*

**DOCKET FILE COPY ORIGINAL** *Fax: 406-689-3959  
smtc@smtel.com*

December 9, 1997

DEC 15 1997

Office of the Secretary  
CC Docket No. 96-45  
Federal Communications Commission  
Room 222  
1919 M Street, N.W.  
Washington, DC 20554

To Whom It May Concern:

Please find enclosed a self certification affidavit attesting that Southern Montana Telephone Company (NECA study area code: 482254) is a rural telecommunications carrier as defined in 3(37) of the Communications Act, as amended (47 U.S.C. 153(37)) for the year 1998. A similar self certification was filed with the state commission. Also enclosed is an order from the Montana Public Service Commission designating our company as an eligible telecommunications carrier.

Questions regarding the affidavit may be directed to Conrad Eklund at (406) 689-3333. Please date stamp a copy of this transmittal and return in the self addressed stamped envelope.

Sincerely,

SOUTHERN MONTANA TELEPHONE COMPANY

  
Conrad Eklund  
General Manager

**Affidavit for Self Certification  
as Rural Carrier**

DEC 15 1997

Before the Federal Communications Commission )  
Commission )

I, Conrad Eklund of lawful age, being duly sworn upon my oath, state that I am the General Manager of Southern Montana Telephone Company and that I am authorized to execute this Affidavit on behalf of Southern Montana Telephone Company; and that the facts set forth in this Affidavit and the foregoing Application are true to the best of my knowledge, information and belief.

A rural telephone company is defined in 47 CFR 51.5 as follows:

Rural telephone company. A "rural telephone company" is a LEC operating entity to the extent that such entity:

- (1) provides common carrier service to any local exchange carrier study area that does not include either:
  - (i) any incorporated place of 10,000 inhabitants or more, or any part thereof, based on the most recently available population statistics of the Bureau of the Census; or
  - (ii) any territory, incorporated or unincorporated, included in an urbanized area, as defined by the Bureau of the Census as of August 10, 1993;
- (2) provides telephone exchange service, including exchange access, to fewer than 50,000 access lines;
- (3) provides telephone exchange service to any local exchange carrier study area with fewer than 100,000 access lines; or
- (4) has less than 15 percent of its access lines in communities of more than 50,000 on February 8, 1996.

Southern Montana Telephone Company herein certifies for purposes of universal service support determinations that it is a Rural Carrier by meeting at least one of the four criteria in 47 CFR 51.5. In particular item (2) as evidenced by the attached schedule showing the company's access line count.

Southern Montana Telephone Company provides telephone exchange service to 903 access lines and as a result meets both criteria 2,3 and 4 above.

Name CONRAD EKLUND

Signature 

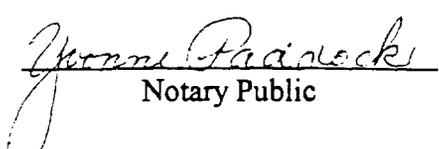
Title GENERAL MANAGER

Date 12-9-97

Subscribed and sworn to before me this 9<sup>th</sup> day of December, 1997.

My Commission expires:

1-1-98

  
Notary Public

SOUTHERN MONTANA TELEPHONE COMPANY  
Schedule of  
Access Line Count  
by Exchange

<u>Exchange</u>	<u>Access Lines</u>
267	87
681	109
689	253
832	232
834	<u>222</u>
Total	903

Service Date: September 5, 1997

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DEC 15 1997  
MONTANA PUBLIC SERVICE COMMISSION

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

\* \* \* \* \*

IN THE MATTER of the Request of PTI	)	UTILITY DIVISION
Communications For Designation as an	)	
Eligible Telecommunications Carrier,	)	DOCKET D96.2.18
	and	
IN THE MATTER of the Request of	)	
Montana Telephone Association Member	)	ORDER NO. 6005
Companies For Designations as Eligible	)	
Telecommunications Carriers,	)	
	and	
IN THE MATTER of the Request of	)	
Montana Independent Telecommunications	)	
Systems, Inc., On Behalf of Its Regulated	)	
Members For Designations as Eligible	)	
Telecommunications Carriers,	)	
	and	
IN THE MATTER of the Request of	)	
Ronan Telephone Company For Designation	)	
as an Eligible Telecommunications Carrier,	)	
	and	
IN THE MATTER of the Request of	)	
Hot Springs Telephone Company For Designation	)	
as an Eligible Telecommunications Carrier.	)	

**INTERIM ORDER**

The Montana Public Service Commission (Commission) held a work session on August 26, 1997 to address its responsibilities under the Telecommunications Act of 1996 concerning the designation of eligible telecommunications carriers for purposes of their continued ability to receive federal universal service support. All but three incumbent local exchange carriers operating in Montana had filed requests in 1996 for designation as eligible telecommunications

carriers. The Commission consolidated all five requests in this Docket and issued a notice on August 29, 1997 requesting comments on its tentative conclusions and other relevant matters.

The Commission also voted 5-0 to designate the incumbent LECs who had filed requests as eligible telecommunications carriers, and on its own motion also designated U S WEST and Nemont Telephone Cooperative as ETC's pursuant to 47 U.S.C. § 214. It was later discovered that Triangle Telephone Cooperative Association (Triangle) had been overlooked. Triangle and Nemont are both unregulated members of Montana Independent Telecommunications Systems, which did not request ETC designation for its unregulated members. After MITS filed its request on behalf of regulated members, the 1997 Montana Legislature authorized the Commission to make these designations for all carriers, including cooperatives.

The Commission considers it essential that all ILECs currently receiving universal service support be able to continue receiving this support and, therefore, issues this Order designating all Montana ILECs as ETCs, including those that have not made the request.

THEREFORE, based on the foregoing, IT IS ORDERED that the following telecommunications carriers providing local exchange service in Montana are designated as "eligible telecommunications carriers" pursuant to 47 U.S.C. §§ 214 and 254.

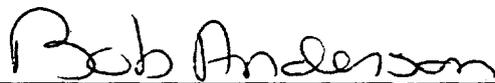
PTI Communications  
Blackfoot Telephone Cooperative  
Citizens Telecommunications Company of Montana  
Clark Fork Telecommunications  
InterBel Telephone Cooperative  
Lincoln Telephone Company  
Mid-Rivers Telephone Cooperative  
Northern Telephone Cooperative  
Range Telephone Cooperative  
Southern Montana Telephone Company  
3 Rivers Telephone Cooperative  
Nemont Telephone Cooperative  
Triangle Telephone Cooperative Association  
Project Telephone Company  
Valley Telecommunications  
Central Montana Communications  
U S WEST Communications, Inc.  
Hot Springs Telephone Company  
Ronan Telephone Company

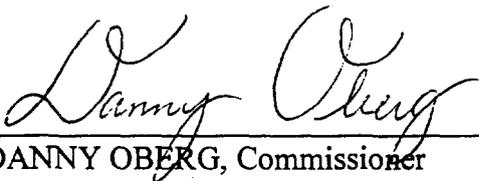
DONE AND DATED this 2nd day of September, 1997 by a vote of 5-0.

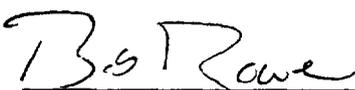
BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

  
\_\_\_\_\_  
DAVE FISHER, Chairman

  
\_\_\_\_\_  
NANCY MCCAFFREE, Vice Chair

  
\_\_\_\_\_  
BOB ANDERSON, Commissioner

  
\_\_\_\_\_  
DANNY OBERG, Commissioner

  
\_\_\_\_\_  
BOB ROWE, Commissioner

ATTEST:



Kathlene M. Anderson  
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See ARM 38.2.4806.

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P.O. Box 275, Main Street  
Crown Point, New York  
12928-0275

(518) 597 3300 800 828 9221 Fax: (518) 597 3000

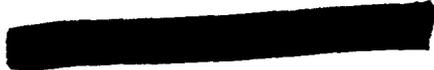


Established Subsidiaries :

Crown Point Cellular, Inc.  
Crown Point Network Technologies, Inc.  
Pointcom PCS, Inc.

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DEC 15 1997

FCC MAIL ROOM



December 12, 1997

Sent Certified Mail: Return Receipt Requested

Director Universal Service Programs  
Universal Service Administrative Company  
100 South Jefferson Road  
Whippany, New Jersey 07981

Dear Director:

In response to the October 27, 1997 letter from the Universal Service Administrative Company ("USAC"), and pursuant to the requirements established by the Federal Communications Commission in its May 8, 1997 Report and Order in CC Docket No. 96-45 and the September 29, 1997 Public Notice, DA 97-1892, Crown Point Telephone Corporation attaches a true and correct copy of the "Order Designating Eligible Telecommunications Carriers and Service Areas, and Granting Waivers" ("ETC Order") issued by the New York Public Service Commission ("New York Commission").

In the ETC Order, the New York Commission designated Crown Point Telephone Corporation as an Eligible Telecommunications Carrier ("ETC") within its incumbent Local Exchange Carrier ("LEC") service area, with certain waivers as described therein.

Since Crown Point Telephone Corporation is an incumbent LEC, the requirements of 47 C.F.R. § 54.307(b) do not apply. Crown Point Telephone Corporation as an incumbent LEC, has previously provided the working loops as of year-end 1996 as part of the requirements associated with the annual Universal Service Fund submission, or as part of the on-going average schedule administration process.

Should you have any questions or require additional information please feel free to contact the undersigned at (518) 597-3300

Sincerely,

Patricia L. Knapp  
President

PLK/jad  
Attachmant

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December 12, 1997

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pc: Office of the Secretary  
CC Docket No. 96-45  
Federal Communications Commission  
Room 222  
1919 M Street N.W.  
Washington, D.C. 20554

Ms. Sheryl Todd  
Federal Communications Commission  
Universal Service Branch  
CC Docket No. 96-45  
8th Floor  
2100 M Street N.W.  
Washington, D.C. 20554

STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

At a session of the Public Service  
Commission held in the City of  
Albany on November 25, 1997

COMMISSIONERS PRESENT:

John F. O'Mara, Chairman  
Maureen O. Helmer  
Thomas J. Dunleavy

CASE 94-C-0095 - Proceeding on Motion of the Commission to Examine Issues Related to the Continuing Provision of Universal Service and to Develop a Regulatory Framework for the Transition to Competition in the Local Exchange Market.

CASE 28425 - Proceeding on Motion of the Commission as to the Impact of the Modification of Final Judgment and the Federal Communications Commission's Docket 78-72 on Provision of Toll Service in New York State.

ORDER DESIGNATING ELIGIBLE  
TELECOMMUNICATIONS CARRIERS  
AND SERVICE AREAS, AND GRANTING WAIVERS

(Issued and Effective December 1, 1997)

BY THE COMMISSION:

Section 214 of the Telecommunications Act of 1996 (the Act) requires state commissions to designate eligible telecommunications carriers and service areas for the purpose of determining universal service obligations and eligibility to receive federal universal service funding.<sup>1</sup> Incumbent local exchange companies, competitive local exchange companies, and other parties were afforded the opportunity to comment on the requirements for this designation in the briefing schedule in these proceedings. Taking into consideration the Act, our policy, the Federal Communications Commission's (FCC) requirements, and the parties' arguments, we are designating specified carriers as eligible telecommunications carriers

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<sup>1</sup> 47 U.S.C. §214.

obligations and support mechanisms. For areas served by a rural telephone carrier, §214(e)(5) equates service area with the rural carrier's study area<sup>1</sup> unless and until the FCC and the state establish a different definition of service area for such company. For areas served by a non-rural carrier, state commissions have discretion to designate the service area.

The following services have been designated by the FCC as the services that must be provided by a carrier in order to be eligible for federal universal service support:

- Single-party service
- Voice grade access to the public switched network
- Dual tone multifrequency signalling or its functional equivalent
- Access to emergency services, including, in some circumstances, access to 911 and E911
- Access to operator services
- Access to interexchange service
- Access to directory assistance
- Lifeline and Link-up programs, including free toll limitation services for qualifying low-income consumers.

On November 4, 1997, a notice was sent to all carriers in the state notifying them of our filing requirements. Any carrier seeking eligible telecommunications carrier status was required to file a petition with the Secretary no later than November 14, 1997 in order to be designated as eligible for federal funding effective January 1, 1998.

#### SERVICE AREA DESIGNATIONS

The Act grants states the authority to designate geographic service areas, consistent with the goals of competition and universal service, for purposes of determining federal universal support for high cost areas.<sup>2</sup>

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<sup>1</sup> A study area is a geographical region generally composed of a telephone company's exchanges within a single state.

<sup>2</sup> See Universal Service Order, ¶¶ 127-98; 47 C.F.R. §54.201, et seq.

In response, New York Telephone objects to the limited areas described in competitive carriers' tariffs, fearing added costs to customers who have no competitive alternative, little incentive to ubiquitous development of competition, and encouragement of competition only for the most lucrative customers.

Generally, Frontier Telephone of Rochester, Inc. (Frontier) objects to allowing competitive local exchange carriers to define service areas as anything less than the incumbents' existing service territory. Moreover, Frontier believes that the definition of service areas should differ depending upon the incumbent's operating territory, advocating to allow competitors to use their own tariffed service territory when they provide service within New York Telephone's operating territory. However, for non-New York Telephone territory--including Frontier's--competitors must serve the incumbent's entire service territory to qualify for universal service funding. Time Warner accepts the use of Frontier's territory as its own service area, but only for the limited purpose of universal service funding.

AT&T and Sprint assert that service areas should be sufficiently small to ensure accurate targeting of high cost support areas and to encourage entry by new competitors, thereby encouraging states not to adopt the study areas of large incumbents.<sup>1</sup> New entrants agree that service areas should not be unreasonably large so new entrants are not forced to greatly increase their scale of operations, a market entry barrier in violation of §253 of the Act. Sprint views as inappropriate New York Telephone's interim proposal to declare the entire study area of an incumbent local exchange carrier as a service area, asserting that service areas should be sufficiently small to ensure accurate targeting of high cost support and encourage competitive market entry.

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<sup>1</sup> Universal Service Order, ¶ 185.

immediate provisioning of universal service in three instances: (1) the provision of free toll limitation services for low-income Lifeline customers, (2) the provision of access to E911 service, and (3) the provision of single-party service. The special circumstances cited by the petitioners fall into one or more of these waiver categories.

#### Toll Limitation Services

Toll limitation encompasses both toll blocking and toll control. Toll blocking is defined by the FCC as a service provided by carriers that lets consumers elect to prevent the completion of outgoing toll calls from their telecommunications channel. Toll control is defined by the FCC as a service provided by carriers that allows consumers to specify a certain amount of toll usage that may be incurred on their telecommunications channel per month or billing cycle.

Both Frontier and NYSTA comment that the technological capability to offer toll control service does not yet exist. Such service would require real-time capability to record and rate every call instantaneously as the caller attempts to make a toll call. This becomes impracticable where the calls are rated and billed by the customer's presubscribed toll carrier. All of the petitioners indicate their willingness to provide toll blocking, free, to their Lifeline customers and to file tariffs to that effect.

Based upon the obstacles cited by the petitioners, a waiver will be granted relieving carriers from offering toll control service until it is technologically available.

#### E911 Service

NYSTA comments that the requirement that an eligible telecommunications carrier provide access to 911 or E911 applies only to the extent the local government in its service area has developed 911 or E911 systems. Therefore, an allowance for additional time to upgrade carrier networks need only be granted where a local government has implemented 911/E911, but the

of eligible telecommunications carriers and service areas is justified pursuant to SAPA §202(6), to ensure that New York's carriers are eligible to receive federal universal service funding commencing January 1, 1998. Therefore timely action is being taken as an emergency measure under SAPA, and is necessary to preserve the general welfare of New York.

CONCLUSION

The carriers listed in the Appendix are designated eligible telecommunications carriers for the purpose of participating in the new federal universal service support mechanisms, and the service areas for which these designations apply are the existing study areas for the incumbent local exchange carriers and the existing service territories for the competitive local exchange carriers.

The Commission orders:

1. The carriers listed in the Appendix are designated eligible telecommunications carriers, throughout their existing study area or service territories.
2. The waivers applicable to all carriers listed in the Appendix from the requirement to provide toll control services to Lifeline customers, are granted pending further notice.
3. The waivers requested by Citizens and Taconic regarding their implementation schedules for the provision of single-party service throughout their service areas, are granted.
4. This order is adopted as an emergency measure pursuant to §202(6) of the State Administrative Procedure Act.
5. These proceedings are continued.

By the Commission,

(SIGNED)

JOHN C. CRARY  
Secretary

Carriers Granted Eligible Telecommunications Carrier Status

ALLTEL New York, Inc.  
Armstrong Telephone Company  
Berkshire Telephone Corporation  
Cassadaga Telephone Corporation  
Champlain Telephone Company, The  
Chautauqua & Erie Telephone Corporation  
Chazy & Westport Telephone Corporation  
Citizens Telecommunications Company of New York, Inc.  
Citizens Telephone Company of Hammond, New York, Inc.  
Crown Point Telephone Corporation  
Delhi Telephone Company  
Deposit Telephone Company, Inc.  
Dunkirk & Fredonia Telephone Company  
Edwards Telephone Company, Inc.  
Empire Telephone Corp.  
Fishers Island Telephone Corporation, The  
Frontier Communications of AuSable Valley, Inc.  
Frontier Communications of New York, Inc.  
Frontier Communications of Seneca Gorham, Inc.  
Frontier Communications of Sylvan Lake, Inc.  
Frontier Corporation, Inc.  
Germantown Telephone Company, Inc.  
Hancock Telephone Company, Inc.  
Margaretville Telephone Company, Inc.  
Middleburgh Telephone Company, The  
New York Telephone Company  
Newport Telephone Company, Inc.  
Nicholville Telephone Company, Inc.  
Ogden Telephone Company  
Onéida County Rural Telephone Company, Inc.  
Ontario Telephone Company, Inc.  
Oriskany Falls Telephone Corp.  
Pattersonville Telephone Company  
Port Byron Telephone  
State Telephone Company  
Taconic Telephone Corporation  
Township Telephone Company, Inc.  
Trumansburg Home Telephone Company  
Vernon Telephone Company, Inc., The  
Warwick Valley Telephone Company