



John A Ricker
Director- Universal
Service Support
PH 973 884-8085
FX 973 884-8469
jricker@neca.org

December 5, 2014

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

Attention: Wireline Competition Bureau

Re: Universal Service Fund High Cost Loop Support Cap for 2015
WC Docket No. 10-90, WC Docket No. 14-93, WC Docket No. 05-337

Dear Ms. Dortch:

On October 3, 2014, the Wireline Competition Bureau (Bureau) issued an Order addressing several issues associated with the pending acquisition by Consolidated Communications Holdings, Inc. (Consolidated) of Enventis Corporation (Enventis). In that Order, the Bureau instructed NECA to recalculate the HCLS cap for 2015 to exclude the HCLS that NECA attributed to Enventis' three study areas when it rebased the cap for 2012. The attached document contains the results of performing the recalculation of the HCLS cap for 2015, excluding the data for the Enventis study areas.

Based on the revised HCLS cap for 2015 and the data submitted for the remaining rate of return study areas on September 30, 2014, the imputed NACPL needed to satisfy the revised HCLS cap is \$632.84.

NECA is also providing one copy of this submission to the Administrator, the Universal Service Administrative Company.

All correspondence and inquiries concerning this filing should be addressed to me.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Ricker". The signature is written in a cursive style with a long, sweeping underline that extends to the left.

Enclosures
Attachment 1

cc: Universal Service Administrative Company

**NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.
UNIVERSAL SERVICE FUND
ATTACHMENT 1 - RURAL ROR HIGH COST LOOP FUND
2015 CAP DEVELOPMENT**

	<u>Source</u>	<u>Data</u>
1 RURAL ROR LOOPS AS OF 12/2012	2013 Submission	4,142,474 **
2 RURAL ROR ACQUIRED EXCHANGE LOOPS	2013 Submission	84,423
3 ADJUSTED RURAL ROR 12/2012 LOOPS	Ln 1 - Ln 2	4,058,051
4 RURAL ROR LOOPS AS OF 12/2013	Appendix D	3,963,405 **
5 RURAL ROR ACQUIRED EXCHANGE LOOPS	Appendix D	79,206
6 RURAL ROR ADJUSTED 12/2013 LOOPS	Ln 4 - Ln 5	3,884,199
7 CHANGE IN RURAL ROR ILEC LOOPS	(Ln 6 - Ln 3) / Ln 3	-4.2841%
8 GDP-CPI 2012	BEA, Table 6 *	105.174
9 GDP-CPI 2013	BEA, Table 6 *	106.739
10 CHANGE IN GDP-CPI 2013	(Ln 9 - Ln 8) / Ln 8	1.4880%
11 RURAL GROWTH FACTOR	Ln 7 + Ln 10	-2.7961%
12 MAXIMUM 2014 RURAL ROR FUND SIZE	2013 Submission	\$756,312,471 ***
13 MAXIMUM 2015 RURAL ROR FUND SIZE	Ln 12 x (1 + Ln 11)	\$735,165,218
14 ROR 2015 ACQUIRED EXCHANGE SUPPORT	from USAC	\$792,324
15 MAXIMUM 2015 ROR EXPENSE ADJUSTMENTS (EXCL. ACQUIRED EXCHANGE SUPPORT)	Ln 13 - Ln 14	\$734,372,894

* U.S. Department of Commerce, Bureau of Economic Analysis, Gross Domestic Product: Second Quarter 2013 (Preliminary), *News Release*, rel. August 28, 2014, at Table 6.

** Adjusted to remove loops for Eventis study areas (351096, 361373, 361427). These study areas became Price Cap affiliated.

	As Of 12/2012	As Of 12/2013
ROR Loops	4,173,719	3,992,544
Heartland-Hickory Tech, IA - 351096	(7,503)	(6,865)
Mid-Comm-Hickory Tech - 361375	(6,046)	(5,757)
Mankato-Hickory Tech, MN - SAC 361427	(17,696)	(16,517)
Net ROR Loops	4,142,474	3,963,405

*** Adjusted to 2011 HCLS for Eventis study areas (351096, 361373, 361427). These study areas became Price Cap affiliated.

	2013 Submission
Maximum 2014 Rural Fund Size	\$756,507,305
Heartland-Hickory Tech, IA - 351096 (2011 Submission)	0
Mid-Comm-Hickory Tech - 361375 (2011 Submission)	(\$194,834)
Mankato-Hickory Tech, MN - 361427 (2011 Submission)	0
Net Maximum 2014 Rural Fund Size	\$756,312,471