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JOHN R. NORRIS, CHAIRMAN
KRISTA K. TANNER, BOARD MEMBER
DARRELL HANSON, BOARD MEMBER

July 30, 2008

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

Karen Majcher, Vice President
High Cost & Low Income Division
Universal Service Administrative Company
2000 L Street NW – Suite 200
Washington, DC 20036

Re: Certification Of High Cost Support For Rural Carriers - Competitive ETCs
Pursuant To 47 C.F.R. § 54.314, CC Docket No. 96-45

Dear Ms. Dortch / Ms. Majcher:

The Iowa Utilities Board (Board) has recently issued orders designating eligible carrier status to Modern Communications, Inc., Hospers Telephone Company and Clay county Communications. With this letter, the Board hereby certifies that all federal high cost support provided to the aforementioned carriers in 2008 in this state will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with section 254(e) of the Communications Act of 1934, as amended. This includes High Cost Loop Support (HCL), Local Switching Support (LSS), and high cost support received pursuant to the purchase of exchanges. The Board bases this certification on the individual carrier certifications filed by the carriers.

If you have questions concerning this matter, please contact Jim Langenberg, a member of the Utilities Board's staff at (515) 281-5695 or e-mail jim.langenberg@iub.state.ia.us.

Sincerely,

A handwritten signature in cursive script that reads "Margaret Munson".

Margaret Munson
Deputy Executive Secretary

jl
Encl.

cc: [unclear] 092
[unclear]

STATE OF IOWA

JUL 31 2008

DEPARTMENT OF COMMERCE

FCC Mail Room

UTILITIES BOARD

IN RE:

CLAY COUNTY COMMUNICATIONS

DOCKET NO. 199 IAC 39.2

ORDER DESIGNATING ELIGIBLE CARRIER

(Issued July 9, 2008)

On May 8, 2008, Clay County Communications (Clay) filed with the Utilities Board (Board) an application for universal service eligible carrier status in certain Iowa exchanges. Clay asks that the Board designate it as an eligible telecommunications carrier (ETC) pursuant to 199 IAC 39.2 in the identified exchanges attached to this order as Exhibit A and Exhibit B. No objections have been filed regarding this application.

Board rule 39.2 provides a means by which the Board can designate Iowa telecommunications companies to be eligible to receive funding from the universal service fund, as defined by the Telecommunications Act of 1996, 47 U.S.C. § 254 (the Act). Under the Act (and the Federal Communications Commission (FCC) regulations implementing the Act), the Board must determine that a carrier meets certain service requirements before it may be designated an eligible carrier as set forth in subrule 39.2(4). The carrier must:

- 1) Offer the services supported by the federal universal service fund;

- 2) Offer the services using its own facilities or a combination of its own facilities and resale (47 C.F.R. § 54.201(c) provides that "own facilities" includes purchased unbundled network elements);
- 3) Advertise the availability of the supported services; and
- 4) Offer the services throughout the designated service area.

An ETC must also offer a minimum amount of local exchange service, defined in usage minutes, provided with no additional charge to customers. See In re: Federal-State Joint Board on Universal Service, "First Report and Order," CC Docket No. 96-45, March 17, 2005. See also 199 IAC 39.2(1)"b." However, the FCC has not quantified a minimum amount of local usage required to be included in a universal service offering. Id., at ¶ 33. The Board understands that Clay will comply with any and all minimum local usage requirements adopted by the FCC. The Board also understands that until the FCC establishes a minimum requirement, Clay will offer at least one universal service fund offering with unlimited local calling.

In its request for designation, as supplemented on June 24, 2008, Clay states that it satisfies each of these named requirements. Based upon these unopposed representations and the company's commitment to follow the minimum local usage requirements when adopted by the FCC, the Board finds that Clay offers the services supported by the federal universal service fund, using its own facilities or a combination of its own facilities and resale of the facilities of another carrier.

Clay states that it is licensed by the FCC to serve the area of ISA 81 (WPOL 758) in Iowa as identified in Exhibits A and B attached to this order and that it intends to provide universal service fund-supported services throughout its licensed service areas. The Board finds that this assertion by Clay satisfies 199 IAC 39.2(5).

Clay also states that it will provide to the Board, for informational purposes, a description of the service and rate plan(s) when it commences providing universal service fund offerings to Iowa customers. The Board finds these commitments by Clay adequate to assure that public interest concerns will be satisfied.

The Board also notes that it has recently adopted amendments to the certification and reporting requirements for ETCs. Clay is required to file a certification regarding its use of universal service funds with the Board in addition to various reports. The certification and reports must be made pursuant to 199 IAC 39 as described in Docket No. RMU-06-1, In re: Eligibility, Certification, and Reporting Requirements for Eligible Telecommunications Carriers [199 IAC 39].

IT IS THEREFORE ORDERED:

1. Eligible telecommunications carrier status is granted to Clay County Communications, as requested in its application filed May 8, 2008, and as supplemented on June 24, 2008, subject to the voluntary commitments described in the body of this order.

2. The designated service area for Clay County Communications shall be the area in Iowa where Clay County Communications is licensed by the Federal Communications Commission to provide service.

3. The Executive Secretary of the Utilities Board shall mail copies of this order to Clay County Communications, the Universal Service Administration Company, the Federal Communications Commission Universal Service Branch, and the Federal Communications Commission Office of the Secretary.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 9th day of July, 2008.

EXHIBIT A

ISA 81 (WPOL 758) includes the wire centers of:

Spencer
Everly
Royal
Fostoria
Greenville
Terril
Rossie
Peterson

