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May 19, 2011

BY HAND DELIVERY

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

FILED/ACCEPTED

MAY 19 2011

Federal Communications Commission
Office of the Secretary

Re: In re: Request for Review by Millennium 2000, Inc. of Decision of the
Universal Service Administrator – WC Docket No. 03-109; USAC No.
349020

REDACTED VERSION– FOR PUBLIC INSPECTION

Dear Ms. Dortch:

On behalf of Millennium 2000, Inc. (“Millennium”) enclosed please find an original and four (4) copies of the **redacted** versions of Millennium 2000, Inc.’s Request for Amendment and the First Amended Request for Review by Millennium 2000, Inc. of Decision of the Universal Service Administrator.

As indicated on the enclosed date-stamped duplicate of the Request for Amendment, the document was initially submitted to the Wireline Competition Bureau (“Bureau”) on April 1, 2011. The First Amended Request for Review was originally submitted to the Bureau, via U.S. Mail, with a postmark date of November 30, 2010.

Confidential versions of the Request for Amendment and First Amended Request are being submitted under separate cover.

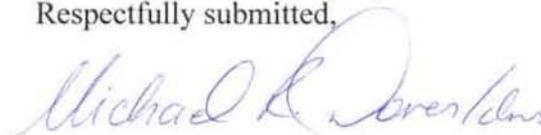
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KELLEY DRYE & WARREN LLP

Ms. Marlene H. Dortch
May 19, 2011
Page 2

Please contact the undersigned at (312) 857-7087, if you have any questions regarding this filing. Also enclosed is a duplicate of this filing. Kindly date-stamp the duplicate and return it to the courier.

Respectfully submitted,

A handwritten signature in blue ink that reads "Michael R. Dover". The signature is written in a cursive style with a large, looping initial "M".

Michael R. Dover

Counsel to Millennium 2000, Inc.

Enclosures

cc: Pamela Gallant, USAC (by e-mail)

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

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APR - 1 2011

Federal Communications Commission
Bureau / Office

DATE STAMP & RETURN

In the Matter of)
)
Request For Review By Millennium 2000, Inc.)
Of Decision Of The Universal Service)
Administrator)
_____)

WC Docket No. 03-109
USAC No. 349020

FILED/ACCEPTED

MAY 19 2011

Federal Communications Commission
Office of the Secretary

MILLENNIUM 2000, INC.'S REQUEST FOR AMENDMENT

Pursuant to 47 C.F.R. §1.744(a), Millennium 2000, Inc. ("Millennium") respectfully provides to the Commission and the Wireline Competition Bureau ("Bureau") its amended petition, the First Amended Request For Review By Millennium 2000, Inc. Of A Decision By The Universal Service Administrative Company ("USAC"), seeking review of USAC's exclusion of Millennium's segregated personnel costs associated with initiating Lifeline customer's Toll Limitation Services ("TLS") and time associated with explaining TLS at the time of initiating service. In support of its amended petition, Millennium states as follows:

1. On November 30, 2010, Millennium timely filed its original petition for review and a Request For Confidential Treatment.
2. Millennium now seeks to amend its original petition to clarify its request for relief. Millennium's requested amendment adds the request that the Commission or Bureau direct USAC to reimburse Millennium for the difference of funds Millennium would have recovered but for the implementation of the USAC's findings, including for amounts per

subscribers Millennium would have received in September 2010 for the March 2010 to August 2010 period, and for the amounts per subscriber Millennium has been unable to claim since September 2010. Millennium requests no other changes or amendments to its original petition.

3. Section 1.744(a) of the Commission's rules provides that "[a]ny application not designated for hearing may be amended at any time by the filing of signed amendments in the same manner, and with the same number of copies, as was the initial application." 47 C.F.R. § 1.744(a). The sole restriction indicated in Section 1.744 is service on petitioner requesting denial or a hearing on the original application. 47 C.F.R. §1.744(a).

4. Millennium's application has not been designated for hearing and no petitioner has requested denial or a hearing on Millennium's original petition. In addition, Millennium provides a signed amendment in the same manner and with the same number of copies as was provided with the initial application satisfying the requirements of Section 1.744(a) of the Commission's rules.

WHEREFORE, pursuant to Section 1.744(a) of the Commission's rules, 47 C.F.R. §1.744(a), Millennium respectfully requests that the Commission accept its First Amended Request By Millennium 2000, Inc. Of Decision Of The Universal Service Administrator, filed concurrently hereto.

Dated: March 31, 2011	 Henry T. Kelly Michael R. Dover KELLEY DRYE & WARREN LLP 333 West Wacker Drive, 26 th Floor Chicago, Illinois 60606 Tel.: (312) 857-2350 Fax.: (312) 857-7095 HKelly@KelleyDrye.com MDover@KelleyDrye.com <i>Attorneys for Millennium 2000, Inc.</i>
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REDACTED

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of)
)

Request For Review By Millennium 2000, Inc.)
Of Decision Of The Universal Service)
Administrator)
_____)

WC Docket No. 03-109

USAC No. 349020

**FIRST AMENDED REQUEST FOR REVIEW BY MILLENNIUM 2000, INC. OF
DECISION OF THE UNIVERSAL SERVICE ADMINISTRATOR**

Date Originally Filed: November 30, 2010
Dated: May 17, 2011

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Michael R. Dover
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Tel.: (312) 857-2350
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Attorneys for Millennium 2000, Inc.

I. STATEMENT OF INTEREST IN THE MATTER PRESENTED FOR REVIEW.

Pursuant to 47 C.F.R. §§ 54.719 and 54.722, Millennium 2000, Inc. (“Millennium”) respectfully seeks review by the Commission or the Wireline Competition Bureau (“Bureau”) of a decision by the Universal Service Administrative Company (“USAC”) excluding Millennium’s segregated personnel costs associated with initiating Lifeline customer’s Toll Limitation Services (“TLS”) and time associated with explaining TLS at the time of initiating service. In the alternative, Millennium seeks a waiver of USAC’s exclusion of these costs from Millennium’s TLS reimbursement.

Millennium is an eligible telecommunications carrier (“ETC”) providing services to qualifying low-income consumers and is entitled to incremental cost reimbursements for providing low-income services. However, as the result of an In-Depth Data Validation (“IDV”) study, on October 1, 2010, USAC determined that Millennium’s personnel costs associated with initiating Lifeline customer’s TLS and time associated with explaining TLS at the time of initiating service were ineligible for reimbursement because these costs are not “exclusive to provisioning TLS.” This determination by USAC is contrary to Commission rules allowing for these costs to be recovered and contrary to Millennium’s documentation showing segregation of these costs for provisioning TLS.

Millennium’s March, 2010 FCC Form 497 provided that Millennium’s incremental costs for TLS totals ██████ based on costs at ██████ per subscriber. Documentation provided to USAC as part of the IDV validated these costs. However, because of USAC’s decision to exclude Millennium’s segregated personnel costs associated with initiating Lifeline customer’s TLS and time associated with explaining TLS at the time of initiating service, USAC ordered Millennium’s September 2010 support be reduced to ██████, amounting to ██████ per

subscriber, and required Millennium to seek USAC's permission before revising its incremental costs in the future. For the reasons stated herein, Millennium respectfully requests that the Bureau or the Commission reverse this incorrect finding by USAC or, in the alternative, waive USAC's exclusion of these costs from Millennium's TLS reimbursement.

II. STATEMENT OF MATERIAL FACTS.

Millennium is a small ETC, providing telecommunication services to residential customers in Illinois. Pursuant to the Commission's rules, Millennium provides low-income services to central Illinois, including Toll Blocking and Toll Limitation services. In March, 2010, Millennium submitted its FCC Form 497 describing incremental costs totaling [REDACTED], based on costs at [REDACTED] per subscriber.

Since its inception, Millennium's policies segregated its costs to initiate TLS. Millennium did this based on information obtained from USAC. For example, USAC's website plainly states that "Personnel costs associated with initiating a Lifeline customer's TLS service" and "Time associated with explaining TLS at the time of initiating service" are recoverable incremental TLS costs. *See* <http://www.universalservice.org/li/telecom/step01/toll-limit.aspx> (last viewed on Nov. 23, 2010). As a result, Millennium developed a written policy for its field service and customer service representatives and programmers to segregate their time associated with initiating low-income services, including TLS. *See* Exhibit A, Millennium, Inc.'s Sales Policy. Millennium's sales agents also maintain their time-keeping records to segregate their time associated with initiating low-income services. *See, e.g.*, Exhibit B, sales agent time template and sample sales agent time record.

In addition, Millennium has embraced the Commission's findings on universal access by [REDACTED]

████████████████████ educate low-income consumers about low-income programs such as Lifeline and Linkup – providing telephone services to persons who likely would not otherwise obtain telephone services. Importantly, however, these costs are *not* claimed as reimbursable by Millennium unless a field sales representative initiates a new customer for service and that customer is a low-income customer. *See* Exhibit A, Millennium, Inc.’s Sales Policy.

For a Millennium field sales agent to record his time toward reimbursable low-income categories, Millennium requires an approved ‘new-customer’ application for a low-income customer. *Id.* In fact, field sales agents are required to educate these new, low-income customers about Toll Blocking and Toll Limitation services at the time of initiating the new customer’s service, and spend █████ of their time with new, low-income customers explaining Toll Blocking and Toll Limitation services and how to opt-in to the services when initiating their service. *Id.* If the low-income customer has further questions about Toll Blocking and Toll Limitation services during the initiating process, the customer is directed to Millennium’s customer service agents who answer the new low-income customer’s Toll Blocking and Toll Limitation service questions. And ultimately, Millennium’s programmers enter the opt-in toll blocking and toll limitation information for the customer’s new account.

On July 30, 2010, USAC initiated its In-Depth Data Validation study of Millennium’s March 2010 FCC Form 497. *See* Exhibit C, Letter from Pamela Gallant, dated Jul. 30, 2010. Millennium responded by providing detailed documentation substantiating its March 2010 FCC Form 497 TLS claim. *See* Exhibit D, Letter from Donna M. Harrison, dated Aug. 19, 2010. Included in its response was the following chart:

Cost Element	Personnel Cost	% of Personnel Cost	Cost	Total TLS Incremental Cost
Personal cost associated with initiating lifeline customer's TLS service	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Time associated with explaining TLS at the time of initiating service	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	
Time associated with processing, switch functions, billing reporting EXCLUSIVE to TLS Customers	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	
Total Toll Limitation Service (TLS) Incremental Cost				[REDACTED]

See id. at 4. This chart provides cost elements including “Personnel costs associated with initiating a Lifeline customer’s TLS service” and “Time associated with explaining TLS at the time of initiating service,” the same categories that USAC indicates are reimbursable incremental TLS costs. In addition, as Donna Harrison explained to USAC on October 3rd and 7th, this chart reflects discounted costs by Millennium for initiating its low-income customers. Millennium did not seek the full incremental cost for Millennium to initiate toll limitation and blocking services in its March 2010 FCC Form 497.

On October 1, 2010, USAC informed Millennium that it had completed its IDV study. *See Exhibit E, Letter from Pamela Gallant, dated Oct. 1, 2010.* In its findings, USAC states that

Millennium “improperly include[ed] two cost elements (personnel costs associated with initiating a lifeline customer’s TLS service and time associated with explaining TLS at the time of initiating service) that were not exclusive to provisioning TLS. *Id.* at 1. USAC provides Millennium no other guidance as to why these incremental costs are not recoverable despite Millennium’s documentation and policies. And, despite Millennium’s obvious efforts at initiating telephone services for low-income providers, USAC’s findings apparently stand for the proposition that Millennium may not recover *any* costs for personnel costs associated with initiating a lifeline customer’s TLS service and time associated with explaining TLS at the time of initiating service. *See id.* USAC’s findings further indicate that it recovered [REDACTED] from Millennium’s September 2010 reimbursement, directs Millennium to revise its FCC Form 497s to reflect a [REDACTED] n incremental costs per subscriber, and requires Millennium to seek USAC’s permission before revising its incremental costs in the future. *See id.* at 2.

Millennium now appeals these findings by USAC. Millennium’s appeal is being filed on November 30, 2010 and is therefore timely. *See* 47 C.F.R. § 54.719. In addition, review of this matter by the Bureau or the Commission is *de novo*. 47 C.F.R. § 54.723. Upon request, Millennium will make additional underlying documentation and support for its analysis available.

II. USAC IMPROPERLY EXCLUDES MILLENNIUM’S PERSONAL COSTS ASSOCIATED WITH INITIATING LIFELINE CUSTOMER’S TLS AND TIME ASSOCIATED WITH EXPLAINING TLS AT THE TIME OF INITIATING SERVICE WITHOUT JUSTIFICATION.

It cannot be disputed that incremental costs associated with initiating TLS are reimbursable. Section 54.407 of the Commission’s rules provides for reimbursement for eligible telecommunications carriers such as Millennium who offer Lifeline services, including TLS. 47 C.F.R. § 54.407(a). The Commission’s rule is explicitly entitled “[r]eimbursement for offering

Lifeline,” discusses a carrier “forgoing” revenue, and states that a carrier’s reimbursement should not “exceed the carrier’s standard, non-Lifeline rate.” 47 C.F.R. § 54.407(b),(c). In addition, the Commission has made plain that incremental costs for low-income services are reimbursable: “[t]he low-income mechanism allows an eligible telecommunications carrier (“ETC”) providing services to qualifying low-income consumers to seek and receive reimbursement for revenues it forgoes as a result [of offering the low-income service].” *In the Matter of VCI Company Apparent Liability For Forfeiture*, Notice of Apparent Liability for Forfeiture and Order, 22 FCC Rcd. 15933, ¶ 3, FCC 07-148 (Re. Aug. 15, 2007), *citing* 47 C.F.R. § 54.407; *Federal-State Joint Board On Universal Service*, Report and Order 12 FCC Rcd. 8776, ¶ 386 (Rel. May 8, 1996) (“We also adopt that Joint Board’s recommendation that carriers providing voluntary toll limitation should be compensated from universal service support mechanisms for the incremental cost of providing toll-limitation services”).

Millennium is entitled to receive reimbursement for its incremental cost to initiate TLS for its low-income customers. “By definition, incremental costs include the costs that carriers otherwise would not incur if they did not provide toll-limitation service to a given customer, and carriers will be compensated for their costs in providing such service.” *Federal-State Joint Board On Universal Service*, Report and Order 12 FCC Rcd. 8776, ¶ 386 (Rel. May 8, 1996). In its response to the USAC’s IDV, Millennium provided detailed documentation substantiating its March 2010 FCC Form 497 TLS numbers and its incremental costs initiating TLS for low-income customer. Millennium has a written policy for its field service and customer service representatives and programmers directing segregation of time associated with initiating low-income services, and Millennium’s sales agents maintain their time-keeping records to segregate their time associated with initiating low-income services. *See* Exhibits A and B. And, as Donna

Harrison explained to USAC on October 3rd and 7th, the reimbursement costs indicated on Millennium's FCC Form 497 do not exceed the costs Millennium charges its non low-income customers.

In addition, it is important to note that Millennium's incremental costs do not include costs relating to its field representatives [REDACTED] unless a field sales representative initiates a new customer for service for a low-income customer. *See* Exhibit A. Therefore, none of the costs identified by Millennium are part of a joint or common cost to service. *Compare Federal-State Joint Board On Universal Service, Report and Order 12 FCC Rcd. 8776, ¶ 386 (Rel. May 8, 1996)* (stating that "universal service support should not contribute to the service's joint and common costs").

Millennium has sufficiently identified its segregated – and exclusive – incremental costs associated with initiating TLS service for low-income customers. USAC provides no justification for its refusal to recognize Millennium's personnel costs associated with initiating a lifeline customer's TLS service and time associated with explaining TLS at the time of initiating service, despite its recognition on its website that these costs are properly reimbursable. Indeed, USAC's October 1st letter intends to exclude all of Millennium's incremental costs in these categories despite Millennium's efforts at segregating these costs. USAC's complete exclusion of these costs pointedly undermines the Commission's rules on incremental cost reimbursement for low-income customers. *See 47 CFR. 54.403(c), Federal-State Joint Board On Universal Service, Report and Order 12 FCC Rcd. 8776, ¶¶ 368, 386 (Rel. May 8, 1996).*

Because Millennium has presented documentation of its incremental costs for initiating TLS and USAC provides no justification of its exclusive of these costs, the Bureau or Commission should reverse the USAC's October 1st findings and permit Millennium to recover

its incremental costs associated with personnel costs associated with initiating a lifeline customer's TLS service and time associated with explaining TLS at the time of initiating service.

III. ALTERNATIVELY, THE COMMISSION SHOULD WAIVE EXCLUSIVITY REQUIREMENTS FOR MILLENNIUM TO ADVANCE THE UNDERLYING POLICY FOR TLS.

In the alternative, Millennium asks that the Bureau or Commission waive the Commission's rules on segregation of costs for low-income services in light of Millennium's efforts to further universal access. The Commission may waive its rules for good cause shown. 47 C.F.R. § 1.3. A rule may be waived where facts make strict compliance inconsistent with the public interest, taking "into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis." *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990); *WAIT Radio v. FCC*, 418 F.2d 1153, 1157 (D.C. Cir. 1969). A waiver is appropriate if individual circumstances advance an "appropriate general standard." *Northeast Cellular*, 897 F.2d at 1166.

Here, a waiver of the Commission's rules requiring segregation of incremental costs is appropriate. Millennium has embraced the Commission's findings on universal access by devoting its resources to [REDACTED] representative to [REDACTED] educate low-income consumers about low-income programs such as Lifeline and Linkup. These persons likely would not otherwise obtain telephone services without the education and efforts of Millennium. The Commission has recognized the importance of expanding telephone services to these low-income persons and should recognize the extraordinary effort Millennium is making in trying to reach these persons. *See Federal-State Joint Board On Universal Service*, Report and Order 12 FCC Rcd. 8776, ¶ 386 (Rel. May 8, 1996).

The Commission is guided in its policies by 47 U.S.C. § 254(b). Two of the policy goals detailed in Section 254(b) are relevant to the special circumstances of Millennium, and warrant a waiver of the Commission's rules on exclusivity. First, Section 254(b)(3) provides that "low-income consumers and those in rural, insular, and high cost areas, should have access to telecommunications and information services, that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas." 47 U.S.C. § 254(b)(3). Millennium's efforts in reaching out to persons [REDACTED] squarely falls within this policy goal. Millennium [REDACTED] educate low-income consumers about low-income programs such as Lifeline and Linkup, providing invaluable telephone service access – yet only seeks reimbursement for new low-income customers.

Second, Section 254(b)(5) provides that "[t]here should be specific, predictable and sufficient Federal and State mechanisms to preserve and advance universal service." Here, Millennium's efforts undoubtedly further efforts toward universal access. By specifically targeting groups who are not normally served by carriers, Millennium's efforts are advancing universal service. Yet application of the Commission's rules requiring exclusive use of personnel or strict segregation of costs undermine these efforts, and are counter to USAC's efforts to expand marketing and advertisements targeted to low-income consumers. *See, e.g., Comment Sought On AT&T Request For Review Of A Decision Of the Universal Service Administrative Company Concerning Audit Findings Relating To the Low-Income Program*, Public Notice, 24 FCC Rcd 7679, WC Docket No. 03-109 (Rel. Jun. 5, 2009) (noting AT&T's

request for review of USAC's requirement that it advertise toll blocking and all other services to its Lifeline customers").

Millennium's efforts focus on expanding universal access and providing low-income consumers with access comparable to similar services in urban areas. Millennium seeks reimbursement for only those incremental costs associated with new low-income customers. Because the Commission's overall policy goals in universal access are advanced by a waiver of the Commission's rules on exclusivity and segregation of cost, there is good cause for a waiver of exclusivity requirements for Millennium.

IV. REQUEST FOR RELIEF

For all of the reasons stated herein, Millennium respectfully requests that the Bureau or Commission: (1) reverse USAC's findings in its October 1st letter stating that USAC can recover [REDACTED] from Millennium's September 2010 reimbursement and directing Millennium to revise its FCC Form 497s to reflect a [REDACTED] in incremental costs per subscriber, and requiring Millennium to seek USAC's permission before revising its incremental costs in the future; and (2) direct USAC to reimburse Millennium for the difference of funds Millennium would have recovered but for the implementation of USAC's findings, including for amounts per subscriber Millennium would have received in September 2010 for the March 2010 to August 2010 period and for the amounts per subscriber Millennium has been unable to claim since September 2010.

Dated: May 17, 2011


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	<i>Attorneys for Millennium 2000, Inc.</i>
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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

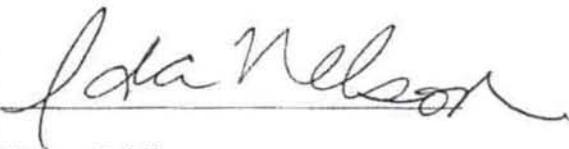
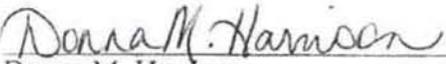
In the Matter of)	
Request For Review By Millennium 2000, Inc.)	WC Docket No. 03-109
Of Decision Of The Universal Service)	
Administrator)	USAC No. 349020

AFFIDAVIT OF DONNA M. HARRISON

The undersigned, Donna M. Harrison, of lawful age and under penalties of perjury, do hereby depose and certify as follows:

1. My name is Donna Harrison, and I am President and Chief Executive Officer at Millennium 2000, Inc. In my capacity as President and Chief Executive Officer, I am responsible for implementation and execution of Millennium 2000, Inc.'s Universal Service Fund related programs, including Lifeline services and Toll Limitation Services.

2. In accordance with 47 C.F.R. § 54.721(b)(2), I have reviewed the factual assertions set forth in this appeal and hereby certify and state that the asserted facts are based on my personal knowledge and are true and correct to the best of my knowledge.

SUBSCRIBED and SWORN to and before me this <u>30</u> day of November, 2010.	Dated: November 30, 2010
	
Notary Public	Donna M. Harrison Millennium 2000, Inc.

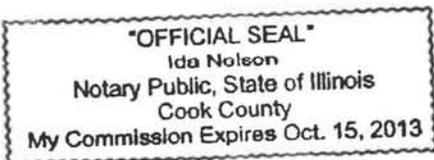


EXHIBIT A

Millennium 2000, Inc.

Sales Policy

Millennium 2000, Inc. will provide sales training [REDACTED] on the products and services that are available in the service areas.

[REDACTED] identifying new potential customers for Millennium 2000, Inc.

[REDACTED] educate low income consumers about the low income programs such as Lifeline Linkup, which will provide government assistance for home telephone services.

[REDACTED] identify all potential customers as a Lifeline Linkup customer or Non-lifeline customer.

[REDACTED] ensuring that the appropriate requirements are met in order for the consumer to qualify for the Lifeline Linkup program.

[REDACTED] responsible for explaining Millennium 2000, Inc. telephone service plans and toll limitation services that are available in the service areas.

Toll Limitation Services (TLS) for Low Income Consumers

[REDACTED] inform the low income consumer about the Toll Limitation Service (TLS) that Millennium 2000, Inc. offers to eligible low-income subscribers at no charge.

[REDACTED] inform qualifying low-income consumers that they have an option to choose whether or not they want TLS. This service includes toll blocking, which allows subscribers to block outgoing toll calls, and toll control, which allows subscribers, in advance, to limit their toll usage per month or billing cycle.

If the low-income consumer has further questions about TLS during the initiating process [REDACTED] will direct the consumer to the Customer Service Representatives who answers questions regarding TLS.

Millennium 2000 programmers will enter the low income consumer choice to opt-in to toll blocking and/or toll control on the new account.

In order for a Field Service Representatives and/or Customers Service Representatives to record their time toward TLS, an "approved" new customer application must be submitted to Millennium 2000 for processing.

EXHIBIT B

Daily Status Report

Public Version

Today's Date **Friday, November 26, 2010**
 Name **[REDACTED]**
 Work Start Time **9:00 AM** Lunch Out **12:00 PM** Lunch In **12:00 PM** Work End **3:00 PM**
 Total Work Hours **6:00** *This field will automatically populate.*
 Less Lunch Hours **0:00** *This field will automatically populate.*
 Total Billable Hours **6:00** *This field will automatically populate.*

No.	Daily Status	Current Pay Schedule						
		Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		11/21/10	11/22/10	11/23/10	11/24/10	11/25/10	11/26/10	11/27/10
1	Total # of Consumers Approached Regarding Product and Services (Lifeline and Non-Lifeline Consumers)	█	█	█	█	█	█	█
2	Total # of Consumers Interested In Lifeline Linkup Program	█	█	█	█	█	█	█
3	Total # of Consumers Qualified for Lifeline Linkup	█	█	█	█	█	█	█
4	Total # of Low Income Consumers Interested in TLS	█	█	█	█	█	█	█
5	Total hours spent explaining TLS to Low Income Customer (Approved Lifeline Applicants Only)	█	█	█	█	█	█	█
6	Total # of Non-Lifeline Consumers Initiating Service	█	█	█	█	█	█	█
7	Total time spent explaining TLS to Non-Lifeline Customer	█	█	█	█	█	█	█

**Provide details in space below. Include customer name and phone numbers. Provide daily status of items with **until issues resolved.

Status Notes:

Daily Status Report

Public Version

Today's Date

Name

Work Start Time

Lunch Out

Lunch In

Work End Time

Total Work Hours

0:00

This field will automatically populate.

Less Lunch Hours

0:00

This field will automatically populate.

Total Billable Hours

0:00

This field will automatically populate.

No.	Daily Status	Current Pay Schedule						
		Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		8/1/10	8/2/10	8/3/10	8/4/10	8/5/10	8/6/10	8/7/10
1	Total # of Consumers Approached Regarding Product and Services (Lifeline and Non-Lifeline Consumers)							
2	Total # of Consumers Interested In Lifeline Linkup Program							
3	Total # of Consumers Qualified for Lifeline Linkup							
4	Total # of Low Income Consumers Interested in TLS							
5	Total hours spent explaining TLS to Low Income Customer (Approved Lifeline Applicants Only)							
6	Total # of Non-Lifeline Consumers Initiating Service							
7	Total time spent explaining TLS to Non-Lifeline Customer							

**Provide details in space below. Include customer name and phone numbers. Provide daily status of items with **until issues resolved.

Status Notes:

A large, empty rectangular box with a thin black border, intended for status notes.

EXHIBIT C



High Cost and Low Income Division

July 30, 2010

Ms. Donna Harrison
MILLENNIUM 2000 INC.
14838 S. Champlain
Dolton, IL 60419

Dear Ms. Harrison:

As you may know, in order to receive Low Income universal service support, an eligible telecommunications carrier (ETC) must provide information to the Universal Service Administrative Company (USAC) demonstrating that the ETC is complying with the rules set forth in 47 C.F.R. §54.400 *et seq.* Your company, MILLENNIUM 2000 INC. (349020), has been selected for an In-Depth Low Income data review.

Accordingly, your company must submit data files that substantiate the amount of Toll Limitation Service (TLS) support claimed on FCC Form 497 for March 2010. Please refer to the Attachment for USAC's specific requests and for a sample template for computing TLS support. Please submit your supporting materials to the address below no later than August ~~18~~²⁰, 2010:

USAC
Low Income – TLS In-Depth Data Validation
2000 L Street, NW
Suite 200
Washington, DC 20036

Once USAC begins the data validation, we may contact you with questions regarding the Low Income data submitted and the associated documentation. Furthermore, USAC may adjust your Low Income support accordingly if discrepancies are identified. If you have any questions, please call (202)776-0200 and ask to speak to someone on the Low Income staff about the In-Depth Data Validation.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Gallant", is written over the typed name.

Pamela Gallant
Director, Low Income Program

ATTACHMENT
2010 IN-DEPTH VALIDATION (IDV)
TOLL LIMITATION SERVICE (TLS) FOR MARCH 2010

Please complete the following questionnaire regarding your TLS offerings.

1. Does your company provide toll blocking (no toll calls), toll control (limits on number or length of toll calls) or both?
 - a. Both Toll Blocking and Toll Control
 - b. Toll Blocking Only
 - c. Toll Control Only

If your company provides toll control, how many toll calls/minutes do your customers get each month?

2. What kinds of costs associated with Toll Limitation Service does your company claim?
 - a. Both One-Time and Recurring Costs
 - b. One-Time Costs Only
 - c. Recurring Costs Only
3. Does your company claim support for initiating and / or disconnecting Toll Limitation Service?
 - a. Both Initiating and Disconnecting TLS
 - b. Initiating TLS Only
 - c. Disconnecting TLS Only
4. What is your company's tariff or retail rate for non-Lifeline customers who want Toll Limitation Service?
5. Does your company charge a service deposit to Lifeline customers requesting TLS? If so, how much?
6. Do your customers opt in to TLS or opt out of TLS?

GUIDELINES FOR SUBMITTING SUPPORTING DOCUMENTATION

Please ensure that your documentation supports Lines 16, 17 and 18 on your **MARCH 2010** FCC 497 Lifeline and Link Up Worksheet.

Line 16:

Please provide documentation that supports your company's "Incremental cost of providing TLS." Appropriate supporting documentation may include a cost study, a calculation of the time spent to provide TLS to a requesting customer (including the rates paid to the employees involved the processing the request), or other materials that demonstrate the costs your company incurs for providing TLS. If your company is claiming more than one cost element for TLS (for example, both non-recurring and recurring costs), please provide documentation supporting both. Please refer to and use the "Computation Template" attached to this document to help USAC understand how the entry on Line 16 was computed. Your computations should equal the value on Line 16 of your FCC 497 form.

Line 17:

Please provide materials supporting the "Number of subscribers for whom TLS was initiated," including a list of subscribers by name, address and account number that received TLS. If you are claiming TLS support for more than one cost element, be sure to use the "Computation Template" to identify the number of subscribers you are claiming for each element. Supporting materials and computations should tie to the value on Line 17 of your FCC 497 form.

Line 18:

Please show how you computed the "Total TLS dollars claimed" on Line 18. Please use the "Computation Template," if necessary. The value on Line 18 on your FCC 497 form should match the value computed in the template.

SAMPLE TEMPLATE

CALCULATION OF USF SUPPORT FOR TOLL LIMITATION SERVICE FOR MARCH 2010 FCC FORM 497 A SAMPLE TEMPLATE			
COST ELEMENT	COST PER SUBSCRIBER (Line 16)	NUMBER OF SUBSCRIBERS (Line 17)	TLS SUPPORT (Line 18)
Computed Non-Recurring Costs			
Cost Component			
1	\$ 2.00	10	\$ 20.00
Cost Component			
2	\$ 1.00	15	\$ 15.00
Recurring Monthly Costs	\$ 0.28	200	\$ 56.00
Total TLS Support			\$ 91.00
From March FCC 497	\$ 0.404444	225	\$ 91.00

- **EXHIBIT D**

Millennium 2000, Inc.

446 N. Wells - Ste 330
Chicago, Illinois 60614

August 19, 2010

USAC
Low Income - TLS In-Depth Data Validation
2000 L Street, NW
Suite 200
Washington, DC 20036



Re: Low Income - TLS Depth Data Validation for Millennium 2000, Inc. - March 2010

Dear Sir or Madam:

This is a follow-up to the letter that I received from the Universal Service Administrative Company (USAC) dated July 30, 2010, regarding an In-Depth Low Income data review for Millennium 2000, Inc. for the month of March 2010.

On August 6, 2010, I spoke with Ann Clements to request an extension on the due date because the letter from your office was mailed to a previous address. Ms. Clements and I agreed that the supporting materials will be due in your office on August 20, 2010.

Please find enclosed the following documents:

1. Response to questionnaire entitled "2010 In-Depth Validation (IDV) Toll-Limitation Service (TLS) for March 2010:
2. Calculation of USF Support for Toll Limitation Service For March 2010 FCC Form 497
3. List of subscribers for toll limitation service in March 2010

ATTACHMENT
2010 IN-DEPTH VALIDATION (IDV)
TOLL LIMITATION SERVICE (TLS) FOR MARCH 2010

Please complete the following questionnaire regarding your TLS offerings.

1. Does your company provide toll blocking (no toll calls), toll control (limits on number or length of toll calls) or both?

- a. Both Toll Blocking and Toll Control
- b. Toll Blocking Only
- c. Toll Control Only

If your company provides toll control, how many toll calls/minutes do you customers get each month? 1500 MINUTES

2. What kinds of costs associated with Toll Limitation Service does your company claim?

- a. Both One-Time and Recurring Costs
- b. One-Time Costs Only
- c. Recurring Costs Only

3. Does your company claim support for initiating and / or disconnecting To Limitation Service?



4. What is your company's tariff or retail rate for non-Lifeline customers who want Toll Limitation Service? WE CHARGE NON-LIFELINE CUSTOMERS A ONE-TIME \$60.00 SET-UP FEE, WHICH INCLUDES THE COST FOR INITIATING TOLL-LIMITATION SERVICES.
5. Does your company charge a service deposit to Lifeline customers requesting TLS? If so, how much? NO.

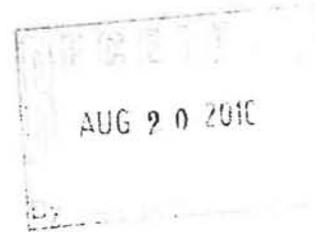
6. Do your customers opt in to TLS or opt out of TLS? OPT-IN

Millennium 2000, Inc.

446 N. Wells – Ste 300
Chicago, Illinois 60644

August 19, 2010

USAC
Low Income – TLS In-Depth Data Validation
2000 L Street, NW
Suite 200
Washington, DC 20036



Re: Low Income – TLS Depth Data Validation for Millennium 2000, Inc. – March 2010

Dear Sir or Madam:

This is a follow-up to the letter that I received from the Universal Service Administrative Company (USAC) dated July 30, 2010, regarding an In-Depth Low Income data review for Millennium 2000, Inc. for the month of March 2010.

On August 6, 2010, I spoke with Ann Clements to request an extension on the due date because the letter from your office was mailed to a previous address. Ms. Clements and I agreed that the supporting materials will be due in your office on August 20, 2010.

Please find enclosed the following documents:

1. Response to questionnaire entitled "2010 In-Depth Validation (IDV) Toll Limitation Service (TLS) for March 2010:
2. Calculation of USF Support for Toll Limitation Service For March 2010 FCC Form 497
3. List of subscribers for toll limitation service in March 2010

AUG 20 2000

Please find below a detail explanation, which supports our incremental cost for initiating toll limitation services for Lifeline Linkup customers:

Cost Element	Personnel Cost	% of Personnel Cost	Cost	Total TLS Incremental Cost
Personal cost associated with initiating lifeline customer's TLS service	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Time associated with explaining TLS at the time of initiating service	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	
Time associated with processing, switch functions, billing reporting EXCLUSIVE to TLS Customers	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	
Total Toll Limitation Service (TLS) Incremental Cost				[REDACTED]

If you have any questions, please contact me at 312-286-7800.

Best regards,



Donna M. Harrison

ATTACHMENT
2010 IN-DEPTH VALIDATION (IDV)
TOLL LIMITATION SERVICE (TLS) FOR MARCH 2010

Please complete the following questionnaire regarding your TLS offerings.

1. Does your company provide toll blocking (no toll calls), toll control (limits on number or length of toll calls), or both?

- a. Both Toll Blocking and Toll Control
 b. Toll Blocking Only
 c. Toll Control Only

If your company provides toll control, how many toll calls/minutes do you customers get each month? 1500 MINUTES

2. What kinds of costs associated with Toll Limitation Service does your company claim?

- a. Both One-Time and Recurring Costs
 b. One-Time Costs Only
 c. Recurring Costs Only

3. Does your company claim support for initiating and / or disconnecting To Limitation Service?



4. What is your company's tariff or retail rate for non-Lifeline customers who want Toll Limitation Service? WE CHARGE NON-LIFELINE CUSTOMERS A ONE-TIME \$60.00 SET-UP FEE, WHICH INCLUDES THE COST FOR INITIATING TOLL-LIMITATION SERVICES.
5. Does your company charge a service deposit to Lifeline customers requesting TLS? If so, how much? NO.

6. Do your customers opt in to TLS or opt out of TLS? OPT-IN

CALCULATION OF USE SUPPORT FOR TOLL LIMITATION SERVICE FOR MARCH 2010 FCC FORM 497

COST ELEMENT	COST PER SUBSCRIBER (Line 16)	NUMBER OF SUBSCRIBER (Line 17)	TOLL SUPPORT (Line 18)
Computed			
Installation of central office connections required to begin TLS services for initial order			
Non-Recurring	\$ [REDACTED]	[REDACTED]	\$ [REDACTED]
Costs			
Personal cost associated with initiating lifeline customer's TLS service			
Cost Component	\$ [REDACTED]	[REDACTED]	\$ [REDACTED]
1 Time associated with explaining TLS at the time of initiating service			
Cost Component	\$ [REDACTED]	[REDACTED]	\$ [REDACTED]
2 Time associated with processing, switch functions, billing reporting EXCLUSIVE to TLS Customers			
Cost Component	\$ [REDACTED]	[REDACTED]	\$ [REDACTED]
3 Monthly recurring charge for providing TLS			
Recurring Monthly	\$ [REDACTED]	[REDACTED]	\$ [REDACTED]
4 Installation of central office connections required to change TLS services			
Prorated Costs	\$ [REDACTED]	[REDACTED]	\$ [REDACTED]
Support			
Total TLS	\$ [REDACTED]	[REDACTED]	\$ [REDACTED]
From March FCC 497	\$ [REDACTED]	[REDACTED]	\$ [REDACTED]

EXHIBIT E



High Cost and Low Income Division

Via E-mail and Certified Mail

October 1, 2010

Donna Harrison
Millennium 2000, Inc.
14838 South Champlain
Dolton, IL 60419

RE: Results of 2010 Toll Limitation Service Support In-Depth Data Validation (IDV) of
Millennium 2000, Inc. (SAC 349020)

Dear Ms. Harrison:

The Universal Service Administrative Company (USAC) recently completed an In-Depth Data Validation of the Toll Limitation Service (TLS) support claimed by Millennium 2000, Inc. for March 2010. This validation was conducted to ensure compliance with the Federal Communications Commission's (FCC) rules set forth in 47 C.F.R. §54.400 *et seq.*

The FCC's rules state that TLS support is limited to a company's incremental cost of providing toll blocking or toll control to Lifeline customers.¹ Additionally, the FCC defined "incremental costs" as "the costs that carriers otherwise would not incur if they did not provide toll-limitation service to a given customer...."² Accordingly, an ETC may claim TLS support for only those costs that are exclusive to provisioning TLS to Lifeline customers.

Our review of the data submitted by Millennium 2000 indicates that the company's incremental cost of providing Lifeline subscribers with TLS is [REDACTED] per subscriber. The documentation supplied by Millennium 2000, Inc. indicates that the company was improperly including two cost elements (personnel cost associated with initiating lifeline customer's TLS service and time associated with explaining TLS at the time of initiating service) that were not exclusive to provisioning TLS. Based on our review of the documentation submitted by your company and conversations with staff of Millennium 2000, Inc., the "time associated with provisioning the toll blocking codes before the purchase order is processed through the switch" is the only cost factor associated

¹ "Lifeline support for providing toll limitation shall equal the eligible telecommunications carrier's incremental cost of providing either toll blocking or toll control, whichever is selected by the particular consumer." 47 C.F.R. § 54.403 (c)

² Federal-State Joint Board on Universal Service, Report and Order, 12 FCC Rcd. 8776, 8981, para. 386 (rel. May 8, 1998) (Universal Service Order).

Millennium 2000, Inc.
October 1, 2010
Page 2

exclusively with TLS that constitutes the incremental cost of providing Lifeline customers with TLS.

Accordingly, USAC will recover [REDACTED] in previously paid TLS support, which is the difference between the company's TLS claims for March 2010 [REDACTED] and the correct calculation (301 subscribers multiplied by [REDACTED] equals [REDACTED]). This amount will be recovered from Millennium 2000, Inc.'s September 2010 disbursement, which will be paid in October 2010. In addition, your company must revise its FCC Forms 497 that were submitted for April 2010 through August 2010 to reflect the [REDACTED] incremental cost. Millennium 2000, Inc. must file these revisions within 30 days of the date of this letter or USAC will implement an additional recovery. Going forward, Millennium 2000, Inc. must claim only its incremental cost of providing TLS, which has been found to be [REDACTED]. If in the future the company's costs change, please provide supporting documentation before modifying the incremental cost claimed on FCC Form 497.

Thank you for your cooperation with the IDV. If you have any questions about the IDV results, please do not hesitate to contact me.

Sincerely,



Pamela Gallant

Director, Low Income Program

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

In the Matter of)

Request For Review By Millennium 2000, Inc.)
Of Decision Of The Universal Service)
Administrator)

WC Docket No. 03-109

USAC No. 349020

CERTIFICATE OF SERVICE

Michael R. Dover, an attorney at Kelley Drye & Warren LLP, certifies that on this 19th day of May, 2011, he caused a copy of the foregoing Request For Amendment and Millennium 2000's Public Version of the First Amended Request For Review By Millennium 2000, Inc. Of Decision Of The Universal Service Administrator in Docket WC 03-109, to be filed via courier with the Office of the Secretary of the Federal Communications Commission, and served via email to:

Universal Service Administrative Company Attn: Pamela Gallant Director, Low Income Program 2000 L Street, N.W., Suite 200 Washington, D.C. 20036 pgallant@universalservice.org	
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Michael R. Dover
KELLEY DRYE & WARREN LLP
Attorneys for Millennium 2000, Inc.