



STATE OF ALABAMA
ALABAMA PUBLIC SERVICE COMMISSION
P.O. Box 304260
MONTGOMERY, ALABAMA 36130-4260

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SEP 27 2012

FCC Mail Room

September 26, 2012

LUCY BAXLEY, PRESIDENT
TWINKLE ANDRESS CAVANAUGH, ASSOCIATE COMMISSIONER
TERRY L. DUNN, ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.
SECRETARY

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

Re: CC Docket No. 96-45 - U.S.F. Certification of Alabama's ETC's
including all Rural and Non-Rural Carriers

Dear Ms. Dortch:

Pursuant to the requirements of 47 C.F.R. §54.313 and §54.314, the Alabama Public Service Commission (the "APSC") hereby certifies to the Federal Communications Commission (the "Commission") that all federal high-cost universal service funds flowing to Alabama Non-Rural local exchange carriers BellSouth Telecommunications, LLC, d/b/a AT&T Alabama ("AT&T") and CenturyTel of Alabama, L.L.C., d/b/a CenturyLink ("CenturyLink"), for the preceding calendar year and for the year commencing January 1, 2013, and ending December 31, 2013, were/shall be utilized in a manner consistent with §254(e) of the Telecommunications Act of 1996. As required by §254(e), AT&T and CenturyLink will only utilize the federal high-cost support for which they are eligible in the year 2013 for the provision, maintenance and upgrading of facilities and services for which that support is intended.

The APSC also certifies that pursuant to the requirements of 47 C.F.R. §54.313 and §54.314, all of the federal universal service funding flowing to Alabama's Rural Carriers¹ for the preceding calendar year and for the year commencing January 1, 2013, and ending December

¹ Alabama's Rural Carriers herein certified are: Ardmore Telephone Company, Inc. (290280), Blountsville Telephone Company, Inc. (250282); Brindlee Mountain Telephone Company (250283); Butler Telephone Company, Inc. (250284); Castleberry Telephone Company, Inc (250285); Farmers Telephone Cooperative, Inc (250290); Frontier Communications of Alabama, LLC (250306); Frontier Communications of Lamar County, LLC (250301); Frontier Communications of the South, LLC (250318); GTC, Inc., d/b/a Fairpoint Communications (210291); GulfTel, d/b/a CenturyTel (f/k/a/ Gulf Telephone Company, Inc.) (250298); Hayneville Telephone Company, Inc. (250299), Hopper Telecommunications, Inc. (250300); Knology of the Valley, Inc., db/a Knology (f/k/a Interstate Telephone Company, Inc) (220371); Knology Total Communications, Inc. (f/k/a Graceba Telephone Company, Inc) (250295); Millry Telephone Company, Inc. (250304), Mon-Cre Telephone Cooperative, Inc. (250305); Moundville Telephone Company, Inc. (250307); National Telephone Company, Inc. (250286); New Hope Telephone Cooperative, Inc. (250308); Oakman Telephone Company (250311); Otelco Telephone, LLC (250312); Peoples Telephone Company (250314); Pine Belt Telephone Company, Inc (250315); Ragland Telephone Company, Inc. (250316); Roanoke Telephone Company, Inc. (250317); Union Springs Telephone Company, Inc (250322); Valley Telephone Company, LLC, d/b/a Knology (f/k/a Valley Telephone Company, Inc.) (220324), and Windstream Alabama, LLC (250302).

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31, 2013, were/shall be utilized in a manner consistent with §254(e) of the Telecommunications Act of 1996. As required by §254(e), Alabama's Rural Carriers will only utilize the federal support for which they are eligible in the year 2013 for the provision, maintenance and upgrading of facilities and services for which that support is intended.

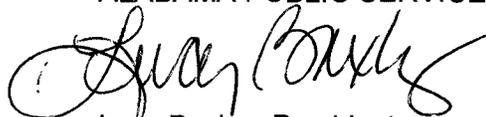
The APSC also certifies that Alabama's non-incumbent LEC wireline Eligible Telecommunications Carriers, Hayneville Fiber Transport, Inc., d/b/a Camellia Communications ("Camellia"); Budget PrePay, Inc. ("Budget"); Nexus Communications Inc., d/b/a TSI Nexus, Inc. ("TSI Nexus"); and Troy Cablevision, Inc. ("Troy Cablevision") (collectively "Alabama's non-incumbent LEC ETCs") utilized all federal high cost universal service funding for the preceding calendar year and shall utilize all federal high cost universal service funding for the year commencing January 1, 2013, and ending December 31, 2013, in a manner consistent with the provisions of § 254(e). More particularly, Alabama's non-incumbent LEC ETCs will only utilize the federal support they receive in 2013 for the maintenance and upgrading of facilities and services for which such support is intended.

The representations and certifications herein provided are largely the product of informal proceedings conducted before the APSC in Docket 25980. A copy of the APSC's Order approving and certifying the proposals of AT&T, CenturyLink, Alabama's Rural Carriers, and Alabama's non-incumbent LEC ETCs regarding their intended utilization of the federal high-cost universal service support for which they are eligible in the year 2013 is enclosed herein.

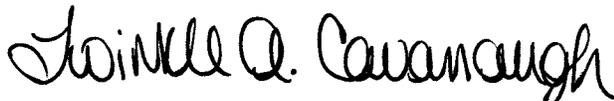
The APSC thanks the Commission for its diligence and cooperation in this matter. Please be advised that a copy of this notice is simultaneously being forwarded to the Universal Service Administrative Company. Please date stamp the extra copy of this filing and return it to the APSC in the enclosed, stamped, self-addressed envelope.

Sincerely,

ALABAMA PUBLIC SERVICE COMMISSION



Lucy Baxley, President



Twinkle Address Cavanaugh, Commissioner



Terry L. Dunn, Commissioner

LB/TAC/TLD:eml

Enclosures

By FedEx Priority Overnight

c: Ms. Karen Majcher, Vice President
High Cost and Low Income Division
Universal Service Administrative Company
2000 L Street N.W., Suite 200
Washington, D.C. 20036

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WALTER L. THOMAS, JR.
SECRETARY

**IN RE: IMPLEMENTATION OF THE
UNIVERSAL SERVICE REQUIREMENTS OF
SECTION 254 OF THE
TELECOMMUNICATIONS ACT OF 1996.**

DOCKET 25980

**(CERTIFICATION OF CARRIERS RECEIVING
FEDERAL UNIVERSAL SERVICE SUPPORT FOR
2013)**

FURTHER REPORT AND ORDER

BY THE COMMISSION:

I. Introduction and Background

By Order entered in this cause on September 27, 2011, Eligible Telecommunications Carriers ("ETCs") in Alabama subject to Commission jurisdiction were ordered to file their proposals for utilization of projected 2013 federal, high-cost, universal service support (the "2013 high-cost support") by no later than May 2, 2012. The Commission's Order afforded interested parties the latitude to submit comments in response to those filings no later than May 23, 2012, with any reply comments due on or before June 13, 2012.

By filing dated May 2, 2012¹, CenturyTel of Alabama, LLC, d/b/a CenturyLink ("CenturyLink") submitted a proposal for utilizing the projected 2013 high-cost support. By filing dated May 31, 2012, BellSouth Telecommunications, LLC, d/b/a AT&T Alabama ("AT&T") submitted their proposal for utilization of the anticipated 2013 high-cost support. On various dates in April and May 2012, the Rural Carriers (the "Rural LECs") identified individually in Appendix "A" hereto, and other Alabama ETCs submitted certifications regarding their planned utilization of 2013 high-cost support.

¹ CenturyLink cover letter from Amy Young, Senior Regulatory Analyst, dated April 27, 2012, received by the Commission on May 2, 2012.

II. AT&T's Planned Utilization of 2013 High-Cost Support

AT&T anticipates \$15.80 million in 2013 high-cost support and submitted its proposal for utilization of the funds during 2013 which is attached hereto as Appendix B and summarized as follows:

- Loop Infrastructure Improvements (\$15.30 million)
 - Deploy Loop Fiber and Next Generation Digital Loop Carrier to Implement Carrier Serving Areas (CSAs) Design (\$8.25 million)
 - Broadband deployment in areas substantially un-served by unfunded competitors: (\$5.80 million)
 - Provide Service to High-cost Areas (\$0.250 million)
 - Replace Manufacturer's Discontinued Technology in the loop (\$1.0 million)
- Switching Infrastructure Improvements: (\$0.50 million)
 - Modernize CONEC work stations in Central Offices: (\$0.22 million)
 - CONEC Router Replacements (\$0.28 million)

No comments opposing AT&T's proposal were submitted.

With regard to the planned \$250,000 expenditure listed under the Loop Structure Improvements category, staff recommends that these funds be utilized to provide basic local exchange telecommunications service at primary dwellings for applicants previously denied such service due to economic inefficiency and/or prohibitive aid-to-construction requirements ("un-served customers").² No funds from this subcategory shall be utilized to offset subsequent nonrecurring and/or recurring charges incurred following service installation.

Staff recommends that services funded under this subcategory be capped initially at \$25,000 per application. At the Commission's discretion, any unused funds in this subcategory may subsequently be reallocated to address qualifying but more costly held orders for residential basic service in accordance with the following procedures:

- A. The initial \$25,000 cap per application will be increased by \$5,000 increments. After each \$5,000 increment is added, projects whose costs do not exceed the revised cap

²We note that the applicants in question need not be served by wire centers designated as "high-cost" in order to be eligible for the support in question.

will be considered for construction funding.

- B. The process shall be repeated sequentially until the funds are exhausted or until a \$40,000 cap per application is established. No more than \$40,000 will be utilized for funding any residential basic service application under this subcategory. For those projects whose costs exceed \$40,000, the additional capital required to complete the project shall be the responsibility of the basic service applicant who shall be afforded the opportunity to make a contribution-in-aid-to-construction for those costs that exceed \$40,000.
- C. As of October 1, 2013, any budgeted funds within this subcategory that are unspent and/or uncommitted to any previously approved residential basic service application shall be reallocated to other categories or subcategories of high-cost support funding approved herein by the Commission.³

In addition to reports that AT&T currently files in support of its USF high-cost funds utilization, staff recommends that AT&T be required to submit to the Commission Telecommunications Division held order reports identifying AT&T customers who have made application for basic local service but remain un-served due to economic inefficiency and/or prohibitive aid to construction requirements. The initial report shall be due within thirty (30) days from the date of this Order with additional reports⁴ provided within thirty (30) days from the close of each calendar quarter. Staff recommends further that AT&T be required to meet with the staff, in person or via conference call, on any mutually agreeable day during March, 2013 for purposes of discussing the company's 2013 capital budgets with respect to USF wire centers. Subject to the reporting and disclosure requirements discussed in the foregoing, staff recommends approval of AT&T's 2013 high-cost proposal.

III. CenturyLink's Planned Utilization of 2013 High-Cost Support

CenturyLink anticipates \$9.63 million in 2013 high-cost support of which \$7.75 million is currently embedded in the Company's rate structure. CenturyLink's planned utilization of the remaining \$1.88 million in 2013 high-cost support, which is attached hereto as Appendix C, is summarized follows:

³ The procedures provided in Section II, subparagraphs A through C, for purposes of incrementally increasing the maximum high-cost allocation per qualifying held application apply to CenturyLink's proposed expenditure of funds for the same purpose (Section III).

⁴ Subsequent held order reports shall identify the status of any previous held orders to which high-cost funds for the current year's USF allocation were applied and the amount of high-cost funds expended as of the report date. Additionally the report shall identify remaining, unfunded held orders for residential basic service.

- Replace Air Core Cable (\$0.25 million)
- High-Cost Applicants (\$0.10 million)
- Network Improvements (\$1.53 million)

With regard to the planned \$100,000 expenditure for purposes of serving high-cost applicants, staff recommends that these funds be utilized to provide basic local exchange telecommunications service at primary dwellings for applicants previously denied such service due to economic inefficiency and/or prohibitive aid-to-construction requirements (“un-served customers”).⁵ No funds from this subcategory shall be utilized to offset subsequent nonrecurring and/or recurring charges incurred following service installation.

Staff recommends that high-cost funds allocated to qualifying held orders be capped initially at \$25,000 per application. At the Commission’s discretion, any unused funds in this subcategory may subsequently be reallocated to address qualifying but more costly held orders for residential basic service in accordance with the procedures identified previously under Part II, subparagraphs A through C (AT&T’s Planned Utilization of 2013 High-Cost Support).

In addition to reports that CenturyLink currently files in support of its USF high-cost funds utilization, staff recommends that the Company be required to submit to the Commission Telecommunications Division held order reports identifying CenturyLink customers who have made application for basic local service but remain un-served due to economic inefficiency and/or prohibitive aid to construction requirements. The initial report shall be due within thirty (30) days from the date of this Order with additional reports⁶ provided within thirty (30) days from the close of each calendar quarter. Staff recommends further that CenturyLink be required to meet with the staff, in person or via conference call, on any mutually agreeable day during March, 2013 for purposes of discussing the company’s 2013 capital budgets with respect to USF wire centers. Subject to the reporting and disclosure requirements discussed in the foregoing, staff recommends approval of CenturyLink’s 2013 high-cost proposal.

⁵We note that the applicants in question need not be served by wire centers designated as “high-cost” in order to be eligible for the support in question.

⁶ Subsequent held order reports shall identify the status of any previous held orders to which high-cost funds for the current year’s USF allocation were applied and the amount of high-cost funds expended as of the report date. Additionally the report shall identify remaining, unfunded held orders for residential basic service.

IV. Filings of the Rural Carriers

With regard to the Rural Carriers listed in Appendix "A" hereto, the Commission determined in its Order for this docket dated December 20, 2001, that the Commission could best meet its universal service monitoring and certification obligations for each Rural LEC "cost company" by requiring such companies to file with the Commission by January 15 of each year a copy of their supporting annual interstate cost separation studies, their annual USF-High-Cost loop support filings and, their estimated USF-local switching support filings that are made with the National Exchange Carriers Association ("NECA"). With respect to the Rural LECs that are "average schedule" companies, the Commission required such companies to file for review by January 15 of each year a copy of NECA's proposed annual USF-High-Cost loop support and USF-local switching support amounts.

The certifications submitted by the Rural LECs listed in Appendix "A" hereto throughout April and May 2012 and attached hereto as Appendix "D" reflect that each of those Rural LECs will in 2013 continue to utilize the high-cost universal service funding they receive in a manner compliant with the requirements of §254 of the Telecommunications Act of 1996. The Commission will continue to verify the certifications of the aforementioned Rural LECs through the filings they make with the Commission each year. Staff accordingly recommended approval of the 2013 high-cost expenditures of the Rural LECs.

V. The Expenditures of the Remaining High-cost ETCs

The remaining Alabama ETCs that are certified for high-cost purposes include Hayneville Fiber Transport, Inc., d/b/a Camellia Communications, Inc. ("Camellia"); Budget PrePay, Inc. ("Budget"); Nexus Communications Inc., d/b/a TSI Nexus, Inc. ("TSI Nexus"); and Troy Cablevision, Inc. ("Troy Cablevision") (collectively the "non-incumbent local exchange carrier ETCs"). Each affirms to the Commission their continued eligibility for USF high-cost support and certifies to use the 2013 federal high-cost support in accordance with §254(e) of the Act. The Commission's investigation of the aforementioned ETCs indicates that those entities have and will continue to expend any and all federal high-cost funding received in a manner consistent with §254(e) as they have certified in the documents attached hereto as Appendix "E".

Staff accordingly recommended approval of the 2013 high-cost expenditure plans of the non-Incumbent Local Exchange Carrier ETCs.

VI. Discussion and Conclusions

We hereby adopt each of the recommendations of staff set forth herein and approve consistent therewith, the proposals submitted in this cause by AT&T, CenturyLink, Alabama's Rural Carriers and the non-Incumbent Local Exchange Carrier ETCs governing their expenditure of federal high-cost universal service support during the year 2013. We will certify to the FCC that those plans are compliant with the provisions of §254(e) of the Act.

We specifically note, however, that our approval herein is contingent upon the staff's continued monitoring of the implementation of the aforementioned plans. The Commission specifically reserves the right to conduct any proceedings that may be necessary to determine if the funding under review should be redirected to other qualifying projects as required by the Commission.

In accordance with 47 C.F.R. §54.313, any recipient of high-cost support shall file reports which includes their Five-Year Service Quality Improvement Plan; Outage Report; Requests for Service; Complaints per 1000 Connections; Certifications; Current Price Offerings; Company Identification; Tribal Outreach; Annual Financial Report; Areas with No Terrestrial Backhaul; and Additional Voice Rate Data with the FCC. This information is to be submitted with their 2013 USF high-cost filing by July 1, 2013. This data should also be submitted to the Commission's Telecommunications Division.

IT IS, THEREFORE, ORDERED BY THE COMMISSION, That the May 31, 2012, proposal of BellSouth Telecommunications, LLC, d/b/a AT&T Alabama attached hereto as Appendix "B" and delineating the company's intended utilization of the federal high-cost universal service support for which it is eligible during the year 2013 is hereby approved as stipulated herein and certified as compliant with the provisions of §254(e) of the Telecommunications Act of 1996. The approval granted herein is, however, contingent on BellSouth Telecommunications, Inc., d/b/a AT&T Alabama's compliance with all provisions of this order including the timely submission of the information requested herein.

IT IS FURTHER ORDERED BY THE COMMISSION, That the April 27, 2012, proposal of CenturyTel of Alabama, LLC, d/b/a CenturyLink attached hereto as Appendix "C" and delineating the company's intended utilization of the forward-looking federal high-cost universal service support for which it is eligible during 2013 is hereby approved as stipulated herein and certified as compliant with the provisions of §254(e) of the Telecommunications Act of 1996. The approval granted herein is, however, contingent on CenturyLink's compliance with all provisions of this order including the timely submission of the information requested herein.

IT IS FURTHER ORDERED BY THE COMMISSION, That pursuant to 47 C.F.R. §54.313, any recipient of high-cost support shall file reports which includes their Five-Year Service Quality Improvement Plan; Outage Report; Requests for Service; Complaints per 1000 Connections; Certifications; Current Price Offerings; Company Identification; Tribal Outreach; Annual Financial Report; Areas with No Terrestrial Backhaul; and Additional Voice Rate Data with the FCC. This information is to be submitted with their 2013 USF high-cost filing by July 1, 2013. This data should also be submitted to the Commission's Telecommunications Division.

IT IS FURTHER ORDERED BY THE COMMISSION, That the proposals/statements of Alabama's Rural Carriers collectively attached hereto as Appendix "D" are hereby approved and certified as compliant with the provisions of §254(e) of the Telecommunications Act of 1996.

IT IS FURTHER ORDERED BY THE COMMISSION, That the anticipated expenditures of all federal high-cost support received by Hayneville Fiber Transport, Inc., d/b/a Camellia Communications; Budget PrePay, Inc.; Nexus Communications Inc., d/b/a TSI Nexus, Inc.; and Troy Cablevision, Inc. are hereby certified as compliant with the provisions of §254(e) of the Telecommunications Act of 1996 based on the certifications contained in Appendix "E."

IT IS FURTHER ORDERED BY THE COMMISSION, That the approval and certifications addressed herein shall be further contingent upon satisfactory results from the Commission's ongoing review of the project specific expenditures of AT&T, CenturyLink, Alabama's Rural Carriers, and the remaining high-cost non-Incumbent Local Exchange Carrier ETCs as designated by the Commission. The Commission specifically reserves the right to conduct whatever proceedings may be deemed necessary to determine that the universal service funding received by AT&T, CenturyLink, Alabama's Rural Carriers, and all remaining non-Incumbent Local Exchange Carrier ETCs in Alabama should be redirected by the Commission to other qualifying projects. To that end, AT&T and CenturyLink shall submit to

the Commission within thirty (30) days of the close of each calendar quarter, a report delineating the status of each project approved herein and the level of funding expended on said projects. Said reports shall include a listing of each of the local service applications held by each company and their status. The Rural LECs shall continue to comply with the reporting requirements established in the Commission's December 20, 2001, Order entered in this cause unless and/or until otherwise directed by the Commission.

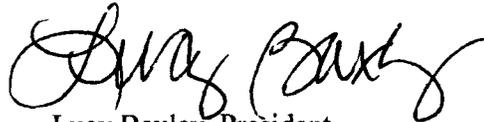
IT IS FURTHER ORDERED BY THE COMMISSION, That AT&T, CenturyLink, Alabama's Rural Carriers, and all other ETCs in Alabama as designated by the Commission shall file their proposals for the utilization of the federal high-cost universal service support for which they are eligible in the year 2014 no later than May 6, 2013. Interested parties may submit comments in response to the foregoing filings no later than May 27, 2013. Reply comments will be considered by the Commission if received on or before June 17, 2013.

IT IS FURTHER ORDERED BY THE COMMISSION, That jurisdiction in this cause is hereby retained for the issuance of any further order or orders as may appear to be just and reasonable in the premises.

IT IS FURTHER ORDERED, That this Order shall be effective as of the date hereof.

DONE at Montgomery, Alabama, this 26th day of September, 2012.

ALABAMA PUBLIC SERVICE COMMISSION



Lucy Baxley, President



Twinkle Andress Cavanaugh, Commissioner



Terry L. Dunn, Commissioner

ATTEST: A True Copy



Walter L. Thomas, Jr., Secretary

APPENDIX "A"

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SEP 27 2012

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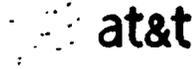
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Castleberry Telephone Company, Inc. (250285)
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(f/k/a Valley Telephone Company, Inc.) (220324)
Windstream Alabama, LLC (250302)

Docket 25980
Appendix "B"

Received & Inspected

SEP 27 2012

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AT&T Alabama
Suite 28A2
600 N. 13th Street
Birmingham, AL 35203

F: 205.714.0556
F: 205.323.9204
francis.semmes@att.com

May 31, 2012

Via Electronic Filing & Overnight Mail

Mr. Walter Thomas, Secretary
Alabama Public Service Commission
RSA Union Building, Suite 850
100 N. Union Street
Montgomery, AL 36104

**Re: Implementation of Universal Service Requirements of Section 254 of the
Telecommunications Act of 1996 – Docket No. 25980**

Dear Mr. Thomas:

Enclosed for electronic filing today and pursuant to Commission Order dated September 27, 2000, attached is BellSouth Telecommunications, LLC d/b/a AT&T Alabama's proposal for the utilization of federal high-cost universal service support for the year 2013. We anticipate that the support level will be approximately \$15.8 million, which will be used for network improvements.

The original and one (1) paper copy will be forwarded to the Commission today via overnight mail. Please distribute as needed and thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "F. B. Semmes".

Francis B. Semmes
General Attorney – AT&T Alabama

FBS:mhs
Attachment

cc: Honorable John Garner, Chief ALJ & Executive Director
Mr. Darrell Baker, Director, Telecommunications

Plan Year 2013
Loop Infrastructure Improvements
\$15.8M

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1. Deploy Loop Fiber and Next Generation Digital Loop Carrier to Implement CSA Design - \$8.250M

The implementation of Carrier Serving Areas (CSAs) will provide improved service to the customer and will provide a means of delivering additional services and capabilities not available over a totally copper network.

The goal of the CSA concept is to sectionalize areas of a wire center beyond twelve thousand feet from the serving central office into discrete geographical units so those customers within the CSA can be provided digital services over fiber instead of copper.

Service improvements are obtained through the deployment of digital loop carrier in the CSA. Customers working over digital loop carrier facilities do not experience the transmission problems caused by metallic influences that are inherent of long copper facilities. Data transmission speeds are improved for services offered over digital loop carrier as opposed to long copper facilities.

AT&T proposes deploying fiber in feeder routes to serve existing and new remote terminal sites and the replacement of new Digital Loop Carrier to implement the CSA architecture. Additionally, this proposal includes providing loop diverse feeder fiber where feasible to reduce or eliminate service outages.

2. Broadband deployment in areas substantially unserved by unfunded competitors - \$5.800M

In 2013, a minimum of 30% of USF funding will be devoted to some broadband deployment requirements. Annual support will be disbursed over a 5 year period only for areas where a subsidy is necessary to build and operate broadband. AT&T is currently determining which census blocks in our footprint meet the CAF-1 – Incremental “unserved” requirement. Opportunities range from CO or RT-based IPDSLAM deployment, extending fiber, upgrading legacy ATM DSL to IP-DSLAMs, and filling-in unserved pockets in otherwise broadband-served areas.

3. Provide Service to High Cost Areas - \$0.250M

In order to support universal service for existing unusually high cost service areas, AT&T will establish a fund of \$250,000 in 2013 to offset the extension of facilities to these high cost areas to provide service for an applicant’s primary residence in a high cost situation. AT&T will prioritize locations and expend monies from this fund using procedures established by the Alabama Public Service Commission in its September 27, 2006, Further Report and Order (Docket No. 25980).

An initial maximum of \$25,000 per high cost applicant will be prioritized from the fund in exchanges where end users have made application for service but have been unable to obtain

service due to economic inefficiency. The fund will be decreased with each application that qualifies for high cost consideration and any dollars that have not been utilized for high cost service by October 1, 2013, will be expended on the other network infrastructure enhancement projects.

4. Replace Manufacturer's Discontinued Technology in the Loop - \$1.0M

AT&T currently has in place Subscriber Line Carrier (SLC) and multiplexer technologies that are older types, allow limited service offerings, and are no longer supported by the manufacturer. Replacement parts for many of these systems are no longer available from the vendor which leads to longer than desired restoration intervals when the equipment fails. Proactive replacement of manufacturer's discontinued equipment will reduce maintenance problems and trouble reports in targeted wire centers and should significantly improve modem speeds and service levels for customers served by these systems.

Plan Year 2013 Switching Infrastructure Improvements \$0.500M

1. Modernize CONEC work stations in Central Offices - \$0.225M

AT&T proposes to modernize existing CONEC work stations in COs allowing access to multiple USF offices for remote troubleshooting, clearing of troubles, and other maintenance operations. The CONEC equipment is located in all USF COs and some non-USF COs (which provide both support and extended technician coverage hours). The modernization will upgrade both the computer work station hardware and operating system (OS) to support newer technologies and to provide a more reliable system. The old OS and CONEC application does not support the maintenance applications included in the new network elements being deployed in the network today. In addition, the current interface only supports serial interfaces and is not compatible with an IP interface. Approximately three-fourths of the work stations will have been upgraded by year-end 2012. This continuing effort will upgrade the remaining one-fourth of the existing work stations and complete the modernization.

2. CONEC Router Replacements - \$0.275M

The current Router is now obsolete and is no longer supported by the manufacturer. Failures in these systems are causing delays in technician response resulting in delays in responding to customer orders or handling customer trouble reports. The old routers will be replaced with the latest hardware and software which will result in increased reliability and access. The new routers will fit in a smaller cabinet. They will provide Live CD or USB operation to improve immunity to power failures. The new routers use standard Ethernet and bridging components and will have the ability for automatic routing, minimal configuration, and automatic re-routing to alternative path upon network segment failure. By replacing the routers, we gain the dual path routing which will result in full impact for the offices. Upgrading the existing routers will result in reduced outages and improved maintenance. AT&T anticipates requesting funds in 2014 to complete the router replacements.

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Plan year 2013 Total Universal Service Support - \$15.8M FCC Mail Room

Conclusion

The network infrastructure enhancement initiative will provide service improvements to the smaller rural wire centers in the state by reducing loop lengths and transmission impairments and improving service reliability.

While every effort will be made to spend the universal service funds as stipulated within the categories as identified in our preliminary planning effort, some needed modifications to our plan may be necessary as detailed planning and engineering proceeds. All significant deviations, if any, will be identified and reported as our quarterly tracking reports are made.

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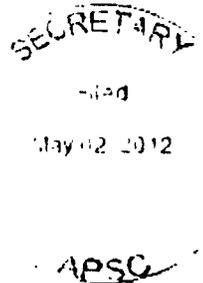
FCC Mail Room

Docket 25980
Appendix "C"



CenturyLink

P. O. Box 4088
Monroe, LA 71211-4088
Tel: 318.398.9000



April 27, 2012

VIA OVERNIGHT MAIL DELIVERY

The Honorable Walter Thomas
Alabama Public Service Commission
RSA Union Building, Suite 836
100 North Union Street
Montgomery, AL 36104

**RE: APSC Certification of Eligibility to Receive High Cost Support
Pursuant to 47 C.F.R. §54.314; APSC Docket 25980.**

Dear Mr. Thomas:

In conjunction with the Commission's annual certification requirements, please find attached hereto for filing CenturyTel of Alabama, LLC d/b/a CenturyLink ("Company") Proposed 2013 Universal Service Plan. The plan is based on the currently estimated \$9,633,876 that the company will receive in frozen federal high-cost loop support in 2013 barring any funding changes that may result due to CAF Phase II implementation per FCC 11-161, the Connect America Fund Order. Of this amount, \$7,749,629 is already embedded in the company's rate structure in Alabama, leaving \$1,884,247 to be spent per the proposed USP for 2013.

The original and one copy will be delivered to the Commission. If any additional information is required, please contact Kevin Grimes, Government Relation Manager, at (251) 952-5384.

Sincerely,

Amy Young
Senior Regulatory Analyst

Enclosure

PROPOSED 2013 - USF - CenturyTel of Alabama, LLC d/b/a CenturyLink

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[REDACTED]

Replacement of air core and paper insulated cable. Location to be determined based on OSP Troubles. **250,000**

[REDACTED]

Provides assistance to customers that require excessive construction to provide primary service. **100,000**

[REDACTED]

Enhancing network reliability by placing diverse fiber routes, fiber to existing remotes, adding permanent generators, replacing CO power equipment, and replacing selected obsolete remote equipment. Placement of next generation technology (Digital Loop Carrier, Ethernet, Fiber to the Premise) which improves service and promotes availability of advanced services not available over existing copper facilities. **1,534,247**

[REDACTED]

TOTAL USF - ALABAMA 1,884,247

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Docket 25980
Appendix "D"

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ARDMORE

TELEPHONE COMPANY

A Telecommunications Company

July 30, 2012

Secretary
Alabama Public Service Commission
P. O. Box 304260
100 North Union Street, Suite 850
Montgomery, Alabama 36130



Re: Annual USF Certification Filing - Docket No. 25980
Electronic Filing

Dear Secretary,

Attached is the 2013 Annual USF Certification filing for the Ardmore Telephone Company, Inc. Tennessee Study Area 290280. For 2012, the Company anticipates USF payments totaling \$807 thousand dollars. The amount anticipated for 2012 is \$565 thousand dollars. These funds are used exclusively for network and service enhancements voice telephony services.

If you have any questions please contact me at the phone number or email address listed below.

Sincerely,

Martin Clift

Martin Clift
Regulatory Manager
270-674-1000
mclift@wk.net

SEP 27 2012

FCC Mail Room

A Telecommunications Company

July 30, 2012

Secretary
Alabama Public Service Commission
P. O. Box 304260
100 North Union Street, Suite 850
Montgomery, Alabama 36130



Re: Annual USF Certification Filing – Docket No. 25980
Electronic Filing

Dear Secretary,

Attached is the 2013 Annual USF Certification filing for the Ardmore Telephone Company, Inc. Tennessee Study Area 290280. For 2012, the Company anticipates USF payments totaling \$807 thousand dollars. The amount anticipated for 2012 is \$565 thousand dollars. These funds are used exclusively for network and service enhancements voice telephony services.

If you have any questions please contact me at the phone number or email address listed below.

Sincerely,

Martin Clift

Martin Clift
Regulatory Manager
270-674-1000
mclift@wk.net

**FCC CC Docket No. 96-45
Section 254(e), 47 C.F.R. § 54.314**

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**Certification of
Ardmore Telephone Company, Inc.**

FCC Mail Room

AFFIDAVIT

I, Trevor R. Bonnstetter, CEO of the Ardmore Telephone Company, Inc. hereby certify under penalties of perjury that:

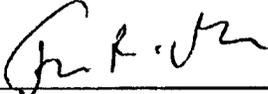
1. My name is Trevor R. Bonnstetter. I am employed by Ardmore Telephone Company, Inc. in the position of CEO. In this position, I am personally familiar with the Federal Universal Service support received by the Company and how the Company uses these funds.
2. Ardmore Telephone Company (AL-Study Area 290280) has been designated as an (ETC) eligible telecommunications carrier by the Alabama Public Service Commission.
3. The Company is a "rural telephone company" as defined in 47 U.S.C. §153(37);
4. Ardmore Telephone Company, Inc. estimates receiving approximately \$565 thousand in Federal Universal Service high-cost support during January 1, 2013 to December 31, 2013 time period. All Federal high-cost Universal Service support provided to the Cooperative was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, as designated by the Federal Communications Commission consistent with Section 254 (e) of the Federal Telecommunications Act. These funds will be used to provide the supported service – voice telephony service as outlined in 47CFR 54.101 (a), which are available to any customer in the Cooperative's service area. This supported service includes: voice grade access to the public switched network; minutes of use for local service provided at no additional charge; access to emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in the Cooperative's service area has implemented 911 or enhanced 911 systems.
5. Ardmore Telephone Company follows Federal Communications Commission Part 32 accounting requirements for regulate local exchange carriers and Part 36 separations provisions used to determine high cost support amounts. As a regulated utility, Ardmore Telephone Company's accounting and separations procedures are subject to periodic National Exchange Carrier Association and Kentucky Public Service Commission reviews.
6. While continuing to receive amounts of Federal Universal Service support as described and using this support for the purpose as described, Ardmore Telephone Company does not anticipate increasing local rates nor withdrawing any services; therefore, the comparability of rates and service between the rural areas served by Ardmore Telephone Company will nor be changed because of any action on part of Ardmore Telephone Company.

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The matters addressed above are within my personal knowledge and are true and correct.

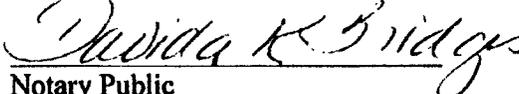
Signature:  Date: July 25, 2012
Print Name: Trevor R. Bonnstetter
Title: CEO

State of Kentucky, County of Graves

BEFORE ME, the undersigned Notary in and for the State of Kentucky, on this day personally appeared Trevor R. Bonnstetter, known to me to be the Declarant, who, being duly sworn, executed the foregoing instrument.

Subscribed and sworn to before me this 25th day of July, 2012.

My Commission expires 04.14.14.


Notary Public

(seal)



Otelco Inc., 505 3rd Avenue East, Oneonta, AL 35121 Phone: 205 625-3591

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Subsidiaries:

Blountsville Telephone LLC; Brindlee Mountain Telephone LLC; Granby Telephone LLC; Hopper Telecommunications LLC;
Mid-Maine Telecom LLC; Otelco Mid-Missouri LLC; Otelco Telephone LLC; Pine Tree Telephone LLC; Saco River Telephone LLC;
Shoreham Telephone LLC; War Telephone LLC



April 23, 2012

VIA HAND DELIVERY

Honorable Walter L. Thomas, Jr., Secretary
Alabama Public Service Commission
RSA Union Building
100 North Union Street
Montgomery, AL 36104

**RE: APSC Certification of Eligibility to Receive High Cost Support
Pursuant to 47 C.F.R. §54.314; APSC Docket 25980.**

Dear Mr. Thomas:

In conjunction with the Alabama Public Service Commission's (the "Commission") annual certification requirements, please find attached hereto for electronic filing Blountsville Telephone LLC's (the "Company") certification that it is eligible to continue to receive federal high-cost universal service support. The original and one copy will be delivered to the Commission. If any additional information is required, please contact me at (256) 586-1420.

Very truly yours,

Dennis Andrews
Senior Vice President

Enclosure

SEP 27 2012

CERTIFICATION

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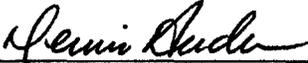
In its December 20, 2001 and September 28, 2010 Orders in APSC Docket 25980, this Commission determined that it could best meet its monitoring and certification obligations by requiring the "rural LEC Cost Companies" to file with the Commission a copy of their supporting annual interstate cost separation study, annual USF-HCLS filing and estimated USF-LSS filing for review and each of the "rural LEC Average Schedule Companies" to file with the Commission a copy of NECA's proposed annual USF-HCLS and USF-LSS amounts for review. Pursuant to the Order, Blountsville Telephone LLC (the "Company") has previously provided the Commission with a copy of its most recent annual interstate cost separation study, annual 2012 USF-HCLS, and estimated 2012 USF-LSS filings.

The Company further certifies that it will only use the federal high-cost support it receives during 2012-2013 for the continued provision, maintenance and upgrading of facilities and service for which such support is intended as described in 47 C.F.R. § 54.101. Those services, which are available to any customer in the Company's service area are: single-party voice grade access to the public switched network, unlimited local usage, dual-tone multi-frequency signaling or its functional equivalent, access to emergency services, including 9-1-1 service or enhanced 9-1-1 service, access to operator service, access to interexchange service, and access to directory assistance, and toll limitation for qualifying low-income customers.

The Company respectfully requests that the Commission notify the FCC prior to October 1 of this year that the Company is eligible to receive federal high-cost support in 2013. Any questions regarding this submission or the underlying documentation previously submitted to the Commission should be directed to Dennis Andrews at (256) 586-1420.

Respectfully Submitted,

BLOUNTSVILLE TELEPHONE LLC

By: 
Dennis Andrews
As Its: Senior Vice President
Date: 4/23/2012

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Otelco Inc., 505 3rd Avenue East, Oneonta, AL 35121 Phone: 205 625-3591

Subsidiaries:

Blountsville Telephone LLC; Brindlee Mountain Telephone LLC; Granby Telephone LLC; Hopper Telecommunications LLC;
Mid-Maine Telecom LLC; Otelco Mid-Missouri LLC; Otelco Telephone LLC; Pine Tree Telephone LLC; Saco River Telephone LLC;
Shoreham Telephone LLC; War Telephone LLC



April 23, 2012

VIA HAND DELIVERY

Honorable Walter L. Thomas, Jr., Secretary
Alabama Public Service Commission
RSA Union Building
100 North Union Street
Montgomery, AL 36104

**RE: APSC Certification of Eligibility to Receive High Cost Support
Pursuant to 47 C.F.R. §54.314; APSC Docket 25980.**

Dear Mr. Thomas:

In conjunction with the Alabama Public Service Commission's (the "Commission") annual certification requirements, please find attached hereto for electronic filing Brindlee Mountain Telephone LLC's (the "Company") certification that it is eligible to continue to receive federal high-cost universal service support. The original and one copy will be delivered to the Commission. If any additional information is required, please contact me at (256) 586-1420.

Very truly yours,

A handwritten signature in black ink that reads 'Dennis Andrews'.

Dennis Andrews
Senior Vice President

Enclosure

Received & Inspected

SEP 27 2012

FCC Mail Room

CERTIFICATION

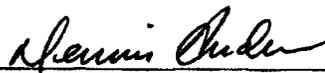
In its December 20, 2001 and September 28, 2010 Orders in APSC Docket 25980, this Commission determined that it could best meet its monitoring and certification obligations by requiring the "rural LEC Cost Companies" to file with the Commission a copy of their supporting annual interstate cost separation study, annual USF-HCLS filing and estimated USF-LSS filing for review and each of the "rural LEC Average Schedule Companies" to file with the Commission a copy of NECA's proposed annual USF-HCLS and USF-LSS amounts for review. Pursuant to the Order, Brindlee Mountain Telephone LLC (the "Company") has previously provided the Commission with a copy of NECA's proposed annual 2012 USF-HCLS and 2012 USF-LSS amounts.

The Company further certifies that it will only use the federal high-cost support it receives during 2012-2013 for the continued provision, maintenance and upgrading of facilities and service for which such support is intended as described in 47 C.F.R. § 54.101. Those services, which are available to any customer in the Company's service area are: single-party voice grade access to the public switched network, unlimited local usage, dual-tone multi-frequency signaling or its functional equivalent, access to emergency services, including 9-1-1 service or enhanced 9-1-1 service, access to operator service, access to interexchange service, and access to directory assistance, and toll limitation for qualifying low-income customers.

The Company respectfully requests that the Commission notify the FCC prior to October 1 of this year that the Company is eligible to receive federal high-cost support in 2013. Any questions regarding this submission or the underlying documentation previously submitted to the Commission should be directed to Dennis Andrews at (256) 586-1420.

Respectfully Submitted,

BRINDLEE MOUNTAIN TELEPHONE
LLC

By: 
Dennis Andrews
As Its: Senior Vice President
Date: 4/23/2012