

Filed in the FCC Electronic Comment Filing System

September 5, 2013

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

Re: 2013 Rate Floor Report, Docket No. 05-337, 10-90

Dear Ms. Dortch:

In the Connect America Fund Order, the Commission promulgated rule § 54.318 that reduces high-cost support for incumbent ETCs where end-user rates do not meet a specified local rate floor.¹ Specifically, beginning in July 2013 high-cost loop support (HCLS) and high-cost model support (HCMS) will be reduced where a carrier's local end-user rates plus state regulated fees do not meet the urban rate floor representing the national average of local rates plus those state regulated fees.² The attached filing provides rate floor information for all carriers that are below the local urban rate floor benchmark of \$14. Following is a summary of the attached filing:

- Line count and rate floor adjustment are redacted per CenturyLink/Qwest Corp.'s request for confidentiality.³
- Line count and rate floor adjustment are redacted per National Exchange Carrier Association's (NECA) request for confidentiality.⁴
- The total number of study areas with rate floor reductions is 276.

¹ See *In the Matter of Connect America Fund A National Broadband Plan for Our Future Establishing Just and Reasonable rates for Local Exchange Carriers High-Cost Universal Service Support Developing an Unified Intercarrier Compensation Regime Federal-State Joint Board on Universal Service Lifeline and Link-Up Universal Service Reform – Mobility Fund*, WC Docket Nos. 10-92, 07-135, 05-337, 03-109, GN Docket No. 09-51, CC Docket Nos. 01-92, 86-45, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rule Making, FCC 11-161, ¶¶ 234 - 241 (rel. Nov. 18, 2011)

² *Id.*

³ See GN Docket No. 09-51 CenturyLink Submission of Redacted Rate Floor Data Collection in Response to 47 C.F.R. § 54.313(h), dated June 28, 2013.

⁴ See Letter from John Ricker, NECA to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90 § 54.313(h) dated June 28, 2013.

- The total number of lines subject to rate floor reduction for carriers that receive HCLS or HCMS is 219,587.
- The total annualized rate floor reduction for carriers that receive HCLS or HCMS is \$4,374,564.
- Note, carriers that are below \$14 and do not receive HCLS or HCMS will not be subject to a rate floor reduction. These companies are identified by an asterisk in column B of the attached filing.

Sincerely,

/s/ Karen Majcher
Vice President, High Cost and Low Income Division

Enclosures: USAC 2013 Rate Floor Data Report