Connect America Phase II Challenge Process Form
OMB Control Number 3060-1188
FCC Form 505

Filing Entity: Crockett Telephone Company, Inc.
FRN (if applicable): 0003-7237-07
Name of Person Filling Out Form: Veronica Martin
Mailing Address of Person Filling Out Form: 236 East Capitol St., Jackson, MS 39201
Email Address of Person Filling Out Form: FilingsRAD@tec.com
Phone Number of Person Filling Out Form: 601-354-9070
Name of Person Certifying Data within Form: James Garner
Mailing Address of Person Certifying Data within Form: 236 East Capitol St., Jackson, MS 39201
Email Address of Person Certifying Data within Form: Jgarner@tec.com
Phone Number of Person Certifying Data within Form: 601-354-9070

Unserved to Served Challenge

Census Block (15 Digit FIPS Code)	State	Name of Entity Providing Service	FRN used to file Form 477 (if challenge being filed by the service provider)	Insert an X if you certify that this census block is served by unsubsidized broadband and voice services meeting the Commission's performance and pricing criteria	Type of Supporting Evidence	Additional Comments	OMB Control Number 3060-1188
470339611003105	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470339613002096	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470459646002057	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470459646002103	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470459646002102	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470339613002015	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470339610002032	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470459646002089	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470759301001018	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470459646002090	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470339611003080	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470339610002087	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470339611003053	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470339610002018	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470459646002111	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	
470339613002093	TN	Crockett Telephone Comp	0003-7237-07		Form 481 and National Broadband Map	Rate of Return Carrier	

OMB Control Number 3060-1188

Accuracy and Due Diligence Certification

All Filers Must Fill Out

By initialing below, I certify that all statements contained in the attached form are true and accurate to the best of my knowledge, and that I have undertaken due diligence to obtain knowledge regarding these claims.

Certifier's Initials:

Date: 8-14-14

Notice of Challenge Certification

(Served to Unserved and Unserved to Served Challengers Fill Out One of the Following Blocks - Respondents Do Not Fill Out)

Service of Notice Successful

By initialing below, I certify that notice of this challenge has been served on all interested parties.

Certifier's Initials:

Date: 8-14-14

Service of Notice Unsuccessful

By initialing below I certify that, following a good faith effort, I was unable to serve notice of this challenge on all interested parties due to lack of information regarding the address of such parties.

Name of Party/Parties that Could Not Be Served:

Certifier's Initials:

Date:

The certifications on this page are subject to the penalties for false statements under 18 U.S.C. 1001.

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	290561
<015>	Study Area Name	CROCKETT TEL CO
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Veronica Martin
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

<711>

<a1> State	<a2> Exchange (ILEC)	<b1> Residential Rate	<b2> State Regulated Fees	<c> Total Rates and Fees	<d1> Broadband Service - Download Speed (Mbps)	<d2> Broadband Service -Upload Speed (Mbps)	<d3> Usage Allowance (GB)	<d4> Usage Allowance Action Taken When Limit Reached (select)
TN	Crockett Telephone	52.0	0.0	52.0	1.5	0.512	33.75	Other, No Action Taken
TN	Crockett Telephone	65.0	0.0	65.0	3.0	0.512	67.5	Other, No Action Taken
TN	Crockett Telephone	77.0	0.0	77.0	6.0	0.512	67.5	Other, No Action Taken
TN	Crockett Telephone	91.0	0.0	91.0	10.0	0.512	67.5	Other, No Action Taken
TN	Crockett Telephone	71.0	0.0	71.0	4.0	1.0	67.5	Other, No Action Taken
TN	Crockett Telephone	84.0	0.0	84.0	5.0	2.0	67.5	Other, No Action Taken
TN	Crockett Telephone	103.0	0.0	103.0	10.0	2.0	67.5	Other, No Action Taken

PUBLIC NOTICE

Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Internet: http://www.fcc.gov
TTY: 1-888-835-5322

DA 14-944
Released June 30, 2014

WIRELINE COMPETITION BUREAU ANNOUNCES POSTING OF BROADBAND DATA FROM URBAN RATE SURVEY AND SEEKS COMMENT ON CALCULATION OF REASONABLE COMPARABILITY BENCHMARK FOR BROADBAND SERVICES

WC Docket No. 10-90

Comments: [30 days after publication in the Federal Register]

In this Public Notice, the Wireline Competition Bureau (Bureau) proposes a specific methodology for calculating the reasonable comparability benchmark for fixed broadband services. In the *USF/ICC Transformation Order*, the Commission required that as a condition of receiving Connect America Fund support, recipients must offer voice and broadband services in supported areas at rates that are reasonably comparable to rates for similar services in urban areas.[1] The methodology proposed here would result in a broadband benchmark that ranges from $68.48 to $71.84 for services meeting the current broadband performance standard of 4 Mbps downstream/1 Mbps upstream, with the specific benchmark depending on the associated usage allowance. The Bureau also announces the posting of the fixed broadband services data collected in the 2013 urban rate survey, and explanatory notes regarding the data, on the Commission's website at http://www.fcc.gov/encyclopedia/urban-rate-survey-data.

On November 18, 2011, the Commission released the *USF/ICC Transformation Order and FNPRM*, which comprehensively reformed and modernized the universal service and intercarrier compensation systems.[2] In the *Order*, the Commission directed the Wireline Competition Bureau and Wireless Telecommunications Bureau (together, the Bureaus) to conduct a survey of residential urban rates for fixed voice, fixed broadband, mobile voice, and mobile broadband services.[3] The Commission concluded that rural broadband rates would be deemed "reasonably comparable" to urban rates under section 254(b)(3) if they fell within a reasonable range of urban rates for reasonably comparable broadband service.[4] It directed the Bureaus to develop a specific methodology for defining that reasonable range.[5]

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[1] *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order et al., 26 FCC 17663, 17693, 17695, paras. 81, 86 (2011), *aff'd sub nom. In re: FCC 11-161*, 2014 WL 2142106 (10th Cir. May 23, 2014) (*USF/ICC Transformation Order*). *See also* 47 U.S.C. § 254(b). Recipients are also required to submit pricing data for both their voice and broadband offerings with their annual reports. 47 C.F.R. § 54.313(a)(7); *USF/ICC Transformation Order*, 26 FCC Rcd at 17856, para. 594.

[2] *USF/ICC Transformation Order*, 26 FCC Rcd at 17667, para. 1.

[3] *Id.* at 17694, para. 85, 17708, para. 114.

[4] Section 254(b) (3) specifies that consumers in rural and high-cost areas should have access to 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."

[5] *USF/ICC Transformation Order*, 26 FCC Rcd at 17704, para. 113.

In the *Further Notice*, the Commission sought comment on how specifically to determine whether rural rates are within a reasonable range of the national average urban rate for broadband service.[6] In particular, the Commission noted that in the voice context, states must certify that basic voice rates for non-rural carriers are no more than two standard deviations above the national average.[7] It asked whether it would be appropriate in the broadband context to use two standard deviations for the broadband reasonable comparability benchmark.[8]

In response to the Commission's directives, in April 2013, the Bureaus adopted an order setting the form and content for a survey of urban rates for fixed voice and broadband residential services.[9] The Wireline Competition Bureau (Bureau) initiated the survey in December 2013 and collected the rates offered by a statistically valid sample of providers of fixed services identified using FCC Form 477 data in 500 urban census tracts.[10]

As explained in the Staff Report attached hereto and shown in the data posted on the Commission's website, the Bureau collected 2,105 monthly rates for broadband service in urban areas.[11] The reported download speeds ranged from .5 Mbps to 20,480 Mbps while the upload speeds ranged from 1.125 Mbps to 1,024 Mbps.[12] In addition to varying speeds, the service offerings differed as to usage allowances, if one applied.

Consistent with longstanding Commission precedent for the voice comparability benchmark, we will compute the broadband comparability benchmark based upon a national average.[13] Indeed, the Commission made clear that it expected the Bureau to use a national urban average.[14]

The attached Bureau Staff Report discusses three potential methods for determining the average urban rate using the data collected in the Survey: simple rate statistics for specified subsamples; an average rate for offerings meeting a minimum level of service; and regression analysis.[15] The Staff Report also

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[6] *USF/ICC Transformation Order*, 26 FCC Rcd at 18046-47, paras. 1018-27.

[7] *Id.* at 18046-47, para. 1026.

[8] *Id.*

[9] *Connect America Fund*, WC Docket No. 10-90, Order, 28 FCC Rcd 4242 (Wireline Comp. Bur./Wireless Tel. Bur. 2013).

[10] *Wireline Competition Bureau Announces Timeline for Completion of Urban Rates Survey*, WC Docket No. 10-90, Public Notice, 28 FCC Rcd 16753 (Wireline Comp. Bur. 2013). The Staff Report attached to this Public Notice provides additional information regarding how the survey was conducted. Wireline Competition Bureau Staff Report: Possible Methodologies for Establishing Reasonably Comparable Broadband Rates for Fixed Services at 2-4 (rel. June 30, 2014) (Staff Report).

[11] Staff Report at 4. In response to the *USF/ICC Transformation FNPRM*, several parties argued that comparability benchmarks for mobile and fixed services should be addressed separately. *See, e.g.*, Comments of Alaska Communications Systems Group, WC Docket No. 10-90 et al. at 8 (filed Jan. 18, 2012), Comments of CTIA—The Wireless Association, WC Docket No. 10-90 et al. at 10 (filed Jan. 18, 2012). We address only the reasonable comparability benchmark for fixed services in this Public Notice.

[12] Staff Report at 4.

[13] *USF/ICC Transformation Order*, 22 FCC Rcd at 17694, para. 84. As noted above, the Commission has already solicited comment regarding whether use of two standard deviations provides an appropriate range. *Id.* at 18046-47, para. 1026.

[14] *Id.* at 17708, para. 114 n.187 (stating that the Bureau should use FCC Form 477 data if possible to calculate a national average urban rate for broadband).

[15] Staff Report at 5-6.

presents the average plus two standard deviations for each approach, thus showing a potential reasonable comparability benchmark for broadband service under each approach. For illustrative purposes, the Staff Report also presents the relevant calculations if the minimum performance obligations were modified as proposed recently by the Commission.[16]

The first approach calculates the average using a subsample of observations based solely on download speed, without regard to usage or upstream speeds. The second approach calculates the average by identifying the subset of observations that meet or exceed a minimum service level, and then for each provider that is captured in that sub-sample, computing the average based on the lowest rate offered by that provider that meets or exceeds the specified service level. The third approach uses a simple weighted linear regression model that takes into account the impact of three dimensions of service on rates: upload speed, download speed, and usage allowance, if any. We summarize below the results under the three approaches.

Method	Speed	Usage Allowance	Average	Average + 2 Standard Deviations
Service Offerings Meeting 3 to <5 Mbps Downstream	3 to <5 Mbps/ any upload speed	Any	$47.48	$73.22
Service Offerings Meeting or Exceeding a Minimum Service Level (Upstream, Downstream, Usage)	4 Mbps/1 Mbps	100 GB	$54.54	$82.00
Linear Regression Analysis	4 Mbps/1 Mbps	100 GB	$44.74	$68.48
	4 Mbps/1 Mbps	250 GB	$46.76	$70.50
	4 Mbps/1 Mbps	unlimited	$48.10	$71.84

We propose to use the weighted linear regression model to calculate the average urban rate. Although the regression analysis is more complex than the other methods identified in the Staff Report, regression analysis is well suited to take into account the differences in speed and usage allowance among the service offerings in the sample (and thus reducing the likelihood of having the rates for dramatically higher-speed services increase the benchmark for lower-speed services). Further, we propose to use a subsample of data points to develop the regression, specifically, those data points with download speeds less than or equal to 15 Mbps.[17] We propose to adopt a separate benchmark for services with differing usage levels. Thus, the reasonable comparability benchmark for a high-cost recipient offering a 4 Mbps/1 Mbps/100 GB offering would be $68.48; if that high-cost recipient chose to meet the Commission's broadband performance obligations with a 4 Mbps/1 Mbps/unlimited usage offering, its reasonable comparability benchmark would be $71.84. We seek comment on these proposals.

[16] Recently, the Commission proposed to increase the download speed requirement to 10 Mbps for all entities subject to broadband public interest obligations and proposed that such entities offer at least one service offering at least 100 gigabytes (GB) of usage. *Connect America Fund*, WC Docket No. 10-90 et al., Report and Order, Declaratory Ruling, Order, Memorandum Opinion and Order, Seventh Order on Reconsideration, and Further Notice of Proposed Rulemaking, FCC 14-54, para. 138 (rel. June 10, 2014). The Bureau has specified that price cap carriers accepting model-based support must offer at least one service plan with at least a 100 GB minimum usage allowance. *Connect America Fund*, WC Docket No. 10-90, Report and Order, 28 FCC Rcd 15060, 15060-61, para. 2 (Wireline Comp. Bur. 2013).

[17] There is increased variability in rates for the services with higher download speeds.

To the extent parties believe one of the other approaches to determining an average of the data collected in the Survey is preferable, they should explain with specificity the benefits of adopting an alternative approach. Is there some other method of calculating the average urban rate that would better account for the differences in speed and usage allowance among the service offerings?

Procedural Matters

Filing Requirements. Pursuant to sections 1.415 and 1.419 of the Commission's rules, interested parties may file comments on or before the dates indicated on the first page of this document.[18] Comments may be filed using the Commission's Electronic Comment Filing System (ECFS).[19]

Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://fjallfoss.fcc.gov/ecfs2/.

Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.

Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington DC 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

In addition, one copy of each pleading must be sent to each of the following:

Jay Schwarz, Industry Analysis and Technology Division, Wireline Competition Bureau, 445 12th Street, S.W., 6-A134, Washington, D.C. 20554; e-mail: Jay.Schwarz@fcc.gov.

Alexander Minard, Telecommunications Access Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., 5-A334, Washington, D.C. 20554; e-mail: Alexander.Minard@fcc.gov.

The proceeding this Notice initiates shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules.[20] Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making

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[18] 47 C.F.R. §§ 1.415, 1.419.

[19] *See Electronic Filing of Documents in Rulemaking Proceedings*, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

[20] 47 C.F.R. §§ 1.1200 *et seq.*

oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.*, .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

For further information about this Public Notice, please contact Jay Schwarz, Industry Analysis and Technology Division, Wireline Competition Bureau, at (202) 418-0940; or at TTY (202) 418-0432.

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