

September 10, 2018  
Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350  
St. Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce**  
Docket No. P999/PR-18-08

Dear Mr. Wolf:

Attached are the comments of the Minnesota Department of Commerce (Department) in the following matter:

Annual Certifications Related to Eligible Telecommunications Carriers' (ETCs) Use of Federal Universal Service Support.

The Department's recommendation is contained herein. The Department is available to answer any questions the Commission may have.

Sincerely,

/s/ JOY GULLIKSON  
Telecommunications Analyst

/s/ DIANE DIETZ  
Telecommunications Analyst

JG/DD/jl

Attachment



## Before the Minnesota Public Utilities Commission

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### Comments of the Minnesota Department of Commerce

Docket No. P999/PR-18-08

#### I. HISTORICAL BACKGROUND

Section 254(e) of the Telecommunications Act of 1996 provides that a carrier that receives universal service support must use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

On May 23, 2001, the FCC issued its Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45,<sup>1</sup> adopting rules governing the distribution of support to rural carriers. Among other things, the Federal Communications Commission (FCC) concluded that states should file annual certifications with the FCC to ensure that rural and non-rural carriers receiving universal service fund support use that support only for the provision, maintenance and upgrading of facilities and services, for which the support is intended, consistent with section 254(e).

On December 23, 2002, the Minnesota Public Utilities Commission (Commission) issued an Order in Docket No. P999/M-02-1403, setting forth requirements that each ETC receiving universal support must file an affidavit from a corporate officer stating that any Universal Service Funds received would be used only for their intended purpose, and documentation regarding the previous year's receipt of subsidies from the Universal Service Fund and the company's operating and capital expenditures.

On November 18, 2011, the FCC released its Report and Order and Further Notice of Proposed Rulemaking, In the Matter of Connect America, et al. in WC Dockets No. 10-90, 07-135, 03-109, and 10-208, GN Docket No. 09-51, CC Dockets 09-92 and 96-45, and WT Docket No 10-208 (CAF-ICC Order), which comprehensively reformed universal service and intercarrier compensation mechanisms. Among other things, the CAF-ICC Order addressed annual Section 254(e) certification by states (with respect to the ETCs they have designated). The FCC extended its current reporting requirements (previously codified in 47 C.F.R. §54.209) to all ETCs, including those designated by states, incorporated new reporting requirements, and codified the reporting requirements in new section 54.313 of its rules.

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<sup>1</sup> In the Matter of Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256, May 23, 2001.

On April 11, 2014, the Commission issued an Order, modifying the schedule for future annual certifications as follows:

July 1	Deadline for ETCs to file petitions and supporting documentation, including the information required by FCC Form 481
September 1	Deadline for comments by the Department, OAG, and other interested persons.
September 8	Deadline for replies

On March 30, 2016, the FCC released its Rate-of-Return Reform Order,<sup>2</sup> in which the FCC created a model-based funding mechanism for rate-of-return carriers and asked carriers to choose between the new cost model and a modified version of the existing support system.

Some highlights of the FCC's actions in the fall and winter of 2016 include:

- Rate of return companies can choose to elect the new Alternative Connect America Model (A-CAM). Those companies will receive a set amount of monthly support over 10 years and will need to meet defined build-out obligations based upon the number of locations existing in a census block, thus removing the funding association with access line.<sup>3</sup>
- Carriers can choose to stay with the modified legacy funding mechanism, but if they receive funding they are required to meet deployment obligations that are calculated using data submitted by carriers.
- Average monthly cost-per location must be above a \$52.50 funding benchmark and not served by a qualified unsubsidized competitor or by 10/1 Mbps or better service from the incumbent or its affiliate using fiber-to-the-premises or cable.<sup>4</sup>

In its May 2016 report on the High Cost Program, USAC stated as follows:<sup>5</sup>

Carriers may alternatively elect to continue receiving legacy support. However, broadband requirements will be added. Specifically, ICLS (Intercarrier Common Line Support) will be renamed Connect America Fund Broadband Loop Support (CAF BLS), which will include support for broadband-only lines (as well as voice and voice/broadband lines). CAF BLS will provide cost recovery for the difference between a carrier's loop costs associated with providing broadband-only service (the "consumer broadband-only loop revenue requirement") and its consumer broadband-only loop revenues.

<sup>2</sup> FCC's Report and Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, In the Matter of the Connect America Fund, ETC Annual Reports and Certifications, Developing a Unified Intercarrier Compensation Regime, WC Docket No. 10-90 et al, released March 30 2016. See [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-16-33A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-16-33A1.pdf)

<sup>3</sup> See <http://www.usac.org/hc/about/outreach/newsletters/2016/08-2016.aspx>.

<sup>4</sup> <https://www.fcc.gov/reports-research/maps/a-cam-offer-map/>

<sup>5</sup> See <http://www.usac.org/hc/about/outreach/newsletters/2016/05-2016.aspx>

CAF BLS will provide support (replacing traditional ICLS) for voice and voice/data service as well as add support for standalone broadband service, which has not been supported in the past. NECA explained CAF BLS as follows:<sup>6</sup>

Also different from existing support processes, the Order implements some operating expense limits, capital expenditure allowances, and applies a budgetary control to be applied to the High Cost Loop Support and CAF BLS mechanisms to ensure the overall \$2 billion cap is not exceeded. *CAF BLS support recipients will also have buildout obligations based on a percentage of their projected BLS to be received over five years.* [Emphasis added.]

Finally, the Order prohibits CAF BLS support in census blocks served by a qualifying unsubsidized competitor. There will, however, be a challenge process to determine which areas are in fact served by a qualifying unsubsidized competitor, in which the competitor will bear the burden of proof to show they are a qualified competitor serving 85 percent of the locations in a census block. There are also several options for disaggregating BLS support where bona fide competition exists. High Cost Loop Support is not subject to reduction in competitive locations.

As of the date the 481 filings were due, there are 15 separate programs for universal service programs, not including the Alaska Plan Fund and Lifeline funding. In Minnesota, seven programs are utilized:

- High Cost Loop Support
- Frozen High Cost Support
- Connect America Fund Inter-carrier Compensation
- Connect America Cost Model
- Alternative Connect America Model
- Connect America Fund Broadband Loop Support
- Rural Broadband Experiments Fund

On July 7, 2017, the FCC released an Order<sup>7</sup> simplifying future annual reporting requirements for ETCs receiving high-cost support. These changes eliminated the following information currently collected: 1) network outage information; 2) unfulfilled service requests; 3) number of complaints per 1,000 subscribers for voice and broadband services; 4) voice and broadband

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<sup>6</sup><https://www.neca.org/articlelistprintable.aspx?listsetupid=12998&listid=26972&archivemonth=04&archiveyear=2016>

<sup>7</sup> *Report and Order*. In the Matter of Connect America Fund ETC Annual Reports and Certifications. WC Docket No. 10-90, WC Docket No. 14-58. Released July 7, 2017.

service rates; and 5) the requirement for ETCs to certify compliance with service quality standards. The FCC also ordered that ETCs did not have to file directly with the state commissions, but the reports are available for states to download from the USAC website.

By its own motion, on June 6, 2018, the Wireline Competition Bureau extended the filing deadline for this year only<sup>8</sup>. ETCs would be required to make their filings by July 16, 2018. The filings were available for viewing July 25, 2018, although some companies still filed with the Minnesota PUC and many did so prior to July 16<sup>th</sup>. In response, the Minnesota PUC informed ETCs that the FCC filing extension also applied to Minnesota filings, and set September 10, 2018 as the date comments from the Department of Commerce are due.

## **II. PROCEDURAL BACKGROUND**

Companies that have current ETC status, whether for High Cost funding or for Lifeline only, have filed 481 Forms. Some have filed only with the FCC, others with both the FCC and the PUC. Each 481 form requires the reporting carrier to confirm that the company complies with each relevant part of 47 C.F.R. § 54.313

## **III. STATEMENT OF ISSUES**

- Whether companies receiving universal service fund support provide officer-certification that the company has used that support only for the provision, maintenance and upgrading of facilities and services, for which the support is intended, consistent with section 254(e) and will appropriately use the support in the coming year.
- Whether the Commission has sufficient documentation to be assured that the funds received by telecommunications companies are used for their intended purpose.

## **IV. DISCUSSION OF LAW AND POLICY**

### *FEDERAL LAW*

Section 254(e) of the Telecommunications Act states:

After the date on which Commission regulations implementing this section take effect, only an eligible telecommunications carrier designated under Section 214(e) shall be eligible to receive specific Federal universal support. A carrier that receives such support shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is

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<sup>8</sup>*Order*, In the Matter of Connect America Fund, WC Docket No. 10-90 released June 6, 2018.

intended. Any such support should be explicit and sufficient to achieve the purposes of this section.<sup>9</sup>

47 C.F.R. §54.313 outlines the annual reporting requirements for high-cost funding recipients.<sup>10</sup>

47 C.F.R §54.314, titled “Certification of Support for Eligible Telecommunications Carriers,” provides:

- (a) Certification. States that desire eligible telecommunications carriers to receive support pursuant to the high-cost program must file an annual certification with the Administrator and the Commission stating that all federal high-cost support provided to such carriers within that State 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. High-cost support shall only be provided to the extent that the State has filed the requisite certification pursuant to this section.

## **V. ANALYSIS**

FCC rules require that any recipient of high cost universal service support file all information and certifications required by 47 C.F.R 54.313 by July 1 with the FCC, although this year the deadline was July 16. States are required to file certifications pursuant to 47 CFR §54.314 by September 30 each year.

### **A. THE CARRIERS’ CERTIFICATIONS WITH RESPECT TO TRIBAL ENGAGEMENT (54.313(A)(9))**

Section 54.313(a)(9) requires ETCs, to the extent that they serve tribal lands, to provide information with respect to their tribal engagement obligations. All petitioning ETCs that serve Tribal lands have reported, using FCC Form 481, the extent to which they have engaged tribal governments in their plans to deploy broadband and voice service in tribal areas.

Qwest Corporation (dba CenturyLink) serves the following tribal entities in its service area: Lower Sioux Indian Community; Minnesota Chippewa Tribe: Boise Forte Band, Leech Lake Band, Mille Lacs Band, and White Earth Band; Prairie Island Indian Community (also served in part by

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<sup>9</sup> The Department’s comments and analysis do not address the September 7, 2018 ruling by the United States Court of Appeals for the Eight Circuit that Voice over Internet Protocol (VoIP) service is an “Information Service,” and the extent to which universal service support may be received by companies only engaged in the provision of services classified as “information services.” *Charter Advanced Services (MN), LLC, et al v. Nancy Lange, et al.*, No. 17-2290, (8<sup>th</sup> Cir. Filed September 7, 2018).

<sup>10</sup> The specific reporting requirements included in the copy of the electronic Code of Federal Regulations, 47 C.F.R 54.313 are set forth in Appendix A attached to the Departments’ comments.

Embarq Minnesota, Inc. dba CenturyLink); Red Lake Band of Chippewa Indians; and Shakopee Mdewakanton Sioux Community of Minnesota. Qwest sent each entity an outreach letter in 2017, offering to meet. Qwest's Form 481 indicates that the tribal entities did not respond to its offer to meet.

Citizens Telecommunications Company of MN, LLC and Frontier Communications of Minnesota, Inc. (collectively, Frontier) sent a letter on August 15, 2017 to the Mille Lacs Band of Ojibwe offering to meet, also without response. Other ETCs, particularly Paul Bunyan Cooperative, appear to have had success in engaging with the tribes within their service areas. The Commission may wish to consider whether ETCs should take any action beyond what has been indicated in the Form 481 reports.

*B. RESULTS OF NETWORK PERFORMANCE TESTING [54.313(A)(11)]*

Section 54.313(A)(11) states that carriers should provide "The results of network performance tests pursuant to the methodology and in the format determined by the Wireline Competition Bureau, Wireless Telecommunications Bureau, and Office of Engineering and Technology." The format of these performance tests is still pending and the FCC is not requiring a report on these tests this year. USAC hopes that by next year its High Cost Universal Broadband (HUBB) portal will allow authorized users (including the Department) to access the database showing the census locations that each recipient of high cost funds is obligated to build to, and when service began.

*C. FINANCIAL REPORTS (54.313(F)(2))*

47 C.F.R. 54.314(f)(2) requires that privately held rate of return carriers submit a full and complete report of the company's financial condition and operations as of the previous year (2015). Recipients of loans from the Rural Utilities Service (RUS) must submit copies of their RUS Operating Report for Telecommunications Borrowers (RUS Report) as filed with the RUS. Carriers that are not recipients of loans from the RUS, and whose financial statements are audited in the ordinary course of business, must submit a copy of their *audited* financial statements. All other privately held rate of return carriers must submit either 1) copies of their financial statements which have been subject to review by an independent certified public accountant, or 2) a financial report in a format that is comparable to the RUS report that *has not been subjected to review by an independent certified public accountant*, or a financial report in a format that is comparable to the RUS report *with the underlying information subjected to a review by an independent certified public accountant*.

All carriers subject to this requirement, filed copies of their audited or reviewed financial statements as required. Publicly traded companies are not required to file financial statements because their financial statements are available on the Securities Exchange Commission's website.

*D. ISSUES IN DETERMINING APPROPRIATE USE OF FUNDS*

In previous years, the Department has looked at two benchmarks to determine if a company should be further examine a) if support is greater than \$100/loop and b) if the corporate expense to operating revenue ratio is greater than 50 percent. The Department has determined that these benchmarks are no longer helpful in examining the 481 filings. With respect to the support/loop, companies receive support for broadband and for voice lines, but loops are counted only when customers subscribe to voice lines. Since broadband only customers are not included in the loop count, the result may not be meaningful.

With respect to corporate expense to operating revenue calculation, for the current filing year, the companies that had corporate expense to operating revenues greater than 50 percent were Dunnell, and members of the Arvig Telephone holding company. Because some funds are distributed on a statewide basis (roughly equivalent to the holding company level), and then allocated to the member companies by the Study Area Code (SAC), it can falsely appear that smaller companies, that are part of a group of operating companies, have high ratios. On the holding company level, for the Arvig group, the ratio is well below 50 percent.

For the companies represented by Olsen, Thielen, Ltd., an affidavit was filed stating that funds are and will be used appropriately, and that the company is compliant with applicable rules on service quality and consumer protection standards. The affidavit also states that there is sufficient back up power to ensure functionality of the companies central office switching equipment without an external power source. Finally, the affidavit states that the company is able to reroute traffic around damaged facilities and is capable of managing traffic spikes resulting from emergencies.

Also attached to the Affidavits in the filings from Olsen Thielen client-companies is customized financial data that shows:

- The sources of 2017 Federal Universal Service Receipts Subject To Certification
- An explanation of statewide distribution vs. study area code disbursement
- Plant Specific Operations Expenses
- Customer Operations Expenses
- Corporate Operations Expenses
- Total Year Supported Expenses Before Return on Investment
- Additions to the companies network
- 481 Financial Statement Summarized Information
- PUC Required Corporate Expense to Operating Revenue Information



## *E. COMMISSION INVESTIGATION OF FRONTIER*

On February 12, 2018, the Commission initiated an Inquiry into the Service Quality, Customer Service, and Billing Practices of Frontier Communications, PUC Docket Number P407, 405/CI-18-122. That investigation is ongoing, and Minnesota consumers have alleged that Frontier insufficiently invests in, and maintains, its network in Minnesota. Frontier appears to have received significantly more funds<sup>[1]</sup> in 2017 than it spent on capital expenditures, but Frontier permissibly may spend the funds on expenses other than maintaining or improving the PSTN network.

With the limited time for analysis of the ETC petitions, there is an inadequate record to determine whether Frontier has or has not used the federal funds it has received in a manner that complies with FCC requirements. To the extent that the Commission chooses to look at Frontier's use of federal funds in more depth, it may do so in its open investigation, and then take whatever action, if any, it believes is appropriate in either its investigation docket or in future ETC recertification dockets. But, to be clear, denying Frontier the federal funds it is scheduled to receive could have adverse consequences for Minnesota consumers.

## *F. SUMMARY*

The Department believes that the petitioning carriers listed in Attachment 1 have generally provided the information required by law to be recertified as ETCs. It is a concern that the reduced reporting requirements in the FCC's July 7, 2017 Order have made it more difficult for state Commission's to perform their responsibilities pursuant to 47 C.F.R §54.314.

## **VI. COMMISSION OPTIONS**

- A. Certify that all of the petitioning ETCs listed in Attachment 1 have used Federal High Cost Universal Service Support received in 2017, and will use Federal High Cost Universal Service Support received in the coming year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.
- B. Find that some or all of the petitioning ETCs have failed to provide sufficient information to certify that the high cost support provided to the petitioning ETC(s) in 2017, will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. Deny some or all of the ETCs' petitions for certification.
- C. Certify the petitioning ETCs, and require that, in the future, an officer of each company required to file a 481 with the FCC shall file an affidavit with the Minnesota Public Utilities Commission concurrently with the FCC 481 filing. The affidavit shall confirm

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[1] <https://www.usac.org/hc/tools/disbursements> shows that study area code 361123 received \$27,551,264.

- a. The position of the affiant
- b. The affiant understands and is familiar with the requirements of the FCC concerning universal service funding
- c. The funds are and will be used appropriately
- d. The company is compliant with applicable rules on service quality and consumer protection
- e. There is sufficient back up power to ensure functionality without an external power source and the company is able to reroute traffic around damaged facilities and is capable of managing traffic spikes resulting from emergencies

Attached to the affidavit shall be a Financial Summary that shows:

- f. The sources of Federal Universal Service Receipts Subject To Certification
- g. An explanation of statewide distribution vs. study area code disbursement
- h. Plant Specific Operations Expenses
- i. Customer Operations Expenses
- j. Corporate Operations Expenses
- k. Total Year Supported Expenses Before Return on Investment
- l. Additions
- m. 481 Financial Statement Summarized Information
- n. Corporate Expense to Operating Revenue Information

## **VII. RECOMMENDATION**

The Department recommends Alternative C. Certify the petitioning ETCs, and require that, in the future, an officer of each company required to file a 481 with the FCC shall file an affidavit with the Commission concurrently with the FCC 481 filing. The affidavit shall confirm

- a. The position of the affiant
- b. The affiant understands and is familiar with the requirements of the FCC concerning universal service funding
- c. The funds are and will be used appropriately
- d. The company is compliant with applicable rules on service quality and consumer protection
- e. There is sufficient back up power to ensure functionality without an external power source and the company is able to reroute traffic around damaged facilities and is capable of managing traffic spikes resulting from emergencies

Attached to the affidavit shall be a Financial Summary that shows:

- f. The sources of Federal Universal Service Receipts Subject To Certification
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- h. Plant Specific Operations Expenses
- i. Customer Operations Expenses
- j. Corporate Operations Expenses
- k. Total Year Supported Expenses Before Return on Investment
- l. Additions
- m. 481 Financial Statement Summarized Information
- n. Corporate Expense to Operating Revenue Information

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**§54.313 Annual reporting requirements for high-cost recipients.**

(a) Any recipient of high-cost support shall provide the following:

(1) Certification that the carrier is able to function in emergency situations as set forth in §54.202(a)(2);

(2) A certification that the pricing of the company's voice services is no more than two standard deviations above the applicable national average urban rate for voice service, as specified in the most recent public notice issued by the Wireline Competition Bureau and Wireless Telecommunications Bureau;

(3) A certification that the pricing of a service that meets the Commission's broadband public interest obligations is no more than the applicable benchmark to be announced annually in a public notice issued by the Wireline Competition Bureau, or is no more than the non-promotional price charged for a comparable fixed wireline service in urban areas in the states or U.S. Territories where the eligible telecommunications carrier receives support;

(4) The recipient's holding company, operating companies, affiliates, and any branding (a "dba," or "doing-business-as company" or brand designation), as well as universal service identifiers for each such entity by Study Area Codes, as that term is used by the Administrator. For purposes of this paragraph, "affiliates" has the meaning set forth in section 3(2) of the Communications Act of 1934, as amended;

(5) To the extent the recipient serves Tribal lands, documents or information demonstrating that the ETC had discussions with Tribal governments that, at a minimum, included:

(i) A needs assessment and deployment planning with a focus on Tribal community anchor institutions;

(ii) Feasibility and sustainability planning;

(iii) Marketing services in a culturally sensitive manner;

(iv) Rights of way processes, land use permitting, facilities siting, environmental and cultural preservation review processes; and

(v) Compliance with Tribal business and licensing requirements. Tribal business and licensing requirements include business practice licenses that Tribal and non-Tribal business entities, whether located on or off Tribal lands, must obtain upon application to the relevant Tribal government office or division to conduct any business or trade, or deliver any goods or services to the Tribes, Tribal members, or Tribal lands. These include certificates of public convenience and necessity, Tribal business licenses, master licenses, and other related forms of Tribal government licensure.

(6) The results of network performance tests pursuant to the methodology and in the format determined by the Wireline Competition Bureau, Wireless Telecommunications Bureau, and Office of Engineering and Technology.

(b) In addition to the information and certifications in paragraph (a) of this section:

(1) Any recipient of incremental Connect America Phase I support pursuant to §54.312(b) and (c) shall provide:

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(i) In its next annual report due after two years after filing a notice of acceptance of funding pursuant to §54.312(b) and (c), a certification that the company has deployed to no fewer than two-thirds of the required number of locations; and

(ii) In its next annual report due after three years after filing a notice of acceptance of funding pursuant to §54.312(b) and (c), a certification that the company has deployed to all required locations and that it is offering broadband service of at least 4 Mbps downstream and 1 Mbps upstream, with latency sufficiently low to enable the use of real-time communications, including Voice over Internet Protocol, and with usage allowances, if any, associated with a specified price for a service offering that are reasonably comparable to comparable offerings in urban areas.

(2) In addition to the information and certifications required in paragraph (b)(1) of this section, any recipient of incremental Connect America Phase I support pursuant to §54.312(c) shall provide:

(i) In its annual reports due after one, two, and three years after filing a notice of acceptance of funding pursuant to §54.312(c), a certification that, to the best of the recipient's knowledge, the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1 Mbps; and

(ii) In its annual reports due after one, two, and three years after filing a notice of acceptance of funding pursuant to §54.312(c), a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent.

(c) In addition to the information and certifications in paragraph (a) of this section, price cap carriers that receive frozen high-cost support pursuant to §54.312(a) shall provide:

(1) *By July 1, 2013.* A certification that frozen high-cost support the company received in 2012 was used consistent with the goal of achieving universal availability of voice and broadband;

(2) *By July 1, 2014.* A certification that at least one-third of the frozen-high cost support the company received in 2013 was used to build and operate broadband-capable networks used to offer the provider's own retail broadband service in areas substantially unserved by an unsubsidized competitor;

(3) *By July 1, 2015.* A certification that at least two-thirds of the frozen-high cost support the company received in 2014 was used to build and operate broadband-capable networks used to offer the provider's own retail broadband service in areas substantially unserved by an unsubsidized competitor; and

(4) *By July 1, 2016 and in subsequent years.* A certification that all frozen-high cost support the company received in the previous year was used to build and operate broadband-capable networks used to offer the provider's own retail broadband service in areas substantially unserved by an unsubsidized competitor.

(d) In addition to the information and certifications in paragraph (a) of this section, beginning July 1, 2013, price cap carriers receiving high-cost support to offset reductions in access charges shall provide a certification that the support received pursuant to §54.304 in the prior calendar year was used to build and operate broadband-capable networks used to offer provider's own retail service in areas substantially unserved by an unsubsidized competitor.

(e) In addition to the information and certifications in paragraph (a) of this section, the following requirements apply to Phase II and Remote Areas Fund recipients:

(1) Any price cap carrier that elects to receive Connect America Phase II model-based support shall provide:

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(i) On July 1, 2016 a list of the geocoded locations already meeting the §54.309 public interest obligations at the end of calendar year 2015, and the total amount of Phase II support, if any, the price cap carrier used for capital expenditures in 2015.

(ii) On July 1, 2017 and every year thereafter ending July 1, 2021, the following information:

(A) The number, names, and addresses of community anchor institutions to which the eligible telecommunications carrier newly began providing access to broadband service in the preceding calendar year;

(B) The total amount of Phase II support, if any, the price cap carrier used for capital expenditures in the previous calendar year; and

(C) A certification that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries (as described in §54.501) located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings.

(2) Any recipient of Phase II or Remote Areas Fund support awarded through a competitive bidding process shall provide:

(i) Starting the first July 1st after receiving support until the July 1st after the recipient's support term has ended:

(A) The number, names, and addresses of community anchor institutions to which the eligible telecommunications carrier newly began providing access to broadband service in the preceding calendar year;

(B) The total amount of support, if any, the recipient used for capital expenditures in the previous calendar year; and

(C) A certification that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries (as described in §54.501) located within any area in a census block where the carrier is receiving support awarded through auction, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings.

(ii) Starting the first July 1st after receiving support until the July 1st after the recipient's penultimate year of support, a certification that the recipient has available funds for all project costs that will exceed the amount of support that will be received for the next calendar year.

(iii) Starting the first July 1st after meeting the final service milestone in §54.310(c) of this chapter until the July 1st after the Phase II recipient's support term has ended, a certification that the Phase II-funded network that the Phase II auction recipient operated in the prior year meets the relevant performance

requirements in §54.309 of this chapter, or that the network that the Remote Areas Fund recipient operated in the prior year meets the relevant performance requirements for the Remote Areas Fund.

(f) In addition to the information and certifications in paragraph (a) of this section, any rate-of-return carrier shall provide:

(1) On July 1, 2016, a list of the geocoded locations already meeting the §54.309 public interest obligations at the end of calendar year 2015, and the total amount of Phase II support, if any, the price cap carrier used for capital expenditures in 2015.

(i) A certification that it is taking reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas as determined in an annual survey, and that requests for such service are met within a reasonable amount of time; or if the rate-of-return carrier is receiving Alaska Plan support pursuant to §54.306, a certification that it is offering broadband service with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, and at speeds committed to in its approved performance plan to the locations it has reported pursuant to §54.316(a), subject to any limitations due to the availability of backhaul as specified in paragraph (g) of this section.

(ii) The number, names, and addresses of community anchor institutions to which the ETC newly began providing access to broadband service in the preceding calendar year; and

(iii) A certification that it bid on category one telecommunications and Internet access services in response to all reasonable requests in posted FCC Form 470s seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries (as described in §54.501) within its service area, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings.

(2) *Privately held rate-of-return carriers only.* A full and complete annual report of the company's financial condition and operations as of the end of the preceding fiscal year.

(i) Recipients of loans from the Rural Utility Service (RUS) shall provide copies of their RUS Operating Report for Telecommunications Borrowers as filed with the RUS. Such carriers must make their underlying audit and related workpapers and financial information available upon request by the Commission, USAC, or the relevant state commission, relevant authority in a U.S. Territory, or Tribal government, as appropriate.

(ii) All privately held rate-of-return carriers that are not recipients of loans from the RUS and whose financial statements are audited in the ordinary course of business must provide either: A copy of their audited financial statement; or a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers, accompanied by a copy of a management letter issued by the independent certified public accountant that performed the company's financial audit. A carrier choosing the latter option must make its audit and related workpapers and financial information available upon request by the Commission, USAC, or the relevant state commission, relevant authority in a U.S. Territory, or Tribal government, as appropriate.

(iii) All other privately held rate-of-return carriers must provide either: A copy of their financial statement which has been subject to review by an independent certified public accountant; or a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers, with the underlying information subjected to a review by an independent certified public accountant and accompanied by an officer certification that: The carrier was not audited in the ordinary course of business for the preceding fiscal year; and that the reported data are accurate. If the carrier elects the second option, it must make the review and related workpapers and financial information available upon request by the Commission, USAC, or the relevant state commission, relevant authority in a U.S. Territory, or Tribal government, as appropriate.

(3) For rate-of-return carriers participating in the Alaska Plan, funding recipients must certify as to whether any terrestrial backhaul or other satellite backhaul became commercially available in the previous calendar year in areas that were previously served exclusively by performance-limiting satellite backhaul. To the extent that such new terrestrial backhaul facilities are constructed, or other satellite backhaul become commercially available, or existing facilities improve sufficiently to meet the relevant speed, latency and capacity requirements then in effect for broadband service supported by the Alaska Plan, the funding recipient must provide a description of the backhaul technology, the date at which that backhaul was made commercially available to the carrier, and the number of locations that are newly served by the new terrestrial backhaul or other satellite backhaul. Within twelve months of the new backhaul facilities becoming commercially available, funding recipients must certify that they are offering broadband service with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas. Funding recipients' minimum speed deployment obligations will be reassessed as specified by the Commission.

(4) If applicable, the name of any cost consultant and cost consulting firm, or other third-party, retained to prepare financial and operations data disclosures submitted to the National Exchange Carrier Association (NECA), the Administrator or the Commission pursuant to subpart D, K, or M of this part.

(g) *Areas with no terrestrial backhaul.* Carriers without access to terrestrial backhaul that are compelled to rely exclusively on satellite backhaul in their study area must certify annually that no terrestrial backhaul options exist. Any such funding recipients must certify they offer broadband service at actual speeds of at least 1 Mbps downstream and 256 kbps upstream within the supported area served by satellite middle-mile facilities. To the extent that new terrestrial backhaul facilities are constructed, or existing facilities improve sufficiently to meet the relevant speed, latency and capacity requirements then in effect for broadband service supported by the Connect America Fund, within twelve months of the new backhaul facilities becoming commercially available, funding recipients must provide the certifications required in paragraphs (e) or (f) of this section in full. Carriers subject to this paragraph must comply with all other requirements set forth in the remaining paragraphs of this section. These obligations may be modified for carriers participating in the Alaska Plan.

(h) *Additional voice rate data.* (1) All incumbent local exchange carrier recipients of high-cost support must report all of their rates for residential local service for all portions of their service area, as well as state fees as defined pursuant to §54.318(e), to the extent the sum of those rates and fees are below the rate floor as defined in §54.318, and the number of lines for each rate specified. Carriers shall report lines and rates in effect as of June 1.

(2) In addition to the annual filing, local exchange carriers may file updates of their rates for residential local service, as well as state fees as defined pursuant to §54.318(e), on January 2 of each year. If a local



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exchange carrier reduces its rates and the sum of the reduced rates and state fees are below the rate floor as defined in §54.318, the local exchange carrier shall file such an update. For the update, carriers shall report lines and rates in effect as of December 1.

(i) All reports pursuant to this section shall be filed with the Office of the Secretary of the Commission clearly referencing WC Docket No. 14-58, with the Administrator, and with the relevant state commissions or relevant authority in a U.S. Territory, or Tribal governments, as appropriate.

(j) *Filing deadlines.* (1) In order for a recipient of high-cost support to continue to receive support for the following calendar year, or retain its eligible telecommunications carrier designation, it must submit the annual reporting information required by this section annually by July 1 of each year. Eligible telecommunications carriers that file their reports after the July 1 deadline shall receive a reduction in support pursuant to the following schedule:

(i) An eligible telecommunications carrier that files after the July 1 deadline, but by July 8, will have its support reduced in an amount equivalent to seven days in support;

(ii) An eligible telecommunications carrier that files on or after July 9 will have its support reduced on a pro-rata daily basis equivalent to the period of non-compliance, plus the minimum seven-day reduction.

(2) *Grace period.* An eligible telecommunications carrier that submits the annual reporting information required by this section after July 1 but before July 5 will not receive a reduction in support if the eligible telecommunications carrier and its holding company, operating companies, and affiliates as reported pursuant to paragraph (a)(8) of this section have not missed the July 1 deadline in any prior year.

(k) This section does not apply to recipients that solely receive support from Phase I and Phase II of the Mobility Fund.

(l) In addition to the information and certifications in paragraph (a) of this section, any competitive eligible telecommunications carrier participating in the Alaska Plan must provide the following:

(1) Funding recipients that have identified in their approved performance plans that they rely exclusively on satellite backhaul for a certain portion of the population in their service area must certify as to whether any terrestrial backhaul or other satellite backhaul became commercially available in the previous calendar year in areas that were previously served exclusively by satellite backhaul. To the extent that new terrestrial backhaul facilities are constructed or other satellite backhaul become commercially available, the funding recipient must:

(i) Provide a description of the backhaul technology;

(ii) Provide the date on which that backhaul was made commercially available to the carrier;

(iii) Provide the number of the population within their service area that are served by the newly available backhaul option; and

(iv) To the extent the funding recipient has not already committed to providing 4G LTE at 10/1 Mbps to the population served by the newly available backhaul by the end of the plan term, submit a revised

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performance commitment factoring in the availability of the new backhaul option no later than the due date of the Form 481 in which they have certified that such backhaul became commercially available.

(2) [Reserved]

[76 FR 73873, Nov. 29, 2011, as amended at 77 FR 14302, Mar. 9, 2012; 77 FR 30914, May 24, 2012; 78 FR 22201, Apr. 15, 2013; 78 FR 29656, May 21, 2013; 78 FR 3843, Jan. 17, 2013; 78 FR 38233, June 26, 2013; 79 FR 11336, Feb. 28, 2014; 79 FR 39189, July 9, 2014; 80 FR 4477, Jan. 27, 2015; 81 FR 24341, Apr. 25, 2016; 81 FR 44449, July 7, 2016; 81 FR 69713, Oct. 7, 2016; 82 FR 15450, Mar. 28, 2017; 82 FR 39969, Aug. 23, 2017; 83 FR 18964, May 1, 2018]

EFFECTIVE DATE NOTES: 1. At 77 FR 14302, Mar. 9, 2012, §54.313(a)(9) introductory text and (f)(2) were revised. These paragraphs contain information collection and recordkeeping requirements and will not become effective until approval has been given by the Office of Management and Budget.

2. At 79 FR 11336, Feb. 28, 2014, §54.313(e)(1), (e)(2), and (e)(3) introductory text were revised. These paragraphs contain information collection and recordkeeping requirements and will not become effective until approval has been given by the Office of Management and Budget.

3. At 80 FR 4476, Jan. 27, 2015, §54.313(a)(12) was added and (e) was revised. These paragraphs contain information collection and record keeping requirements and will not become effective until approval has been given by the Office of Management and Budget.

4. At 80 FR 5987, Feb. 4, 2015, §54.313 was amended by revising paragraphs (e)(2)(iii) and (iv), adding (e)(2)(v), revising (f)(1)(i) and (ii), and revising (f)(1)(iii). These paragraphs contain information collection and recordkeeping requirements and will not become effective until approval have been given by the Office of Management and Budget.

5. At 81 FR 24341, Apr. 25, 2016, §54.313 was amended in part revising paragraphs (a)(10), (e)(1), (e)(2) introductory text, and (f)(1) introductory text, and (f)(1)(i) and (iii). These paragraphs contain information collection and recordkeeping requirements and will not become effective until approval has been given by the Office of Management and Budget.

6. At 81 FR 44449, July 7, 2016, §54.313(e) was revised, Paragraph (e)(2) contains information collection and recordkeeping requirements and will not become effective until approval have been given by the Office of Management and Budget.

**Minnesota Department of Commerce Attachment 1**  
**Minnesota Rate of Return Carriers**  
**High Cost Support Per Month Per Line for January to June 2018**

State	SAC	Study Area Name	HCL support received	FHCS support received	ICC support received	CACM support received	ACAM support received	BLS support received	RBE Support	Total Support (all sources)
			1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018
MN	361346	ACE TEL ASSN-MN	\$ 428,819		\$ 321,048			\$ 1,318,548		\$ 2,068,415
MN	361347	ALBANY MUTUAL ASSN	\$ 370,941		\$ 72,000			\$ 439,428		\$ 882,369
MN	391657	ALLIANCE-SPLITROCK	\$ 83,063		\$ 217,212			\$ 574,770		\$ 875,045
MN	369030	American Broadband and Telecommunications Company								\$ -
MN	361374	ARROWHEAD COMM CORP			\$ 29,430					\$ 29,430
MN	361350	ARVIG TEL CO			\$ 307,134		\$ 2,549,982			\$ 2,857,116
MN	361356	BENTON COOP TEL CO			\$ 85,350			\$ 330,654		\$ 416,004
MN	361358	BLUE EARTH VALLEY			\$ 49,368		\$ 2,216,946			\$ 2,266,314
MN	369025	BOOMERANGE WIRELESS, LLC								\$ -
MN	361362	BRIDGEWATER TEL CO			\$ 88,416					\$ 88,416
MN	361365	CALLAWAY TEL CO			\$ 20,328					\$ 20,328
MN	361440	CANNON VLY TELECOM			\$ 116,406					\$ 116,406
MN	361445	CENTURYTEL OF MINNESOTA								\$ -
MN	351126	CENTURYTEL-CHESTER								\$ -
MN	330950	CENTURYTEL-NW WI								\$ -
MN	361425	CHRISTENSEN COMM CO			\$ 67,044		\$ 268,132			\$ 335,176
MN	369914	C-I COMMUNICATIONS INC								\$ -
MN	361123	CITIZENS-FRONTIER-MN				\$ 13,775,682				\$ 13,775,682
MN	361353	CITY OF BARNESVILLE			\$ 40,578			\$ 93,918		\$ 134,496
MN	361370	CLARA CITY TEL EXCH			\$ 40,254					\$ 40,254
MN	361372	CLEMENTS TEL CO			\$ 28,794					\$ 28,794
MN	361373	CONSOLIDATED TEL CO	\$ 1,561,101		\$ 241,746			\$ 1,319,994		\$ 3,122,841
MN	361499	CROSSLAKE TEL CO			\$ 37,248			\$ 225,756		\$ 263,004
MN	361381	DUNNELL TEL CO			\$ 29,016		\$ 152,464			\$ 181,480
MN	361383	EAGLE VALLEY TEL CO			\$ 27,654					\$ 27,654
MN	361385	EAST OTTER TAIL TEL			\$ 173,898		\$ 10,779,784			\$ 10,953,682
MN	361384	EASTON TEL CO			\$ 52,482					\$ 52,482
MN	361386	ECKLES TEL CO			\$ 125,910					\$ 125,910
MN	361456	EMARQ MINNESOTA								\$ -
MN	361387	EMILY COOP TEL CO	\$ 339,290		\$ 68,748			\$ 255,036		\$ 663,074
MN	361389	FARMERS MUTUAL TEL	\$ 320,048		\$ 43,308			\$ 210,960		\$ 574,316
MN	369020	FARMERS MUTUAL TELEPHONE COMPANY								\$ -
MN	361390	FEDERATED TEL COOP	\$ 104,087		\$ 130,254			\$ 210,590		\$ 444,931
MN	366130	Federated Telephone Cooperative							\$ 72,798	\$ 72,798
MN	361403	FEDERATED UTILITIES	\$ 3,998		\$ 69,732			\$ 75,324		\$ 149,054
MN	361391	FELTON TEL CO. INC.			\$ 31,470					\$ 31,470
MN	361367	FRONTIER-MINNESOTA								\$ -
MN	361395	GARDEN VALLEY TEL CO	\$ 1,089,075		\$ 465,786			\$ 1,415,064		\$ 2,969,925
MN	361396	GARDONVILLE COOP TEL	\$ 24,621		\$ 78,186			\$ 227,424		\$ 330,231

State	SAC	Study Area Name	HCL support received	FHCS support received	ICC support received	CACM support received	ACAM support received	BLS support received	RBE Support	Total Support (all sources)
			1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018
MN	369022	GLOBAL CONNECTION INC OF AMERICA								\$ -
MN	361399	GRANADA TEL CO			\$ 14,784					\$ 14,784
MN	361401	HALSTAD TEL CO	\$ 112,966		\$ 127,626			\$ 339,348		\$ 579,940
MN	361404	HARMONY TEL CO	\$ 30,811		\$ 44,724			\$ 93,648		\$ 169,183
MN	361405	HILLS TEL CO, INC	\$ 26,923		\$ 78,060			\$ 87,726		\$ 192,709
MN	361408	HOME TEL CO - MN			\$ 76,158					\$ 76,158
MN	361409	HUTCHINSON TEL CO			\$ 195,732					\$ 195,732
MN	361654	INTERSTATE TELECOMM.			\$ 127,818		\$ 497,500			\$ 625,318
MN	369023	I-WIRELESS, LLC								\$ -
MN	361410	JOHNSON TEL CO	\$ 172,856		\$ 140,628			\$ 257,268		\$ 570,752
MN	361412	KASSON & MANTORVILLE	\$ 15,442		\$ 129,138			\$ 364,416		\$ 508,996
MN	366110	Lake County d/b/a Lake Connections							\$ 117,596	\$ 117,596
MN	361419	LISMORE COOP TEL CO	\$ 66,263		\$ 40,338			\$ 94,128		\$ 200,729
MN	361422	LONSDALE TEL CO	\$ 107,921		\$ 34,206			\$ 200,790		\$ 342,917
MN	361443	LORETEL SYSTEMS, INC			\$ 287,172					\$ 287,172
MN	361424	MABEL COOP TEL - MN			\$ 39,306		\$ 316,692			\$ 355,998
MN	361426	MANCHESTER-HARTLAND	\$ 75,440		\$ 29,838			\$ 93,732		\$ 199,010
MN	361427	MANKATO-HICKORYTECH			\$ 1,735,512					\$ 1,735,512
MN	361430	MELROSE TEL CO			\$ 327,708					\$ 327,708
MN	361413	MID STATE DBA KMP			\$ 75,498					\$ 75,498
MN	361433	MID STATE TEL CO			\$ 157,050					\$ 157,050
MN	361375	MID-COMM-HICKORYTECH			\$ 1,472,694	\$ 1,460,640				\$ 2,933,334
MN	369015	MIDCONTINENT COMMUNICATIONS								\$ -
MN	361431	MIDWEST TEL CO			\$ 109,536					\$ 109,536
MN	361437	MINNESOTA LAKE TEL								\$ -
MN	361439	MINNESOTA VALLEY TEL			\$ 62,100		\$ 711,811			\$ 773,911
MN	361442	NEW ULM TELECOM, INC			\$ 168,702		\$ 3,059,283			\$ 3,227,985
MN	369036	North American Local LLC								\$ -
MN	361500	NORTHERN TEL CO - MN			\$ 15,078		\$ 165,471			\$ 180,549
MN	361448	OSAKIS TEL CO			\$ 59,868					\$ 59,868
MN	361450	PARK REGION MUTUAL			\$ 85,902		\$ 1,546,158			\$ 1,632,060
MN	361451	PAUL BUNYAN RURAL	\$ 875,779		\$ 379,644			\$ 1,014,110		\$ 2,269,533
MN	366132	Paul Bunyan Rural Telephone Cooperative							\$ 50,250	\$ 50,250
MN	366133	Paul Bunyan Rural Telephone Cooperative							\$ 47,850	\$ 47,850
MN	361453	PEOPLES TEL CO - MN			\$ 113,592					\$ 113,592
MN	361454	PINE ISLAND TEL CO			\$ 80,322					\$ 80,322
MN	381630	POLAR COMM MUT AID CORP	\$ 1,356,505		\$ 471,546			\$ 1,253,568		\$ 3,081,619
MN	381614	POLAR TELECOMM	\$ 68,829		\$ 121,818			\$ 229,566		\$ 420,213
MN	369024	Q LINK WIRELESS LLC								\$ -
MN	365142	QWEST CORP-MN				\$ 27,017,574				\$ 27,017,574
MN	381631	RED RIVER RURAL TEL	\$ 538,792		\$ 122,658			\$ 600,768		\$ 1,262,218
MN	361472	REDWOOD COUNTY TEL			\$ 219,468					\$ 219,468
MN	361474	ROTHSAY TEL CO, INC			\$ 30,750		\$ 224,090			\$ 254,840
MN	361475	RUNESTONE TEL ASSN	\$ 139,884		\$ 134,550			\$ 409,080		\$ 683,514

State	SAC	Study Area Name	HCL support received	FHCS support received	ICC support received	CACM support received	ACAM support received	BLS support received	RBE Support	Total Support (all sources)
			1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018	1st 6 months 2018
MN	361423	RUNESTONE TELEPHONE ASSOCIATION	\$ 705		\$ 36,996			\$ 72,324		\$ 110,025
MN	361476	SACRED HEART TEL CO			\$ 22,080		\$ 1,286,040			\$ 1,308,120
MN	369034	SAGE TELECOM COMMUNICATIONS, LLC								\$ -
MN	361479	SCOTT RICE - INTEGRA			\$ 47,538			\$ 437,274		\$ 484,812
MN	361483	SLEEPY EYE TEL CO			\$ 172,134					\$ 172,134
MN	361485	SPRING GROVE COOP	\$ 157,166		\$ 45,108			\$ 183,114		\$ 385,388
MN	361487	STARBUCK TEL CO			\$ 39,666					\$ 39,666
MN	369028	TAG MOBILE, LLC								\$ -
MN	369007	TEKSTAR COMMUNICATIONS, INC.								\$ -
MN	369016	TELRITE CORPORATION DBA LIFE WIRELESS								\$ -
MN	369017	TERRACOM, INC.								\$ -
MN	369014	T-Mobile Central LLC		\$ 676,566						\$ 676,566
MN	361491	TWIN VALLEY-ULEN TEL			\$ 133,422					\$ 133,422
MN	361494	UPSALA COOP TEL ASSN	\$ 245,130		\$ 48,354			\$ 187,968		\$ 481,452
MN	361495	VALLEY TEL CO - MN			\$ 70,164					\$ 70,164
MN	369018	VIRGIN MOBILE USA, LP								\$ -
MN	361501	WEST CENTRAL TEL	\$ 915,864		\$ 107,544			\$ 736,464		\$ 1,759,872
MN	361502	WESTERN TEL CO			\$ 87,978					\$ 87,978
MN	361505	WIKSTROM TEL CO, INC			\$ 273,036		\$ 3,391,403			\$ 3,664,439
MN	361348	WILDERNESS VALLEY			\$ 13,926					\$ 13,926
MN	361414	Windstream Communications, Inc.			\$ 22,566	\$ 1,165,992				\$ 1,188,558
MN	361482	Windstream Communications, Inc.			\$ 19,176					\$ 19,176
MN	361337	WINNEBAGO COOP ASSN	\$ 8,194		\$ 8,112			\$ 37,026		\$ 53,332
MN	361507	WINSTED TEL CO			\$ 46,770					\$ 46,770
MN	361508	WINTHROP TEL CO			\$ 48,348					\$ 48,348
MN	361512	WOLVERTON TEL CO	\$ 9,784		\$ 6,336			\$ 23,418		\$ 39,538
MN	361510	WOODSTOCK TEL CO	\$ 302,757		\$ 85,062			\$ 447,984		\$ 835,803
MN	361515	ZUMBROTA TEL CO			\$ 24,528					\$ 24,528

\* <http://www.usac.org/hc/tools/disbursements/default.aspx>

## **CERTIFICATE OF SERVICE**

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce  
Comments**

**Docket No. P999/PR-18-08**

**Dated this 10<sup>th</sup> day of September 2018**

**/s/Sharon Ferguson**

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Kristine	Anderson	kanderson@jagcom.net	Jaguar Communications, Inc.	213 S Oak Ave Ste 2000 Owatonna, MN 55060	Electronic Service	No	OFF_SL_18-8_PR-18-8
Issa	Asad	issa@QuadrantHoldings.com	Q Link Wireless LLC	499 E Sheridan St Ste 400 Dania Beach, FL 33004	Electronic Service	No	OFF_SL_18-8_PR-18-8
Sam	Bailey	Sam.Bailey@iwirelesshome.com	i-Wireless	1 Levee Way Ste 3104 Newport, KY 41071	Electronic Service	No	OFF_SL_18-8_PR-18-8
Dianne	Barthel	Dianne.barthel@centurylink.com	Centurylink Communications, LLC	200 South Fifth Street Room 2200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-8_PR-18-8
James	Beattie	jbeattie@bevcomm.com	Rural Communications Holding Corp.	123 W 7th Street Blue Earth, MN 56013	Electronic Service	No	OFF_SL_18-8_PR-18-8
David	Bickett	dave.bickett@parkregion.com	Otter Tail Telcom	PO Box 277 100 Main St Underwood, MN 56586	Electronic Service	No	OFF_SL_18-8_PR-18-8
Mark	Birkholz	mark.birkholz@arvig.com	Redwood County Telephone Company	150 2nd Ave SW Perham, MN 56573	Electronic Service	No	OFF_SL_18-8_PR-18-8
Karl	Blake	kblake@polartel.com	Polar Communications Mutual Aid Corp.	PO Box 270 110 Fourth Street East Park River, ND 58270	Electronic Service	No	OFF_SL_18-8_PR-18-8
Scott	Bohler	scott.bohler@ftr.com	Frontier Communications Corporation	2378 Wilshire Blvd Mound, MN 55364-1652	Electronic Service	No	OFF_SL_18-8_PR-18-8
Tim	Brinkman	tim.brinkman@gvtel.com	Garden Valley Telephone Company - Coop	201 Ross Avenue PO Box 259 Erskine, MN 56535	Electronic Service	No	OFF_SL_18-8_PR-18-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Danny	Busche	dannybusche@live.com	Winthrop Telephone Company	318 2nd Ave E PO Box 310 Franklin, MN 55333-0310	Electronic Service	No	OFF_SL_18-8_PR-18-8
Mary	Calderon	mary.calderon@tagmobile.com	Tag Mobile, L.L.C.	1330 Capital Pkwy  Carrollton, Texas 75006	Paper Service	No	OFF_SL_18-8_PR-18-8
Thomas	Campbell	tcampbell@otcpas.com	Olsen Thielen	2675 Long Lake Road  St. Paul, MN 55309	Electronic Service	No	OFF_SL_18-8_PR-18-8
James B.	Canaan	jim.canaan@itctel.com	ITC	P.O. Box 920 312 Fourth Street Clear Lake, SD 57226	Electronic Service	No	OFF_SL_18-8_PR-18-8
Andrew	Carlson	acarlson@briggs.com	Briggs And Morgan	2200 IDS Center80 South Eighth Street  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-8_PR-18-8
Jim	Carpenter	jim.carpenter@telrite.com	Telrite Corporation	1110 Alcovy Rd  Covington, GA 30014	Electronic Service	No	OFF_SL_18-8_PR-18-8
Danyell	Carroll	danyell.carroll@windstream.com	Talk America, LLC	4001 N Rodney Parham Rd  Little Rock, AR 72212	Electronic Service	No	OFF_SL_18-8_PR-18-8
Linda	Chavez	linda.chavez@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 55101-2198	Electronic Service	No	OFF_SL_18-8_PR-18-8
Olson	Chris	wcphone@wcta.net	West Central Telephone Assoc.	P.O. Box 304 308 Frontage Road Sebeka, MN 56477	Electronic Service	No	OFF_SL_18-8_PR-18-8



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800  St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_18-8_PR-18-8
Elaine	Divelbliss	elaine.Divelbliss@virginmobileusa.com	Virgin Mobile USA, L.P.	10 Independence Blvd  Warren, NJ 07059	Paper Service	No	OFF_SL_18-8_PR-18-8
Ian	Dobson	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_18-8_PR-18-8
Robin	Enkey	robine@budgetprepay.com	Budget PrePay, Inc. dba Budget Phone	1325 Barksdale Blvd Ste 200  Bossier City, LA 71111-4600	Paper Service	No	OFF_SL_18-8_PR-18-8
Donna	Eul	donnaeul@fedtel.net	Federated Telephone	405 2nd Street East PO Box 156 Chokio, MN 56221	Electronic Service	No	OFF_SL_18-8_PR-18-8
Kristen	Farole	kfarole@terracominc.com	TerraCom, Inc.	401 E Memorial Rd Ste 400  Oklahoma City, OK 73114	Electronic Service	No	OFF_SL_18-8_PR-18-8
Steven	Fenker	sfenker1@earthlink.com	Nexus Communications, Inc dba Nexus-TSI	2631 Morse Rd  Columbus, OH 43231-5931	Electronic Service	No	OFF_SL_18-8_PR-18-8
Kari	Flanagan	karif@alliance.coop	Alliance Communications Cooperative, Inc.	P.O. Box 349 612 East 3rd Garretson, SD 57030	Electronic Service	No	OFF_SL_18-8_PR-18-8
Shari	Flanders	sflanders@polartel.com	Polar Communications	PO Box 270  Park River, ND 58270	Electronic Service	No	OFF_SL_18-8_PR-18-8

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Roxi	Hacker	roxih@interstatetelcom.com	Interstate Telecom Consulting	130 Birch Avenue West Hector, Minnesota 55342	Electronic Service	No	OFF_SL_18-8_PR-18-8
Bruce	Hanson	bruce@hcinet.net	Sacred Heart Telephone Co.	1104 19th Ave SW Ste B Willmar, MN 56201	Electronic Service	No	OFF_SL_18-8_PR-18-8
Kim	Haugen	info@lismoretele.com	Lismore Coop Telephone Co.	230 S. 3rd AvePO Box 127 Lismore, MN 56155	Electronic Service	No	OFF_SL_18-8_PR-18-8
Donna	Heaston	Donna.Heaston@electriclightwave.com	Integra Telecom of Minnesota, Inc.	6160 Golden Hills Drive Golden Valley, MN 55416	Paper Service	No	OFF_SL_18-8_PR-18-8
Kent	Hedstrom	kent@runestone.net	Runestone Telephone Association	PO Box 336 100 Runestone Dr Hoffman, MN 56339-0336	Electronic Service	No	OFF_SL_18-8_PR-18-8
Bruce	Hegge	manager@springgrove.coop	Spring Grove Communications	PO Box 516 166 W Main St Spring Grove, MN 55974	Electronic Service	No	OFF_SL_18-8_PR-18-8
Cory	Hoerler	choerler@mhtele.com	Manchester Heartland	204 Railroad St Manchester, MN 56007-5012	Electronic Service	No	OFF_SL_18-8_PR-18-8
Dwayne	Johnson	jtcbusiness@jtc-co.net	Johnson Telephone Co.	205 1st Ave NE PO Box 39 Remer, MN 56672-0039	Electronic Service	No	OFF_SL_18-8_PR-18-8
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-8_PR-18-8
Gary	Johnson	gjohnson@paulbunyan.net	Paul Bunyan Rural Telephone Coop.	P.O. Box 1596 1831 Anne Street NW Bemidji, MN 56601	Electronic Service	No	OFF_SL_18-8_PR-18-8

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Steve	Katka	skatka@albanytel.com	Albany Mutual Telephone Association	131 6th St Albany, MN 56307-8322	Electronic Service	No	OFF_SL_18-8_PR-18-8
Kenneth	Knuth	k.knuth@fecinc.com	Woodstock Telephone Company	337 Aetna St Ruthton, MN 56170	Electronic Service	No	OFF_SL_18-8_PR-18-8
Julia	Kolka	juliekolka@mabeltel.coop	Mabel Cooperative Telephone Company	PO Box 368 214 N Main St Mabel, MN 55954-0368	Electronic Service	No	OFF_SL_18-8_PR-18-8
John	Kroger	johnkroger@wctatel.com	Winnebago Cooperative Telecom Assn.	704 E. Main Street Lake Mills, IA 50450	Electronic Service	No	OFF_SL_18-8_PR-18-8
Andi	Livingston	Andrea.livingston@midco.com	Midcontinent Communications	3901 N Louise Ave Sioux Falls, SD 57107	Electronic Service	No	OFF_SL_18-8_PR-18-8
Kathy	Lund	kathylund@nu-telecom.net	New Ulm Telecom, Inc. d/b/a NU-Telecom	27 North Minnesota P.O. Box 697 New Ulm, MN 56073	Electronic Service	No	OFF_SL_18-8_PR-18-8
Stephen	Meradith	Stephen.Meradith@windstream.com	Windstream	1440 M St Lincoln, NE 68508	Electronic Service	No	OFF_SL_18-8_PR-18-8
Ann	Morrison	amorrison@fairpoint.com	Consolidated Communications Enterprise Services, Inc./Fairpoint	221 E Hickory St Mankato, MN 56001-3610	Electronic Service	No	OFF_SL_18-8_PR-18-8
Monty	Morrow	montymorrow@nu-telecom.net	NU Telecom	235 Franklin St PO Box 279 Hutchinson, MN 55350	Electronic Service	No	OFF_SL_18-8_PR-18-8
Melanie	Nelson	mdnelson@rvv.net	Halstad Telephone Company	PO Box 55 345 2nd Ave W Halstad, MN 56548-0055	Electronic Service	No	OFF_SL_18-8_PR-18-8

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Josh	Netland	jnetland@emily.net	Emily Cooperative Telephone Company	PO Box 100 40040 State Hwy 6 Emily, MN 564470100	Electronic Service	No	OFF_SL_18-8_PR-18-8
Jeffrey J.	Olson	jeffolson@rrt.net	Red River Rural Telephone Association	506 Broadway PO Box 136 Abercrombie, ND 58001-0136	Electronic Service	No	OFF_SL_18-8_PR-18-8
Jean	Pauk	jean.pauk@tdstelecom.com	TDS Telecom	525 Junction Road  Madison, WI 53717	Electronic Service	No	OFF_SL_18-8_PR-18-8
Jack D.	Phillips	jack.phillips@ftr.com	Frontier Communications Of MN, Inc.	14450 Burnhaven Drive  Burnsville, MN 55306	Electronic Service	No	OFF_SL_18-8_PR-18-8
Kris	Rademacher	krisr@farmerstel.net	Farmers Mutual Telephone Co.	301 2nd St S  Bellingham, MN 562120369	Electronic Service	No	OFF_SL_18-8_PR-18-8
Brian	Rathman	brian.rathman@telrite.com	Telrite Corporation	2300 Windy Ridge Pkwy Ste 350S  Atlanta, GA 30339	Electronic Service	No	OFF_SL_18-8_PR-18-8
M.	Ray	cecilia.ray@lawmoss.com	Moss & Barnett	Suite 1200 150 S. 5th Street Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-8_PR-18-8
Julia	Redman Carter	jrccarter@readywireless.com	Boomerang Wireless LLC	955 Kacena Rd Ste A  Hiawatha, IA 52233	Electronic Service	No	OFF_SL_18-8_PR-18-8
Robert	Riddell	office@northern.tel	Northern Telephone Company	13448 Co. Rd. 25  Wawina, MN 557369721	Electronic Service	No	OFF_SL_18-8_PR-18-8
Mark	Roach	mark.roach@ctctelcom.net	Consolidated Telephone Company	1102 Madison Street PO Box 972 Brainerd, MN 56401	Electronic Service	No	OFF_SL_18-8_PR-18-8

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Bryan	Roth	Bryan.roth@itctel.com	Interstate Telecommunications Coop.	P.O. Box 920 Clear Lake, SD 57226	Electronic Service	No	OFF_SL_18-8_PR-18-8
Cheryl	Scapanski	cscapanski@bctelco.net	Benton Cooperative Telephone Company	2220 125th St NW Rice, MN 56367	Electronic Service	No	OFF_SL_18-8_PR-18-8
David	Schornack	david.schornack@arvig.com	Tekstar Communications, Inc.	150 2nd St SW Perham, MN 56573	Electronic Service	No	OFF_SL_18-8_PR-18-8
Julie	Serbus	jserbus@mnval.net	Minnesota Valley Telephone Company	PO Box 310 340 2nd Ave E Franklin, MN 55333	Electronic Service	No	OFF_SL_18-8_PR-18-8
Bonnie	Simon	bsimon@lonsdaletel.com	Lonsdale Telephone Company	PO Box 358 Lonsdale, MN 55046-0358	Electronic Service	No	OFF_SL_18-8_PR-18-8
Kimberly	Starr	kim@kclenterprises.net	Dunnell Telephone Company	PO Box 728 Judson, Texas 75660	Electronic Service	No	OFF_SL_18-8_PR-18-8
Cynthia	Sweet	csweet@acentek.net	Ace Telephone Association	PO Box 360 207 East Cedar Houston, MN 559430360	Electronic Service	No	OFF_SL_18-8_PR-18-8
Guy	Swenson	gswenson@bvillemn.net	Barnesville Municipal Telephone Company	PO Box 550 101 Front St S Barnesville, MN 56514	Electronic Service	No	OFF_SL_18-8_PR-18-8
Mark	Thoma	markthoma@wctatel.com	Winnebago Coop. Telecom Assoc.	704 E Main St Lake Mills, IA 50450	Electronic Service	No	OFF_SL_18-8_PR-18-8
Beth	Tollefson	btollefson@kmtel.com	Kasson & Mantorville	18 2nd Avenue NW Kasson, MN 55944	Electronic Service	No	OFF_SL_18-8_PR-18-8

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Jason	Topp	jason.topp@centurylink.com	CenturyLink	200 S 5th St Ste 2200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-8_PR-18-8
Melissa	Tschida	mtschida@sytekcom.com	Upsala Cooperative Telephone	PO Box 277 Upsala, MN 56384	Electronic Service	No	OFF_SL_18-8_PR-18-8
David	Wareikis	dwareikis@bluejaywireless.com	Blue Jay Wireless, LLC	5010 Addison Circle Addison, TX 75001	Paper Service	No	OFF_SL_18-8_PR-18-8
Kristi	Westbrock	KWestbrock@ctctelcom.net	Consolidated Telephone Company	1102 Madison St Brainerd, MN 56401-0972	Electronic Service	No	OFF_SL_18-8_PR-18-8
Curtiss	Wikstrom	curtw@wiktel.com	Wikstrom Telephone Company	PO Box 217 212 South Main St Karlstad, MN 56732-0217	Electronic Service	No	OFF_SL_18-8_PR-18-8
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_18-8_PR-18-8
David	Wolf	dwolf@gardonville.net	Gardonville Cooperative Telephone Association	800 Central Ave N Brandon, MN 56315	Electronic Service	No	OFF_SL_18-8_PR-18-8
william	haas	william.haas@t-mobile.com	T-Mobile Central LLC	2001 Butterfield Rd Suite 1900 Downers Grove, IL 60515	Electronic Service	No	OFF_SL_18-8_PR-18-8