



State of Utah

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Governor

GREG BELL
Lieutenant Governor

Public Service Commission

TED BOYER
Chairman

RIC CAMPBELL
Commissioner

RON ALLEN
Commissioner

September 22, 2010

Karen Majcher
Vice President, High Cost & Low Income Division
Universal Service Administrative Company
2000 L Street, NW, Suite 200
Washington, DC 20036

Re: **CC Docket No. 96-45, In the Matter of Federal-State Joint Board on
Universal Service**

Annual State Certification Pursuant to 47 C.F.R. §54.314 and §54.316

Dear Ms. Majcher:

Pursuant to 47 C.F.R. §54.314, state commissions must file an annual certification with the Universal Service Administrative Company (USAC) and the FCC stating "that all federal high-cost support provided to eligible telecommunications carriers will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended."

Utah Eligible Telecommunications Carriers (companies) Certified With This Letter:

Company Name (Exchange Carrier Study Area Code)

All West Communications, Inc. (502288)
Bear Lake Communications (503032)
Beehive Telephone Company, Inc. (502284)
Carbon/Emery Telecom, Inc. (502278)
Central Utah Telephone (502277)
Citizens Telecommunications Company of Utah (504429)
Direct Communications Cedar Valley, LLC (500758)
Emery Telecom (502278)
Gunnison Telephone Company (502279)
Manti Telephone Company (502282)
Navajo Communications Company, Inc. (504449)

Skyline Telecom (502283)
South Central Utah Telephone Association (502286)
UBTA-UBET Communications, Inc. (502287)
Union Telephone Company, Inc. (512297 – Utah segment only)

The Utah Public Service Commission (Commission) has substantial jurisdiction over these companies' regulated activities, including the Cooperative Associations, through the manner in which it administers the state high-cost fund (State USF) and local ratemaking process (rate of return regulation). Each company is subject to audits in conjunction with state rate cases. These audits validate the use of federal and state high-cost support and the potential to continue to comply with applicable requirements. Each rate case takes into account any federal high-cost support received by a particular company in determining a company's eligibility for state high-cost support. This has the effect of reducing the company's intrastate revenue requirement and contributes to keeping rates reasonable, affordable, and comparable to the urban rates within the State of Utah.

In addition, we obtained statements from each of the companies listed above. Each company claims that it "is complying with the requirements of Section 254(e) and will continue to comply for the period January 1, 2010 through December 31, 2010 (the certification period) to be eligible to receive federal USF. The company certifies to the Commission that it will use all federal high-cost support provided to it only for the provision, maintenance and upgrading of facilities and services for which the support is intended consistent with the principles of universal service 47 U.S.C. 254. This includes, but is not limited to, trying to meet the goal of the provision of services that are properly supported by the high-cost funds at rates that are reasonably comparable to rates charged for similar services in urban areas."¹

The Commission certifies that the rates charged by the rural ILECs are reasonably comparable to the rates charged by Qwest, for purposes of section 254(b)(3) of the Telecommunications Act of 1996.

Given the number of safeguards already in place at the federal level, and in light of the manner in which we oversee application of federal and state high-cost support in combination with each company's formal statement regarding use and intent to use federal high-cost support, our reliance on such information is sufficient basis to provide this certification.

Accordingly, we certify that the above-listed eligible telecommunications carriers will continue to comply with the requirements of Section 254(e) for the period January 1, 2010 through December 31, 2010 (the certification period) to be eligible to receive federal high-cost support, and that each company will use its federal high-cost support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Communications Act.

¹ Statement made in each company self-certification letter to the Utah Public Service Commission.

Utah Company Previously Self-Certified:

This Commission granted Western Wireless Corporation (parent company Alltel Communications, Inc., formerly WWC Holdings Co., Inc.) Eligible Telecommunication Carrier (ETC) status in portions of Qwest's service territory as part of the Utah Docket No. 98-2216-01. Notification of Western Wireless' ETC status was sent to the FCC at the time ETC status was granted to Western Wireless.

In many previous years the Commission has received a self-certification from Alltel Communications, Inc., which we have forwarded for your review. Alltel did not provide a self-certification letter this year. This Commission does not audit Alltel (Western Wireless) nor does Alltel participate in any rate setting with this Commission we do not have the same familiarity with Alltel's use (if any) of USF money.

Utah Companies Not Certified With This Letter:Company Name (Exchange Carrier Study Area Code)

CenturyTel of Eagle Inc. (CenturyTel) (Exchange Carrier Study Area Code 462185)

Farmers Telephone Company (Farmers) (Exchange Carrier Study Area Code 462188)

Albion Telephone Company (Albion) (Exchange Carrier Study Area Code 472213)

CenturyTel of Eagle Inc. (CenturyTel) (Exchange Carrier Study Area Code 462185) provides local exchange service to approximately 6 to 8 Utah customers on the border of Colorado via facilities located in Colorado. Farmers Telephone Company (Farmers) (Exchange Carrier Study Area Code 462188) provides local exchange service to approximately 8 Utah customers on the border of Colorado via facilities located in Colorado. Albion Telephone Company (Albion) (Exchange Carrier Study Area Code 472213) provides local exchange service to approximately 27 Utah customers on the border of Idaho via facilities located in Idaho. All ratemaking procedures for these companies have historically been deferred to the Colorado Public Utilities Commission or Idaho Public Utilities Commission accordingly.

Due to our limited oversight, we hereby defer certification of CenturyTel and Farmers to the Colorado Public Utilities Commission and defer certification of Albion to the Idaho Public Utilities Commission consistent with the ratemaking process for these companies.

Respectfully,

Julie Orchard
Commission Secretary
Utah Public Service Commission