



ORIGINAL

9260 E. Stockton Blvd
Elk Grove, CA 95624
Ph. (916) 686-3588
Fax (916) 686-3589
joe.chicoine@ftr.com

UTAH PUBLIC
SERVICE COMMISSION

July 26, 2012

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Julie Orchard
Commission Administrator
Utah Public Service Commission
160 East 300 South
Heber M Wells Building, 4th Floor
Salt Lake City, Utah 84114

Re: State Certification of Rural Carriers' Compliance with 47 U.S.C. Section 254(e)

Docket No. 12-999-07

Dear Ms. Orchard:

Pursuant to the Federal Communications Commission ("FCC") mandate in its docket In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45/CC Docket No. 00-256, 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 (FCC 01-157) (released May 23, 2001) and in its docket In the Matter of Connect America Fund, et al., WC Docket No. 10-90 et al, Report and Order and Further Notice of Proposed Rulemaking (FCC 11-161) (released May 18, 2011), the FCC has adopted a requirement codified at 47 C.F.R. §54.314 that state commissions must file an annual certification with the Universal Service Administrative Company ("USAC") and the FCC for rural incumbent local exchange carriers 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."

Accordingly, Navajo Communications Company, Inc. (Exchange Carrier Study Area Code 504449), is a rural incumbent local exchange carrier that has previously been designated by this Commission as an eligible telecommunications carrier. Navajo Communications Company, Inc. is complying with the requirements of Section 254(e) and will continue to comply for the period January 1, 2013 through December 31, 2013 (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.

July 26, 2012

This is a very critical issue, because if certification is not accomplished by October 1, 2012, then federal support for universal service in the areas served by the rural carriers within Utah will not be provided for at least the first quarter of 2013 (See paragraph 617 of FCC Order 11-161). Accordingly, replacement revenues would become necessary. Any loss of federal support would be a negative outcome for the rural carriers, their subscribers and the Commission.

In view of the limited time available, Navajo Communications Company, Inc. requests the Commission issue a certification before October 1, 2012 to USAC and the FCC that the Company is eligible to receive Federal USF and is in compliance with the FCC order.

Sincerely,



Joe Chicoine

Manager, Regulatory Compliance and Reporting

cc: Kirk Lee, Frontier