

Carol A. Brennan Vice President Industry Relations PH 303-893-4402 FX 800-551-1328 cbrennan@neca.org

Eastern Region PH 800-228-8398 FX 800-228-8563

Southern Region PH 800-223-7751 FX 800-551-3038

Southwestern Region PH 800-351-9033 FX 800-774-2481

Western Region PH 800-892-3322 FX 800-551-1328

North Central Region PH 800-228-0180 FX 800-367-5058

For your action CAF ICC data collection is open until May 15 to review adjusted switched access rates

April 24, 2017

To: General and pool contacts at TS pool members

Switched access rates

Commission rules require NECA to adjust capped interstate switched access rates effective on July 1, 2017, to reflect 2017 pool election changes. Pool election changes for the upcoming tariff year will increase these rates by 1.119 percent. The proposed terminating end office rate will be \$0.003567, which is \$0.0007 plus two-thirds of the difference between \$0.005 and \$0.0007 per minute. In the <u>CAF ICC website</u> (login required), we have modified the following for test period 2017-2018:

- interstate switched access rate levels,
- intrastate switched access rate levels for those companies with intrastate rates at parity with interstate rates,
- interstate terminating End Office access service rates to not exceed \$0.003567 per minute, and
- switched access revenues.

NECA will apply the 1.119 percent rate increase related to pool election changes to originating End Office rates and all transport rate elements. Rates are rounded up to the last significant decimal place for a 5 or greater and rounded down otherwise.

Other proposed July 1 interstate and intrastate monthly and nonrecurring switched access rates can be viewed in the CAF ICC Data Collection website in the *Study Area Intrastate Data* section by selecting the *Intrastate TRP at Rate Element Level* link. Your company's existing Local Switching and Local Transport rate band assignments will remain unchanged in the upcoming filing. Adjusted intrastate rates, both end office and transport, need to be filed with state regulatory commissions.

Eligible Recovery and CAF ICC

The forecasts of interstate switched access minutes, SLB and MLB lines have also been updated on the CAF ICC Data Collection website. The updated forecasts and the required switched access rate changes impact your interstate allocated switched access revenue, intrastate terminating switched access revenue, ER and CAF ICC support.

Test period 2015-2016 true up

The test period 2015-2016 true-up calculations currently do not reflect April settlements data. This true-up data will be updated after the April view of realized revenues is available in settlements and can be viewed when the CAF ICC Data Collection website re-opens on May 16. As indicated in our <u>February 16, 2017 letter</u> (login required), no revisions to switched access revenue data for the test period 2015-2016 will be accepted after April settlements lock (average schedule lock is on Monday, April 24; cost lock is on Wednesday, April 26).

CAF ICC data update

The CAF ICC website will remain open until **May 15** to allow for forecast updates and other changes. Companies will not be able to change any forecast data after May 15. Since no changes can be made after May 15, please review your inputs to be sure they are accurate.

EXHIBIT I

Data certification

You will be able to certify your company's data online **beginning Tuesday**, **May 16**, **until 11:59 p.m. ET on Tuesday**, **May 30**. To comply with Commission rules, data must be certified by an officer of the company. Blank certification forms will be available on the website for companies unable to certify online; these are **due to your region office by May 30**.

Questions?

Please contact your member service team.

Sincerely,

Carol a. Brennon

Carol A. Brennan

cc: Authorized consultants