

Public Service Commission of West Virginia

201 Brooks Street, P.O. Box 812
Charleston, West Virginia 25323

Michael A. Albert
Chairman



September 15, 2010

10-0558-T-GI

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
9300 East Hampton Drive
Capitol Heights, Maryland 20743
(overnight mail)

(Duplicate copy to:)
Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW, Room TW - A306
Washington, DC 20554

Karen Majcher
Universal Service Administrative Company
2000 L Street, NW
Suite 200
Washington, DC 20036

Re: Certification of High Cost Support Pursuant to 47 C.F.R. §§54.313,
54.314 and 54.316, CC Docket No. 96-45

Dear Ms. Dortch and Ms. Majcher:

The Public Service Commission of West Virginia (WVPSC) submits its annual certification in accordance with 47 C.F.R. §§54.313, 54.314 and 54.316. These Federal Communications Commission (FCC) rules require state certifications to allow non-rural and rural incumbent local exchange carriers (ILECs), or eligible telecommunications carriers (ETCs), to receive federal universal service support pursuant to 47 C.F.R. §§54.301 - 54.314.

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I. Use of High Cost Support Certification – All Carriers.

As required by 47 C.F.R. §§54.313(a) and 54.314(a), the WVPSC certifies that the following carriers in West Virginia are eligible to receive federal support from January 1, 2011, to December 31, 2011:

1. Alltel Communications, LLC, dba Verizon Wireless
2. Armstrong Telephone Company - Northern Division
3. Armstrong Telephone Company - West Virginia
4. Citizens Telecommunications of West Virginia, Inc.
5. FiberNet, LLC
6. Frontier West Virginia Inc.¹
7. Gateway Telecom, LLC, dba StratusWave Communications, LLC
8. Hardy Telecommunications, Inc. CLEC
9. Hardy Telecommunications, Inc. ILEC
10. New Cingular Wireless PCS, LLC, dba AT&T Mobility
11. Nexus Communications, Inc.²
12. Sprint Nextel Corporation
13. Spruce Knob-Seneca Rocks Telephone, Inc.
14. Tracfone Wireless, Inc.³
15. USCOC of Cumberland and Hardy Cellular Telephone, Inc.
16. War Acquisition Corp., dba OTT Communications
17. West Side Telecommunications
18. West Virginia PCS Alliance, LC dba NTELOS

Attachment A to this letter lists these carriers, the Study Area Code (SAC) of each carrier, whether the carrier is rural or non-rural, and whether the carrier is an incumbent or

¹ On July 1, 2010, Frontier Communication Corp., acquired the former Verizon West Virginia Inc., and renamed that entity Frontier West Virginia Inc. See, Frontier Communications Corp., et al., Case No. 09-0871-T-PC (Commission Order, May 13, 2010).

² The Nexus Communications Inc., certification is limited to Lifeline and Link Up support because Nexus is not seeking other USF support in West Virginia.

³ The Tracfone Wireless, Inc., certification is limited to support for its Safelink Wireless Lifeline Service because Tracfone is not seeking other USF support in West Virginia.

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competitive carrier. The WVPSC further certifies that these carriers will use federal universal service 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 of 1934, as amended. This certification is the product of formal proceedings before the WVPSC. General Investigation Regarding Certification of Federal Universal Service Funding for Eligible Telecommunications Carriers in West Virginia, Case No. 10-0558-T-GI (Commission Order, September 15, 2010) (attached as Attachment B). With respect to Frontier West Virginia Inc. (Frontier WV), all federal universal service support received by Frontier WV is used to reduce monthly rates for single-line business and residential customers in West Virginia, and for network upgrades in high-cost areas, pursuant to an Order of the WVPSC. Verizon West Virginia Inc., Case No. 05-1778-T-PC (Commission Order, April 3, 2006).

II. Rate Comparability Certification – Non-rural ILEC Service Areas.

A. Non-rural ILEC Rate Comparability Certification.

Frontier WV is West Virginia's only non-rural ILEC. As required by 47 C.F.R. §54.316(a), the WVPSC certifies that the rates charged by Frontier WV in rural areas of its ILEC service area are reasonably comparable to rates charged in urban areas nationwide. This certification is the result of formal proceedings before the WVPSC. Case No. 10-0558-T-GI (Commission Order, September 15, 2010). In that case, the WVPSC found that the rates charged by Frontier WV to residential customers in rural areas of its ILEC service area are comparable to rates charged in urban areas nationwide for purposes of 47 U.S.C. §254(e). As set forth in the Order, three of the four residential calling plans available to all Frontier WV customers in West Virginia, including those in rural areas, have basic rates which fall below the national urban benchmark of \$36.52 per month set forth in the FCC's Reference Book on Rates, Price Indices and Expenditures for Telephone Service, (2008 Edition). The fourth calling plan, Frequent Caller, has basic rates that are slightly above the benchmark. The Commission finds the small amount that the Frequent Caller Plan exceeds the urban benchmark to be de minimis. The Commission finding is also supported by the following facts:

- a. Since 1988 the rates charged to residential customers in West Virginia have been uniform throughout the state.

b. "Local calling areas" are uniformly defined throughout West Virginia, and consist of all adjacent wire centers and wire centers within twenty-two air miles of the customer's home wire center. This means that every residential customer in every Frontier WV wire center in West Virginia, rural or urban, has a large local calling area, usually in excess of fifty miles in diameter. These large local calling areas benefit residential customers by reducing the need to make long distance calls for normal daily activities.

c. Every residential customer in every Frontier WV wire center has the choice of the same four calling plans. Since the rate plans are optional, no customer is forced to purchase service under any particular plan.

d. The Frequent Caller Plan is an optional calling plan that provides flat-rate local calling across a very large area. Customers do not have to choose that plan, since there are other alternative calling plans available from Frontier WV and competitive carriers. Moreover, that plan gives customers flat-rate local calling for calls that are normally billed as long distance calls in other, more urban states.

Case No. 10-0558-T-GI, (Commission Order, September 15, 2010).

B. Additional Rate Comparability Certification – Competitive ETCs.

The WVPSC has also reviewed the residential rates charged by competitive ETCs in rural areas of West Virginia served by Frontier WV and determined that the competitive ETC rates are reasonably comparable to urban rates nationwide. As noted in the attached Order, most of these carriers offer at least one residential plan to customers in rural wire centers served by Frontier WV that fall below the national urban benchmark of \$36.52 per month set forth in the FCC Reference Book on Rates, Price Indices and Expenditures for Telephone Service, (2008 Edition). To the extent that some of the competitive ETCs offer basic calling plans with rates that are above the national urban benchmark, the WVPSC believes that those plans are nevertheless comparable to urban rates nationwide because the plans include calling features that are not federally supported, such as long distance calling and vertical services.

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III. Conclusion.

On behalf of the people of West Virginia, the WVPSC expresses its appreciation for the FCC efforts in arriving at a mechanism to provide support that will reduce monthly rates for the bulk of customers and make those rates more comparable to rates paid by consumers in other parts of the nation.

Sincerely yours,

A handwritten signature in black ink that reads "Michael A. Albert". The signature is written in a cursive style with a large, looping initial "M".

Michael A. Albert
Chairman

MJM/ldd
Enclosures

Rural and Non-Rural Carriers Certified to Receive High Cost Support

Carrier	SAC⁴	Rural/ Non-Rural⁵	Type⁶
Alltel Communications, LLC, dba Verizon Wireless	209008	N	C
Armstrong Telephone Company - Northern Division	200267	R	I
Armstrong Telephone Company - West Virginia	200256	R	I
Citizens Telecommunications of West Virginia, Inc.	200271	R	I
Citizens Telecommunications of West Virginia, Inc.	204338	R	I
Citizens Telecommunications of West Virginia, Inc.	204339	R	I
FiberNet, LLC	209002	N/R	C
Frontier West Virginia Inc. (fka Verizon WV)	205050	N	I
Gateway Telecom, LLC, dba StratusWave Communications, LLC	209001	N	C
Hardy Telecommunications, Inc. (CLEC)	209009	R	C
Hardy Telecommunications, Inc. (ILEC)	200259	R	I
New Cingular Wireless PCS, LLC dba AT&T Mob.	209012	N/R	C
Nexus Communications, Inc.	209014	N	C
Sprint Nextel Corporation	209007	N	C
Spruce Knob-Seneca Rocks Telephone, Inc.	200257	R	I
Tracfone Wireless, Inc.	209013	N	C
USCOC of Cumberland & Hardy Cellular Telephone, Inc.	209005	N/R	C

⁴Study Area Code

⁵R - Rural Carrier; N - Non-Rural Carrier

⁶I- Incumbent; C - Competitive

War Acquisition Corp., dba OTT Communications	200258	R	I
West Side Telecommunications	200277	R	I
West Virginia PCS Alliance, LC dba NTELOS	209909	N	C