



100 years THAT COUNTS 1913-2013

2013
SEMINARS
FOR THE RURAL TELECOM INDUSTRY

FCC Reporting Requirements

MOSS-ADAMS LLP
Certified Public Accountants | Business Consultants
Acumen. Agility. Answers.

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Moss Adams

- Firm established in 1913
 - Serving telecom clients since 1957
- The 11th largest accounting and consulting firm in the U.S.
 - 1,800 staff and partners
- Organized by industry & service specialists
- Telecom personnel in Seattle, Spokane, Stockton, Kansas City and Portland offices

Course Outline

- New Reporting Requirements
- 5-Year Plan Template
- FCC Form 481
- Study Area Boundary Maps

Housekeeping

- Class schedule
 - 8:30 AM – 12:00 PM PDT
 - Longer as necessary for Q&A
- CPE forms
 - Polling Questions Required
 - Form to be E-mailed
- Evaluation forms
- Introduction of Instructor

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FCC Reform Order
Reporting Requirements

New 5-Year Service Quality Improvement Plan §54.313(a)(1), §54.202(a)

- Due July 1, 2013
- Proposed Improvements or Upgrades
 - Improvement of service quality, coverage, capacity
 - Projected start & completion date
 - Amount of investment
 - Geographic areas
 - Population served
 - Wire center or census block level
 - Separately broken out for voice and broadband

New 5-Year Service Quality Improvement Plan §54.313(a)(1), §54.202(a)

- Include new broadband obligations
 - Take reasonable steps to offer broadband
 - Provide broadband upon reasonable request
 - Criteria to determine “reasonable request”
 - » Line Extension Tariff
 - » Aid to Construction
 - Requests for broadband service are met within a reasonable time

Progress Report on Service Quality Improvement Plan §54.313(a)(1)

- Due July 1, 2014 and annually thereafter
 - Maps detailing progress
 - USF received
 - Details of how support improved service quality, coverage, capacity
 - Explanation of unfulfilled improvement targets
 - Wire center or census block level
 - Separately broken out for voice and broadband

Progress Report on Service Quality Improvement Plan §54.313(a)(1)

- Additional filing requirements §54.313(f)(1)(i), (ii)
- Due July 1, 2014 and annually thereafter
- A letter certifying that:
 - Reasonable steps are being taken to provide broadband service at actual speeds of at least 4 Mbps downstream/1 Mbps upstream
 - Latency is suitable for real-time applications, including VoIP
 - Usage capacity that is reasonably comparable to those in urban areas
 - Requests for such service are met within a reasonable time
- 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

Outage Reporting §54.313(a)(2)

- Due July 1, 2013
- Detailed outage information for outages of at least 30 minutes
- At least 10% of the end users in the designated service area was affected
- A 911 special facility was affected
- Order requires outages to be separately reported for voice and broadband, however, FCC is not seeking PRA approval for broadband outage reporting at this time – DA 13-332, footnote 46

Outage Reporting §54.313(a)(2)

- Report must include:
 - Date and time the outage began
 - Date and time the outage ended
 - Brief description of the outage and resolution of the outage
 - Particular services affected
 - Geographic areas affected
 - Steps taken to prevent a similar situation in the future
 - Number of customers affected

Unfulfilled Service Requests 54.313(a)(3)

- Due July 1, 2013 and annually thereafter
- Voice Service
 - Number of requests for voice service from potential customers that were unfulfilled
 - Details of how the ETC attempted to provide service
- Broadband Service
 - Number of requests for broadband service from potential customers that were unfulfilled
 - Details of how the ETC attempted to provide service

Complaints Received §54.313(a)(4)

- Due July 1, 2013 and annually thereafter
- Voice Service
 - Number of voice service complaints received per 1,000 connections
 - Fixed Voice Telephony Service
 - Mobile Voice Telephone Service
- Broadband Service
 - Number of broadband service complaints received per 1,000 connections
 - Fixed Broadband Service
 - Mobile Broadband Service

Certification of Compliance with Service Quality Standards and Consumer Protection Rules

§54.313(a)(5)

- Due July 1, 2013 and annually thereafter
- Separate certifications must be filed for both voice and broadband service

Certification of Ability to Function in Emergency Situations §54.313(a)(6)

- Due July 1, 2013 and annually thereafter
- Must certify ETC:
 - Has reasonable amount of back-up power to function without an external power source
 - Is able to reroute traffic around damaged facilities
 - Is capable of managing traffic spikes caused by emergency situations
- Separate certifications must be filed for both voice and broadband service

Price Offerings §54.313(a)(7)

- Due July 1, 2013 and annually thereafter
- Pending OMB approval
- ETC's price offerings
 - Voice
 - Broadband - to include capacity range
- Format to be specified by the Wireline Competition Bureau

Additional Voice Rate Data §54.313(h)

- Due July 1, 2013 and annually thereafter
- Report rates for residential local service that are below local urban rate floor
 - Residential local service rate
 - State subscriber line charges
 - State universal service fees
 - Mandatory extended area service charges
- Report number of lines below local urban rate floor
- Report lines and rates in effect as of June 1

Additional Voice Rate Data §54.313(h)

- Due January 2 of each year
- Pending OMB approval
- Mid-year update
 - **Optional** - to report increases to residential local rates or applicable state fees
 - **Mandatory** - if residential local rates or applicable fees decrease after June 1 sampling date causing residential rate to fall below local urban rate floor
- Report rates and fees in effect as of December 1

Local Urban Rate Floor

- July 1, 2012 – June 30, 2013 Local Urban Rate Floor = \$10
- July 1, 2013 – June 30, 2014 Local Urban Rate Floor = \$14
- July 1, 2014 and thereafter Local Urban Rate Floor to be announced annually by Wireline Competition Bureau

Ownership Information §54.313(a)(8)

- Due July 1, 2013 and annually thereafter
- Pending OMB approval
- Report to include:
 - Holding company
 - Operating company
 - Affiliates
 - Branding (“dba” or brand designation)
- Report relevant universal service identifiers for each such entity by Study Area Codes

Tribal Reporting §54.313(a)(9)

- Due July 1, 2013 and annually thereafter
- Pending OMB approval
- ETCs Serving Tribal Lands
- Information demonstrating that discussions with Tribal governments included (at a minimum):
 - Needs assessment and deployment planning with a focus on Tribal community anchor institutions
 - Feasibility and sustainability planning
 - Marketing services in a culturally sensitive manner

Tribal Reporting §54.313(a)(9)

- Information demonstrating compliance with:
 - Right-of-way processes
 - Land use permitting requirements
 - Facility siting rules
 - Environmental review processes
 - Cultural preservation review processes
 - Tribal business and licensing requirements
 - Certificate of Public Convenience and Necessity
 - Tribal business license
 - Master license
 - Other related forms of Tribal government licensure

Additional Certifications §54.313(a)(10)

- Due July 1, 2013 and annually thereafter
- Pending OMB approval
- A letter certifying that the company's rate for voice services is no more than two standard deviations above the applicable national average urban rate for voice service
- The national average urban rate to be specified by the Wireline Competition Bureau and Wireless Telecommunications Bureau and released in a public notice

Network Performance Tests §54.313(a)(11)

- Pending OMB approval
- 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
- FCC DA 13-332 clarifies ETCs are not required to file network performance results with the 2013 annual report

Financial Reporting §54.313(f)(2)

- Annual Report of the Company's Financial Condition and Operations
- Privately Held Rate of Return Carriers ONLY
- Pending OMB approval
- WCB to publish filing deadline

Financial Reporting §54.313(f)(2)

- Fifth Order on Reconsideration (FCC 12-1237), released 11/26/12
- Carriers receiving RUS loans
 - Submit 2011 RUS Operating Report
- Non-RUS borrowers that are audited
 - Option 1 – file audited 2011 financial statement
 - Option 2 – provide 2011 financial information in a form consistent with the RUS Operating Report
- Carriers that are not audited
 - Option 1 – file 2011 financial statement reviewed by a CPA
 - Option 2 – provide 2011 financial information in a form consistent with the RUS Operating Report
 - Include officer certification that carrier is not audited in the ordinary course of business and reported data are accurate

Filing Deadlines §54.313(j)

- Annual reporting information must be filed no later than July 1 of each year in order to receive support for the following calendar year
- Reports filed *after* the July 1 deadline
 - Filed no later than October 1 = support for the 2nd, 3rd, and 4th quarters of the subsequent year
 - Filed no later than January 1 = support for the 3rd and 4th quarters of the subsequent year
 - Filed no later than April 1 = support for the 4th quarter of the subsequent year

Certification of High-Cost Support §54.314

- Due October 1 – receive support in succeeding year
- Certification in letter format
- Clearly referencing WC Docket No. 10-90
- Filed with Office of the Secretary of the FCC **and** the Administrator of the high-cost fund

Certification of High-Cost Support §54.314

- Carriers Subject to State Jurisdiction
 - State regulatory authority must file an annual certification identifying which carriers in the state are eligible to receive federal support
 - Certify that all federal high-cost support provided to carriers within the 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

Certification of High-Cost Support §54.314

- Carriers Not Subject to State Jurisdiction
 - Carriers must file an a sworn affidavit executed by a corporate officer
 - Certify that all federal high-cost support received 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

Certification of High-Cost Support §54.314

- Filing Deadlines
 - Certifications Filed After October 1 Deadline
 - Certifications filed on or before January 1 - receive support in the 2nd, 3rd, & 4th quarters of that year
 - Certifications filed on or before April 1 – receive support in the 3rd & 4th quarters of that year
 - Certifications filed on or before July 1 – receive support in the 4th quarter of that year
 - Certifications filed after July 1 – no support received in that year

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FCC Study Area Boundary

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FCC Study Area Boundary

- FCC Report and Order, DA 12-1777 – adopted & released November 6, 2012
- Adopted data specifications for collecting study area boundaries
- Due to FCC by May 23, 2013
 - June 28, 2013 if submitted by State PUC
- Data will be used in:
 - Quantile regression analyses to generate limitations
 - Determining whether unsubsidized competitors offer service within an ROR's study area

FCC Study Area Boundary

- Data submitted via web interface
- Data can be submitted by ILECS, state commissions, or state telecom associations
- ILECs must review and verify accuracy of data
- Company officer must certify
- Changes to study area boundaries must be submitted by March 15 of each year
- All ILECs must recertify study area boundary data every two years

Shapefile Data Specifications

- Must be submitted in esri shapefile format
- Each shapefile must represent a single study area
- Shapefile templates are available at <http://transition.fcc.gov/wcb/iatd/neca.html>
- Shapefile must:
 - Contain one closed, non-overlapping polygon for each exchange in the study area that represents the area served from that exchange

Shapefile Data Specifications

- Shapefile must:
 - Have associated with each exchange polygon the following identifying feature attributes:
 - Operating Company Number
 - Company name
 - Exchange name
 - Acquired exchange if applicable
 - CLLI code(s) associated with exchange
 - Study Area Code
 - State
 - FRN

Shapefile Data Specifications

- Shapefile must:
 - Have an assigned projection with accompanying .prj file
 - Use unprojected (geographic) WGS84 geographic coordinate system
 - Have a minimum horizontal accuracy of +/- 40 feet or less, conforming to 1:24K national mapping standards
 - Be submitted as a WinZip archive with a name containing the company name and study area code (e.g., CompanyName_123456.zip)

Cover Page Information

- Information to be submitted with shapefile(s):
 - Contact person name
 - Contact person address
 - Contact person phone number
 - Contact person email address
 - Date created/revised
 - Methodology – process steps to create the data
 - Certifying official name
 - Certifying official address
 - Certifying official phone number
 - Certifying official email address

Questions?

Thank You!