

**Federal Communications Commission Response to
United States House of Representatives
Committee on Energy and Commerce
Universal Service Fund Data Request of June 15, 2010**

**Part 3
Largest Per-Line Subsidies, by Study Area**

Study Areas with the Highest Support per Line in 2009

Rank	Incumbent ETC	State	Holding Company ¹	Support ²	Lines (average ³)	Support per Line
1	WESTGATE COMMUNICATIONS LLC D/B/A WEAVTEL	Washington	Westgate Communications LLC	\$301,966	17	\$17,763
2	ADAK TEL UTILITY	Alaska	Adak Eagle Enterprises, LLC	\$2,198,444	171	\$12,894
3	BORDER TO BORDER	Texas	Border to Border Communications, Inc.	\$1,773,185	139	\$12,757
4	BEAVER CREEK TELEPHONE COMPANY	Washington	May, Bott et al.	\$338,910	29	\$11,892
5	SANDWICH ISLES COMM.	Hawaii	Sandwich Isles Communications, Inc.	\$23,945,376	2,192	\$10,926
6	ACCIPITER COMM.	Arizona	Accipiter Communications, Inc.	\$3,007,000	318	\$9,471
7	ALLBAND COMMUNICATIONS COOPERATIVE	Michigan	Allband Communications Cooperative	\$797,972	115	\$6,969
8	TERRAL TEL CO	Oklahoma	Terral Telephone Company	\$1,614,582	246	\$6,563
9	SOUTH PARK TEL. CO.	Colorado	American Broadband Communications et al.	\$1,086,314	177	\$6,137
10	S. CENTRAL TEL - OK	Oklahoma	South Central Telephone Association, Inc.	\$1,836,062	303	\$6,070

¹ Holding company name indicates common control/common ownership of carriers.

² Calendar year disbursements include prior period adjustments.

³ The average number of lines in 2009 was calculated by averaging the number of lines at the end of years 2008 and 2009. Because year-end 2009 line counts have not yet been filed with the Commission, the number of lines at the end of 2009 was estimated using a straight-line projection of data from 2004 to 2008.

Competitive ETCs in Study Areas with the Highest Support per Line in 2009

Rank	Incumbent ETC	Competitive ETC (CETC)	CETC Holding Company	CETC Support ¹	CETC Lines ²	Support per Line ³
2	ADAK TEL UTILITY	GCI Communications Corp.	General Communication, Inc.	\$442,166	68	\$6,502
				\$442,166	68	
3	BORDER TO BORDER	DialToneServices, L.P.	DialToneServices, L.P.	\$198,835	15	\$13,038
				\$198,835	15	
5	SANDWICH ISLES COMM.	Coral Wireless dba Mobi PCS NPCR, Inc.	Coral Wireless, LLC Sprint Nextel Corporation	\$25,614,882	2056	\$12,460
				\$7,538,694	609	\$12,379
				\$33,153,576	2665	
8	TERRAL TEL CO	UNITED STATES CELLULAR CORPORATION	Telephone and Data Systems, Inc.	\$349,971	123	\$2,851
				\$349,971	123	
9	SOUTH PARK TEL. CO.	Alltel Communications, LLC Western Wireless	Verizon Communications Inc. Verizon Communications Inc.	\$1,900	2	\$950
				\$551	1	\$551
				\$2,451	\$3	
10	S. CENTRAL TEL - OK	Cellular Network Partnership Cellular Network Partnership	Cellular Network Partnership Cellular Network Partnership	\$444,262	224	\$1,983
				\$109,041	240	\$454
				\$553,303	464	

¹ Source: USAC data. Although USAC provides the FCC Competitive ETC payments broken down by Incumbent LEC study area, USAC cannot do that for prior period adjustments. Therefore unlike the prior table, these figures are unadjusted disbursements for the calendar year, which are based on projections.

² USAC provides the FCC with the number of competitive ETC lines in each incumbent LEC study area on a monthly basis. Because competitive ETCs may not receive funds for all months of the year, the reported figure is the average number of lines for those months in which the carrier received support in that incumbent LEC study area.

³ There are several reasons why the per line support figures here do not match the per line figures in the prior table. Per-line support is often calculated at a level of aggregation below the study area. For example, per line support rates for both Interstate Access and Interstate Common Line Support are calculated separately for residential and multi-line business lines within a study area. If the lines of the incumbent and competitor(s) are allocated differently across classes of lines, per-line support from these funding mechanisms will be unequal at the study-area level. Similarly, High-Cost Model (HCM) Support is calculated for each wire center rather than the study area as a whole. It is likely that the lines of the incumbent and competitor(s) are allocated across wire centers in different proportions, leading to a condition where per-line HCM support is unequal at the study area level. Further, competitive ETCs may not have received support for all 12 months of the year due to eligibility. Also, see footnote 1.

Study Areas with the Highest Support per Line in 2008

Rank	Incumbent ETC	State	Holding Company ¹	Support ²	Lines (average ³)	Support per Line
1	BEAVER CREEK TIMBRLN	Washington	May, Bott et al.	\$454,524	28	\$16,528
2	BORDER TO BORDER	Texas	Border to Border Communications, Inc.	\$1,883,082	134	\$14,053
3	SANDWICH ISLES COMM.	Hawaii	Sandwich Isles Communications, Inc.	\$26,372,952	1,984	\$13,296
4	WESTGATE COMMUNICATIONS LLC D/B/A WEAVTEL	Washington	Westgate Communications LLC	\$188,382	15	\$12,559
5	ADAK TEL UTILITY	Alaska	Adak Eagle Enterprises, LLC	\$1,967,538	185	\$10,664
6	ALLBAND COMMUNICATIONS COOPERATIVE	Michigan	Allband Communications Cooperative	\$745,140	77	\$9,677
7	ACCIPITER COMM.	Arizona	Accipiter Communications, Inc.	\$2,242,602	288	\$7,800
8	TERRAL TEL CO	Oklahoma	Terral Telephone Company	\$1,685,103	257	\$6,570
9	S. CENTRAL TEL - OK	Oklahoma	South Central Telephone Association, Inc.	\$1,708,206	317	\$5,389
10	SOUTH PARK TEL. CO.	Colorado	American Broadband Communications et al.	\$990,807	195	\$5,081

¹ Holding company name indicates common control/common ownership of carriers.

² Calendar year disbursements include prior period adjustments.

³ The average number of lines in 2008 was calculated by averaging the number of lines at the end of years 2007 and 2008.

Competitive ETCs in Study Areas with the Highest Support per Line in 2008

Rank	Incumbent ETC	Competitive ETC	Competitive ETC Support ¹	CETC Lines ²	Support per Line ³
3	SANDWICH ISLES COMM.	NPCR, Inc.	\$14,042,097	913	\$15,380
		Coral Wireless dba Mobi PCS	\$19,363,416	1,289	\$15,022
			<u>\$33,405,513</u>	<u>2,202</u>	
8	TERRAL TEL CO	United States Cellular Corporation	\$532,977	127	\$4,197
			<u>\$532,977</u>	<u>127</u>	
9	S. CENTRAL TEL - OK	Cellular Network Partnership	\$651,272	185	\$3,520
			<u>\$651,272</u>	<u>185</u>	
10	SOUTH PARK TEL. CO.	Western Wireless	\$3,244	1	\$3,244
			<u>\$3,244</u>	<u>1</u>	

¹ Source: USAC data. Federal Communications Commission staff was unable to independently validate these data.

² Federal Communications Commission staff estimates of average annual competitive ETC lines.

³ There are several reasons why the per line support figures here do not match the per line figures in the prior table. Per-line support is often calculated at a level of aggregation below the study area. For example, per line support rates for both Interstate Access and Interstate Common Line Support are calculated separately for residential and multi-line business lines within a study area. If the lines of the incumbent and competitor(s) are allocated differently across classes of lines, per-line support from these funding mechanisms will be unequal at the study-area level. Similarly, High-Cost Model (HCM) Support is calculated for each wire center rather than the study area as a whole. It is likely that the lines of the incumbent and competitor(s) are allocated across wire centers in different proportions, leading to a condition where per-line HCM support is unequal at the study area level. Further, competitive ETCs may not have received support for all 12 months of the year due to eligibility. Also, USAC cannot provide the FCC with prior period adjustments broken down by incumbent LEC study area.

Study Areas with the Highest Support per Line in 2007

Rank	Incumbent ETC	State	Holding Company ¹	Support ²	Lines (average ³)	Support per Line
1	WESTGATE COMM. LLC dba WEAVTEL	Washington	Westgate Communications LLC	\$232,692	14	\$16,621
2	BEAVER CREEK TIMBRLN	Washington	May, Bott et al.	\$396,126	27	\$14,671
3	SANDWICH ISLES COMM.	Hawaii	Sandwich Isles Communications, Inc.	\$21,818,766	1,709	\$12,771
4	BORDER TO BORDER	Texas	Border to Border Communications, Inc.	\$1,382,160	139	\$9,979
5	ADAK TEL UTILITY	Alaska	Adak Eagle Enterprises, LLC	\$1,787,926	194	\$9,240
6	ALLBAND COMM. COOP.	Michigan	Allband Communications Cooperative	\$267,394	40	\$6,685
7	TERRAL TEL CO	Oklahoma	Terral Telephone Company	\$1,721,598	273	\$6,306
8	ACCIPITER COMM.	Arizona	Accipiter Communications, Inc.	\$1,476,648	235	\$6,284
9	SOUTH PARK TEL. CO.	Colorado	American Broadband Communications et al.	\$920,052	207	\$4,445
10	BEEHIVE TEL CO - UT	Utah	Beehive Telephone Companies	\$4,349,802	993	\$4,380

¹ Holding company name indicates common control/common ownership of carriers.

² Calendar year disbursements include prior period adjustments.

³ The average number of lines in 2007 was calculated by averaging the number of lines at the end of years 2006 and 2007. WESTGATE COMM. LLC dba WEAVTEL filed line count data beginning with year end 2007, so that number was used.

Competitive ETCs in Study Areas with the Highest Support per Line in 2007

Rank	Incumbent ETC	Competitive ETC	Competitive ETC Support ¹	CETC Lines ²	Support per Line ³
3	SANDWICH ISLES COMM.	NPCR, Inc.	\$19,594,308	1,304	\$15,026
		Coral Wireless dba Mobi PCS	\$7,890,117	653	\$12,083
			\$27,484,425	1,957	
7	TERRAL TEL CO	United States Cellular Corporation	\$824,889	133	\$6,202
			\$824,889	133	

¹ Source: USAC data. Federal Communications Commission staff was unable to independently validate these data.

² Federal Communications Commission staff estimates of average annual competitive ETC lines.

³ There are several reasons why the per line support figures here do not match the per line figures in the prior table. Per-line support is often calculated at a level of aggregation below the study area. For example, per line support rates for both Interstate Access and Interstate Common Line Support are calculated separately for residential and multi-line business lines within a study area. If the lines of the incumbent and competitor(s) are allocated differently across classes of lines, per-line support from these funding mechanisms will be unequal at the study-area level. Similarly, High-Cost Model (HCM) Support is calculated for each wire center rather than the study area as a whole. It is likely that the lines of the incumbent and competitor(s) are allocated across wire centers in different proportions, leading to a condition where per-line HCM support is unequal at the study area level. Further, competitive ETCs may not have received support for all 12 months of the year due to eligibility. Also, USAC cannot provide the FCC with prior period adjustments broken down by incumbent LEC study area.

List of Carriers Not Receiving High-Cost Support in 2009

Study Area				Percentage of	Percentage of
Rank	Study Area Name	Competitor Not Receiving High-Cost Support ¹	Wireless	Population Covered	Area Covered
1	WESTGATE COMM. LLC dba WEAVTEL	360NETWORKS (USA) INC. - WA	N		
		BANDWIDTH.COM CLEC, LLC - WA	N		
		CELLCO PARTNERSHIP DBA VERIZON WIRELESS - WA	N		
		CHARTER FIBERLINK WA - CCVII, LLC - WA	N		
		COMPUTERS 5*, INC. DBA LOCALTEL - WA	N		
		LEVEL 3 COMMUNICATIONS, LLC - WA	N		
		MCI WORLDCOM COMMUNICATIONS, INC. - WA	N		
		SPRINT COMMUNICATIONS COMPANY, L.P. - WA	N		
		VERIZON NORTHWEST INC.-WA	N		
		ZAYO BANDWIDTH NORTHWEST, INC.	N		
		Sprint Nextel	Y	* ²	* ²
		T-Mobile	Y	* ²	* ²
		Verizon Wireless	Y	* ²	* ²
		AT&T	Y	* ²	* ²
3	BORDER TO BORDER	AT&T	Y	100	100
		Leap Wireless	Y	18	14
		Pocket Communications	Y	92	83
		Sprint Nextel	Y	95	81
		T-Mobile	Y	86	72
		Verizon Wireless	Y	94	77

List of Carriers Not Receiving High-Cost Support in 2009

Study Area				Percentage of	Percentage of
Rank	Study Area Name	Competitor Not Receiving High-Cost Support ¹	Wireless	Population Covered	Area Covered
4	BEAVER CREEK TIMBRLN	360NETWORKS (USA) INC. - WA	N		
		ADVANCED TELCOM GROUP, INC. - WA	N		
		BANDWIDTH.COM CLEC, LLC - WA	N		
		BROADWING COMMUNICATIONS, LLC - WA	N		
		COMCAST PHONE OF WASHINGTON/OREGON, LLC - WA	N		
		ELECTRIC LIGHTWAVE, LLC DBA INTEGRA TELECOM - WA	N		
		GLOBAL CROSSING LOCAL SERVICES, INC.-WA	N		
		INTEGRA TELECOM OF WASHINGTON, INC. - WA	N		
		INTERNATIONAL TELCOM, LTD. - WA	N		
		LEVEL 3 COMMUNICATIONS, LLC - WA	N		
		MCIMETRO ACCESS TRANSMISSION SERVICES LLC	N		
		PAC - WEST TELECOMM, INC. - WA	N		
		SPRINT COMMUNICATIONS COMPANY, L.P. - WA	N		
		TELEPORT COMMUNICATIONS GROUP - SEATTLE	N		
		TW TELECOM OF WASHINGTON LLC - WA	N		
		VERIZON NORTHWEST INC.-WA	N		
		XO WASHINGTON, INC.	N		
5	SANDWICH ISLES COMM.	COMMPARTNERS, LLC - HI	N		
		HAWAIIAN TELCOM SERVICES COMPANY, INC.	N		
		HAWAIIAN TELCOM, INC. - HI	N		
		MCIMETRO ACCESS TRANSMISSION SERVICES LLC	N		
		PACIFIC LIGHTNET, INC. - HI	N		
		TW TELECOM OF HAWAII L.P. - HI	N		
		AT&T	Y	100	100
		T-Mobile	Y	100	100
Verizon Wireless	Y	100	100		

List of Carriers Not Receiving High-Cost Support in 2009

Study Area		Competitor Not Receiving High-Cost Support ¹	Wireless	Percentage of Population Covered	Percentage of Area Covered
Rank	Study Area Name				
6	ACCIPITER COMM.	360NETWORKS (USA) INC. - AZ	N		
		ALLEGIANCE TELECOM OF ARIZONA, INC.	N		
		AT&T LOCAL	N		
		BANDWIDTH.COM CLEC, LLC - AZ	N		
		CITYNET ARIZONA, LLC - AZ	N		
		COX ARIZONA TELCOM, INC. - AZ	N		
		ELECTRIC LIGHTWAVE, LLC DBA INTEGRA TELECOM - AZ	N		
		ESCHELON TELECOM OF ARIZONA, INC. - AZ	N		
		GILA LOCAL EXCHANGE CARRIER, INC. - AZ	N		
		GLOBAL CROSSING LOCAL SERVICES, INC.-AZ	N		
		GREAT WEST SERVICES, LTD. - ARIZONA	N		
		LEVEL 3 COMMUNICATIONS, LLC - AZ	N		
		MCIMETRO ACCESS TRANSMISSION SERVICES LLC	N		
		MCLEODUSA TELECOMMUNICATIONS SERVICES, INC.- AZ	N		
		MIDVALE TELEPHONE EXCHANGE, INC.	N		
		MOUNTAIN TELECOMMUNICATIONS, INC. - CLEC	N		
		NATIONAL BRANDS, INC. DBA SHARENET COMMS - AZ	N		
		NEUTRAL TANDEM-ARIZONA, LLC - AZ	N		
		NORTH COUNTY COMMUNICATIONS CORP.	N		
		PAC - WEST TELECOMM, INC. - AZ	N		
		QWEST CORPORATION	N		
		SADDLEBACK COMMUNICATIONS COMPANY	N		
		SPRINT COMMUNICATIONS COMPANY, L.P. - AZ	N		
		TELEPORT COMMUNICATIONS GROUP - PHOENIX	N		
		TW TELECOM OF ARIZONA LLC - VA	N		
		XO ARIZONA, INC.	N		
		YMAX COMMUNICATIONS CORP. - AZ	N		
		AT&T	Y	100	99
		Leap Wireless	Y	87	34
		Sprint Nextel	Y	100	98
		T-Mobile	Y	100	100
		Verizon Wireless	Y	100	100

List of Carriers Not Receiving High-Cost Support in 2009

Study Area				Percentage of	Percentage of
Rank	Study Area Name	Competitor Not Receiving High-Cost Support ¹	Wireless	Population Covered	Area Covered
7	ALLBAND COMM. COOP.	AT&T	Y	100	100
		Sprint Nextel	Y	0	2
		Verizon Wireless	Y	25	34
8	TERRAL TEL CO	AT&T	Y	100	100
		Choice Wireless	Y	2	18
		Pioneer Enid	Y	100	100
		Sprint Nextel	Y	100	95
		T-Mobile	Y	95	60
		Verizon Wireless	Y	100	100
9	SOUTH PARK TEL. CO.	Commnet Wireless	Y	100	100
		W. Stephen Cannon Management Trustee (fmr VW-ALLTEL)	Y	100	100
10	S. CENTRAL TEL - OK	AT&T	Y	100	100
		T-Mobile	Y	100	99
		Verizon Wireless	Y	0	3

0 indicates a number greater than 0 but less than 0.5.

¹ For wireless carriers, Tele Atlas Wire Center Premium v12.1 April 2008 was used to determine the study areas for each incumbent ETC. American Roamer[®] was then used to create a list of competing wireless carriers. United States Census data were used to determine the percentages of population and area covered by each wireless carrier. For wireline carriers, the LERG was used to determine the rate centers served by each incumbent ETC. Any other wireline carrier serving those rate centers was added to the list of wireline carriers competing against the incumbent ETC. Because the Commission does not know what portion of the rate center that a wireline serves and because the incumbent ETC study area may not encompass the entire rate center area census data were not used to determine the percentages of population and area covered by the wireline carrier. A list of carriers receiving High-Cost Support was generated using USAC data filed with the FCC. Carriers on the first two lists (the American Roamer-based list and the LERG-based list) USAC data filed with the FCC. Carriers on the first two lists (the American Roamer-based list and the LERG-based list) that were not on the High-Cost Support list are identified here. Because carriers may serve only a portion of a rate center, the list of wireline carriers may be over inclusive. In particular, because very small incumbent LECs may serve only a small portion of a large rate center, the list of wireline carriers (which can be developed only at the rate center level) may be significantly over inclusive in some instances. Also, matching carrier names among the lists is an imperfect art because, for example, carriers often use multiple different names. Although care was used in the matching process, there may be some carriers on this list that receive High-Cost Support. Further, our sources may have omitted other carriers, especially resellers, that compete with the incumbent but do not receive High-Cost Support.

² Tele Atlas Wire Center Premium v12.1 April 2008 does not include wire centers for this incumbent LEC. Staff estimated the carrier's location and determined which wireless carriers served that point. Thus, these percentages could not be calculated.