In the Matter of

Federal-State Joint Board on Universal Service

Allo Communications Petition for Waiver of Section 54.307(c) of the Commission’s Rules

Bayland Communications, LLC Petition for Waiver of Section 54.904(d) Deadline for Submission of Annual Certification by Eligible Telecommunication Carrier Serving Lines in the Service Area of a Rate-of-Return Carrier to Receive Interstate Common Line Support

Columbus Telephone Company Petition for Waiver of Section 54.903(a) of the Commission’s Rules

Great Lakes of Iowa, Inc. Petition for Waiver of the Commission’s Universal Service Rules

HTC Communications, LLC Petition for Waiver of Section 54.802(a) of the Commission’s Rules

Pine Belt Cellular, Inc. Petition for Waiver of Section 54.314 and 54.904 of the Commission’s Rules

Windy City Cellular, LLC Petition for Waiver of Universal Service High-Cost Filing Deadlines Section 54.307(c)

ORDER


By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, we deny seven separate petitions filed by Allo Communications (Allo), Bayland Communications, LLC (Bayland), Columbus Telephone Company (Columbus), Great Lakes of Iowa, Inc. (Great Lakes), HTC Communications, LLC (HTC), Pine Belt Cellular, Inc. (Pine Belt), and
Windy City Cellular, LLC (Windy City) for waiver of high-cost universal service support filing deadlines set forth in sections 54.307, 54.314, 54.802, 54.809, 54.903(a), and 54.904(d) of the Commission’s rules. For the reasons discussed below, we find that none of these petitioners has demonstrated that there is good cause to grant the requested waivers. We therefore deny the petitions.

II. BACKGROUND

A. Commission Precedent

2. Section 254(e) of the Communications Act of 1934, as amended, provides that “only an eligible telecommunications carrier [(ETC)] designated under section 214(e) shall be eligible to receive specific Federal universal service support” and such support shall be used “only for the provision, maintenance, and upgrading of facilities and services for which support is intended.” To implement this statutory requirement, the Commission has adopted rules that include various certification and data filing requirements and established deadlines for those filings. Consistent with our precedent, complete and accurate submissions must be received in the appropriate places by the applicable deadline to be considered timely filed. Each petitioner requests waiver of a filing deadline associated with one or more of the requirements described below.

3. Section 54.307(d) of the Commission’s rules provides that a newly designated ETC must file working line count information with the Universal Service Administrative Company (USAC) within sixty days of the effective date of its designation as an ETC in order to receive high-cost universal service support as of its designation date. After meeting the initial filing requirements, section 54.307(c)
provides that a competitive ETC must file working line count data with USAC on a quarterly basis to continue to receive certain high-cost support.\(^7\) Mandatory line count data must be submitted no later than March 30, July 31, September 30, and December 30 of each year.\(^8\)

4. Section 54.314 of the Commission’s rules provides that states shall file an annual certification with USAC and the Commission stating that all high-cost support received by rural ETCs within such states will be used only for the provision, maintenance, and upgrading of facilities and services for which support is intended.\(^9\) In instances where carriers are not subject to the jurisdiction of a state, the Commission allows ETCs to certify directly to the Commission and USAC that federal high-cost support will be used in a manner consistent with section 254(e) of the Act.\(^10\) Section 54.314 states that the certification must be filed by October 1 of the preceding calendar year to receive support beginning in the first quarter of a subsequent calendar year.\(^11\)

5. To receive Interstate Access Support (IAS), an ETC that is providing service within an area served by a price cap local exchange carrier must file line count data on a quarterly basis, pursuant to section 54.802 of the Commission’s rules.\(^12\) Specifically, the ETC must submit line count data showing separately the number of residential/single-line business lines and multi-line business lines within its study area on a quarterly basis.\(^13\) Mandatory line count data are due on the last business day of March, June, September, and December of each year.\(^14\) In addition, pursuant to section 54.809 of the Commission’s rules, an ETC must file an annual certification with USAC and the Commission stating that all IAS received by the ETC will be used “only for the provision, maintenance, and upgrading of facilities and services for which support is intended.”\(^15\) A carrier’s certification must be filed on the date the carrier first files its line count data information with USAC, and thereafter on June 30 of each year.\(^16\)

6. To receive Interstate Common Line Support (ICLS), rate-of-return carriers must submit to USAC, among other things, projected data necessary to calculate the carrier’s prospective ICLS, including common line cost and revenue data, for each of its study areas in the upcoming funding year.\(^17\) This filing is due annually on March 31.\(^18\) In addition, pursuant to section 54.904 of the Commission’s rules, a carrier must submit a certification to USAC and the Commission stating that all ICLS received by

\(^7\) See id.

\(^8\) Id.

\(^9\) 47 C.F.R. § 54.314. The certification requirement for non-rural ETCs is found in section 54.313 of the Commission’s rules. 47 C.F.R. § 54.313.


\(^12\) See 47 C.F.R. § 54.802(a).

\(^13\) Id.

\(^14\) Id.

\(^15\) 47 C.F.R. § 54.809(a).

\(^16\) See 47 C.F.R. §54.809(c).

\(^17\) 47 C.F.R. § 54.903(a)(3).

\(^18\) Id.
it will be used only for the provision, maintenance, and upgrading of facilities and services for which such support is intended.\(^\text{19}\) The certification must be filed on the date that the carrier first files its line count information and thereafter on June 30 of each year.\(^\text{20}\)

**B. The Petitions**

7. **Allo’s Petition.** On May 10, 2010, Allo filed a petition for waiver of the March 30, 2010 filing deadline set forth in section 54.307(c) of the Commission’s rules.\(^\text{21}\) Allo states that this submission was due in the midst of its audit season and that it inadvertently missed the deadline.\(^\text{22}\) According to its petition, Allo submitted the required report as soon as the error was discovered, which was 40 days after the deadline.\(^\text{23}\)

8. **Bayland’s Petition.** On January 25, 2010, Bayland filed a petition for waiver of the June 30, 2009 certification filing deadline set forth in section 54.904(d) of the Commission’s rules.\(^\text{24}\) Bayland was acquired by Nsight at the end of 2007, but retained all Bayland staff to oversee the administration of the company during 2008.\(^\text{25}\) In 2009, Nsight redistributed various responsibilities, and the employee responsible for Bayland’s filings did not realize that he was required to file the annual ICLS certification in addition to FCC Form 525.\(^\text{26}\) Bayland states that it filed the certification on October 20, 2009, as soon as the oversight was discovered.\(^\text{27}\) Bayland states that it has put measures in place to ensure that this oversight does not happen again.\(^\text{28}\)

9. **Columbus’ Petition.** On August 20, 2009, Columbus filed a petition for waiver of the March 31, 2008 filing deadline set forth in section 54.903(a) of the Commission’s rules.\(^\text{29}\) Columbus states that it forwarded its requisite ICLS line count data and certification to NECA on March 31, 2008, the deadline for submission to USAC.\(^\text{30}\) Columbus contends that NECA provided verbal confirmation of its receipt and assurances that it would be forwarded to USAC.\(^\text{31}\) However, sometime in the fall of 2008, Columbus realized that the filings had not been received by USAC.

10. **Great Lakes’ Petition.** On February 1, 2006, Great Lakes filed a petition for waiver of the filing deadlines for the period between December 2002 and September 2003 set forth in sections 54.307, 54.802, 54.809 and 54.904 of the Commission’s rules.\(^\text{32}\) During these twelve months, Great Lakes

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\(^{19}\) See 47 C.F.R. §§ 54.904(a).

\(^{20}\) See 47 C.F.R. § 54.904(d).

\(^{21}\) Allo Petition at 1.

\(^{22}\) Id.

\(^{23}\) Id.

\(^{24}\) Bayland Petition at 1.

\(^{25}\) Id. at 5.

\(^{26}\) Id.

\(^{27}\) Id.

\(^{28}\) Id. at 6.

\(^{29}\) Columbus Petition at 1.

\(^{30}\) Id.

\(^{31}\) Id.

\(^{32}\) Great Lakes Petition at 1.
missed 18 separate filing deadlines. Great Lakes asserts that it missed the deadlines due to the alleged confusion of the manager responsible for these filings. Great Lakes states that his failure to seek help or inform anyone at Great Lakes of his filing lapses ultimately resulted in his firing. Upon his firing, Great Lakes states that its new manager provided the Commission and USAC with its line count reports and annual certifications.

11. **HTC’s Petition.** On August 22, 2008, HTC filed a petition for waiver of the June 30, 2008 deadline set forth in section 54.802(a) of the Commission’s rules. HTC was designated as a competitive ETC on April 17, 2008, and its first line count filing deadline for receiving IAS support was due to USAC on June 30, 2008. On April 11, 2008, HTC mailed its FCC Form 498, which was rejected on April 21 because HTC had used a Post Office box as a mailing address and had neglected to include a general contact signature with the form. On April 28, 2008, HTC mailed a second FCC Form 498 which rectified the errors in the first form. However, USAC placed HTC’s request for a new service provider identification number (SPIN) on hold because USAC’s records showed that HTC already had a SPIN and HTC did not elect Schools and Libraries Funding. Therefore, HTC mailed a third FCC Form 498 to USAC. USAC rejected the form on May 29, 2008 because the accompanying W-9 form was incorrectly populated with a Post Office box as the mailing address. On June 11, HTC mailed a fourth FCC Form 498 to USAC and followed up with two phone calls on June 25, 2008, receiving its SPIN on that date. It did not receive its study area code (SAC) until June 30, 2008, the due date of HTC’s IAS line count filing. HTC subsequently filed its IAS line count data on July 31, 2008. HTC asserts that USAC’s administrative inefficiencies constitute special circumstances warranting waiver in this instance.

12. **Pine Belt’s Petition.** On May 29, 2009, Pine Belt filed a petition for waiver of the deadlines set forth in sections 54.314 and 54.904 of the Commission’s Rules. Pine Belt states that it intended to file on time and its consultant prepared the required certifications in a timely manner, but due to miscommunication between the company and consultant, the certifications were not timely filed. Pine Belt states it did not discover the error until it did not receive payments for High Cost Model Support, High Cost Loop Support, Local Switching Support and Interstate Common Line Support for January and

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33 Id. at 2–3.
34 Id. at 6.
35 Id. at 3.
36 HTC Petition at 2–3.
37 Id. at 3.
38 Id. at 4.
39 Id.
40 Id.
41 Id. at 5.
42 Id.
43 Id.
44 Id. at 6.
45 Pine Belt Petition at 4.
February 2009. After conversations with USAC about the missed filing, Pine Belt filed the certifications more than fourteen business days late.

13. **Windy City’s Petition.** On June 12, 2009 Windy City Cellular filed a petition for waiver of the deadline set forth in section 54.307(d) of the Commission’s rules. The Regulatory Commission of Alaska designated Windy City as an ETC on December 3, 2008. After being designated, Windy City began the process of applying for high-cost support by requesting a FCC Form 499-A filer ID on December 22, 2008. On January 12, 2009, Windy City filed FCC Form 498, which was rejected on January 21 due to an incorrect email and location address. By February 1, 2008 it had not yet received a SPIN. Finally, on April 11, 2009, Windy City filed all the requisite data, more than two months after the deadline.

III. DISCUSSION

14. We find that each petitioner has failed to demonstrate that there is good cause to waive the applicable sections of the Commission’s rules. Generally, the Commission’s rules may be waived if good cause is shown. The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest. In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. Waiver of the Commission’s rules is appropriate only if both (i) special circumstances warrant a deviation from the general rule, and (ii) such deviation will serve the public interest.

15. Because USAC processes such a large amount of data each year, it is necessary that carriers meet the requisite filing deadlines, absent special circumstances. Carriers are responsible for reviewing and understanding the rules to ensure that submissions are filed in a timely manner. The petitioners did not promptly cure their failure to timely file, nor did the petitioners provide evidence of special circumstances sufficient to satisfy the good cause waiver standard.

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46 Id.
47 Id.
48 Windy City Petition at 1.
49 Id. at 4.
50 Id.
51 Id.
52 Id.
53 Id. at 5.
54 47 C.F.R. § 1.3.
56 WAIT Radio v. FCC, 418 F.2d 1153, 1159 (D.C. Cir. 1969); Northeast Cellular, 897 F.2d at 1166.
57 NetworkIP, LLC v. FCC, 548 F.3d 116, 125-128 (D.C. Cir. 2008); Northeast Cellular, 897 F.2d at 1166.
59 Id.
60 Compare Federal-State Board on Universal Service, NPCR, Inc. Petition for Waiver of Section 54.802(a) of the Commission’s Rules, CC Docket No. 96-45, Order, 22 FCC Rcd 560 (Wireline Comp. Bur. 2007) (waiver granted
16. **Allo, Columbus, and Pine Belt.** Allo, Columbus, and Pine Belt have previously filed for and received waivers of high-cost filing deadlines.\(^{61}\) At that time, Columbus and Pine Belt committed to put procedures in place to avoid missing future deadlines. We do not find good cause to grant these additional waiver requests when these carriers either committed to or should have put in place sufficient procedures to avoid missing subsequent high-cost filing deadlines.

17. **Bayland and Great Lakes.** Bayland and Great Lakes claim that their employees were confused about the filing requirements.\(^{62}\) In addition, Bayland notes that the company was undergoing a reorganization.\(^{63}\) Confusion about the Commission’s rules\(^{64}\) and administrative reorganizations\(^{65}\) do not

when line count data was received one business day after the filing deadline); Verizon Communications Inc. Petition for Waiver of Section 54.802(a) of the Commission’s Rules, CC Docket No. 96-45, Order, 21 FCC Rcd 10149 (Wireline Comp. Bur. 2006) (waiver granted when deadline was missed by two business days); Citizens Communications and Frontier Communications Petition for Waiver of Section 54.802(a) of the Commission’s Rules, CC Docket 96-45, Order, 20 FCC Rcd 16761 (Wireline Comp. Bur. 2005) (waiver granted when deadline was missed by two business days), with Federal-State Joint Board on Universal Service, Cedar Valley Communications, Inc. Petition for Waiver of 47 C.F.R. §§ 54.307(d), 54.314(a), and 54.904(d), CC Docket 96-45, Order, 23 FCC Rcd 114 (Wireline Comp. Bur. 2008) (waiver denied because the filing deadline was missed by more than five months); South Slope Cooperative Telephone Company Petition for Waiver of Filing Deadline in 47 C.F.R. Section 54.307(c), CC Docket 96-45, Order, 19 FCC Rcd 17493 (Wireline Comp. Bur. 2004) (waiver denied because the data was filed more than a month late); NPI-Omnipoint Wireless, LLC Petition for Waiver of Sections 54.307(c), 54.802(a), and 54.903 of the Commission’s Rules; SouthEast Telephone, Inc. Petition of Waiver of Deadlines in 47 C.F.R. § 54.809(c); SEI Data, Inc. Petition for Waiver of Filing Deadline in 47 C.F.R. Section 54.802(a), CC Docket 96-45, Order, 22 FCC Rcd 4946 (Wireline Comp. Bur. 2007) (NPI’s waiver denied because the data was filed six months late, SouthEast’s waiver denied because the data was filed two months late; SEI’s waiver denied because the data was filed three months late).

\(^{61}\) See Allo Communications Petition for Waiver of a Filing Deadline, CC Docket No. 96-45 (filed Nov. 30, 2007); Columbus Telephone Company Petition for Waiver of Deadline in 47 C.F.R. § 54.301(b), CC Docket No. 96-45 (filed Nov. 26, 2003); Pine Belt Cellular, Inc. Petition for Waiver of Section 54.313 of the Commission’s Rules, CC Docket No. 96-45 (filed Mar. 3, 2005); Pine Belt Cellular, Inc. Petition for Waiver of Section 54.307(c) of the Commission’s Rules, CC Docket No. 96-45 (filed June 2, 2006). The Commission granted the waivers. See Allo Communications Petition for Waiver of Filing Deadline; Aventure Communication Technology, LLC Petition for Waiver of Sections 54.307(c) and 54.802 of the Commission’s Rules; Cellular Study Area Code 559002 Petition for Waiver of Section 54.307(c)(4) Line Count Certification for CETC Universal Service Funding; PrairieWave Black Hills, LLC Petition for Waiver of Section 54.802(a) of the Commission’s Rules; Texas RSA 1 Limited Partnership d/b/a XIT Wireless Petition for Waiver of the Section 54.307(c)(1) Applicable to the Line Count Submission Applicable to Interstate Common Line Support, WC Docket No. 08-71, CC Docket No. 96-45, Order, 23 FCC Rcd 15325 (Wireline Comp. Bur. 2008) (granting Allo Petition); Alliance Communications Cooperative, Inc. and Hills Telephone Company, Inc.; East Ascension Telephone Company, LLC and Columbus Telephone Company Petitions for Waiver of Section 54.301 Local Switching Support Data Submission Reporting Date, CC Docket No. 96-45, Order, 20 FCC Rcd 18250 (Wireline Comp. Bur. 2005) (granting the Columbus petition); Pine Belt Cellular, Inc. Petition for Waiver of Section 54.313 of the Commission’s Rules, CC Docket No. 96-45, Order, 21 FCC Rcd 9175 (Wireline Comp. Bur. 2006) (granting first Pine Belt petition); SouthEast Telephone, Inc. Expeditied Petition for Waivers of Deadlines in Sections 54.307(c)(2) and 54.802(a) of the Commission’s Rules; Cellular Network Partnership d/b/a Pioneer Cellular Petition for Waiver of Deadline in 47 C.F.R. § 54.307(c); Pine Belt Cellular, Inc. Petition for Waiver of Section 54.307(c) of the Commission’s Rules, CC Docket No. 96-45, Order, 21 FCC Rcd 10149 (Wireline Comp. Bur. 2006) (granting second Pine Belt petition).

\(^{62}\) See supra paras. 8, 10.

\(^{63}\) See supra para. 8.

\(^{64}\) See, e.g., Mid-Tex Cellular, Ltd. Petition for Waiver of the FCC’s Universal Service Rules, CC Docket No. 96-45, 21 FCC Rcd 14931, 14933–34, para. 10 (Wireline Comp. Bur. 2006) (“Mid-Tex’s only excuse for its late filing was its confusion over the deadline. Such an excuse does not constitute special circumstances.”).
constitute special circumstances warranting waiver. Without additional compelling facts surrounding the missed deadlines, which have not been presented here, we cannot conclude that good cause supports the requested waivers.

18. **HTC and Windy City.** HTC and Windy City contend that they missed the deadlines due to administrative difficulties.66 Where administrative difficulties are the cause of late-filed line counts and certifications, some additional showing is necessary to establish special circumstances. HTC pleads that USAC’s “inefficient administrative procedures” caused the delay.67 However, both HTC and Windy City’s pleadings fall short, particularly because the parties’ own errors contributed to the delay experienced by both. For example, both parties failed to follow the FCC Form 498 instructions,68 resulting in the rejection of their respective forms. In total, neither company’s administrative difficulties were so unique as to constitute special circumstances.

19. We remind carriers that it is their responsibility to ensure that their complete and accurate filings are timely received in the appropriate places, regardless of the time and method of their filings. Carriers now have many options by which to file, including U.S. Mail, other sources of commercial delivery, facsimile, and electronic mail (e-mail). For instance, any carrier receiving funding from the high-cost universal support mechanism may file timely via email at hcfilings@hcli.universalservice.org. Additional information regarding USAC’s filing procedures and deadlines can be found at http://www.usac.org/hc/tools/filing-tool/default.aspx. We encourage carriers to use any and all methods they deem necessary to ensure that their filings are timely received.

20. We conclude that no carrier has demonstrated that good cause exists to grant its petition. Therefore, we deny all of the petitions.

IV. ORDERING CLAUSES

21. Accordingly, IT IS ORDERED, pursuant to sections 1, 4(i), 5(c), 214, and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 155(c), 214, and 254, and sections 0.91, 0.291, and 1.3 of the Commission’s rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, that this order IS ADOPTED.

22. IT IS FURTHER ORDERED, pursuant to authority delegated under sections 0.91, 0.291, 1.3 and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3 and 54.722(a), that the Petition for Waiver of Section 54.307(c) of the Commission’s Rules filed by Allo Communications IS DENIED.

23. IT IS FURTHER ORDERED, pursuant to authority delegated under sections 0.91, 0.291, 1.3 and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3 and 54.722(a), that the Bayland Communications, LLC Petition for Waiver of Section 54.904(d) Deadline for Submission of

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65 See, e.g., Citizens Communications and Frontier Communications Petition for Waiver of Section 54.802(a) of the Commission's Rules, CC Docket No. 96-45, 20 FCC Rcd 16761, 16762–63, paras. 5, 7 (Wireline Comp. Bur. 2005) (finding that a corporate reorganization, a potential loss of $9.6 million dollars, and a filing two business days late, constituted special circumstances); Verizon Communications Inc. Petition for Waiver of Section 54.802(a) of the Commission’s Rules, CC Docket No. 96-45, 21 FCC Rcd 10155, 10156, para. 4 (Wireline Comp. Bur. 2006) (finding that a corporate reorganization and a filing two business days late constituted special circumstances). We note that Commission staff requested additional information from Great Lakes’ counsel regarding the circumstances surrounding the missed deadlines, which petitioner’s counsel did not provide.

66 See supra paras. 11, 13.

67 HTC Petition at 5.

68 See HTC Petition 3–4; Windy City Petition at 4.
Annual Certification by Eligible Telecommunication Carrier Serving Lines in the Service Area of a Rate-of-Return Carrier to Receive Interstate Common Line Support IS DENIED.

24. IT IS FURTHER ORDERED, pursuant to authority delegated under sections 0.91, 0.291, 1.3 and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3 and 54.722(a), that the Columbus Telephone Company Petition for Waiver of Section 54.903(a) of the Commission's Rules IS DENIED.

25. IT IS FURTHER ORDERED, pursuant to authority delegated under sections 0.91, 0.291, 1.3 and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3 and 54.722(a), that the Petition for Waiver of the FCC’s Universal Service Rules filed by Great Lakes of Iowa, Inc. IS DENIED.

26. IT IS FURTHER ORDERED, pursuant to authority delegated under sections 0.91, 0.291, 1.3 and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3 and 54.722(a), that the HTC Communications, LLC Petition for Waiver of Section 54.802(a) of the Commission’s Rules IS DENIED.

27. IT IS FURTHER ORDERED, pursuant to authority delegated under sections 0.91, 0.291, 1.3 and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3 and 54.722(a), that the Pine Belt Cellular, Inc. Petition for Waiver of Sections 54.314 and 54.904 of the Commission’s Rules IS DENIED.

28. IT IS FURTHER ORDERED, pursuant to authority delegated under sections 0.91, 0.291, 1.3 and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.3 and 54.722(a), that the Windy City Cellular, LLC Petition for Waiver of Universal Service High-Cost Filing Deadlines Section 54.307(c) IS DENIED.

29. IT IS FURTHER ORDERED that, pursuant to section 1.102(b)(1) of the Commission’s rules, 47 C.F.R. § 1.102(b)(1), this order SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Sharon E. Gillett
Chief
Wireline Competition Bureau