

TENNESSEE REGULATORY AUTHORITY

Eddie Roberson, Chairman
Pat Miller, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

September 27, 2007

filed electronically in docket office on 09/19/07

Ms. Marlene Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW – Room TW-A306
Washington D.C. 20554

Subject: State Certification That Basic Service Rates In Rural, High-Cost Areas
Served By Non-Rural Carriers Are Reasonably Comparable To The
National Urban Rate

Dear Ms. Dortch:

This letter is sent as certification that rural rates for services provided by the non-rural carriers in Tennessee are reasonably comparable to the nationwide benchmark urban rate.

In October 2003, the Federal Communications Commission modified the high cost universal service support mechanism for non-rural carriers.¹ One of the modifications was that the certification process was expanded by requiring each state to provide information to the Commission regarding the comparability of the rates in rural areas served by non-rural carriers within the state to urban rates nationwide. To ensure comparability of the rural rates the Commission established a “safe harbor” benchmark national urban rate,² and determined that other relevant factors, such as poor service quality or limited calling areas, should also be considered.³

Pursuant to the Commission’s direction, the Tennessee Regulatory Authority (“Authority”) has reviewed the residential rates charged by the non-rural carrier in rural areas and found them to be below the “safe harbor” benchmark established by the Commission. In addition, the Authority has considered other relevant factors of service quality and the calling scopes associated with rates, and determined that the rate comparability is not limited by these factors.

¹ *In the Matter of Federal-State Joint Board on Universal Service, Order on Remand, Further Notice of Proposed Rulemaking and Memorandum Opinion and Order*, FCC 03-249 (October 7, 2003).

² *Id.*, ¶ 81.

³ *Id.*, ¶ 90.

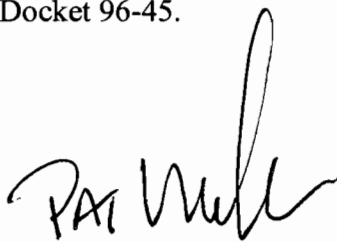
Accordingly, the Tennessee Regulatory Authority certifies that non-rural carrier rates for residential service in Tennessee's rural areas are reasonably comparable to the national urban rate benchmark.

This filing is made pursuant to CC Docket 96-45.

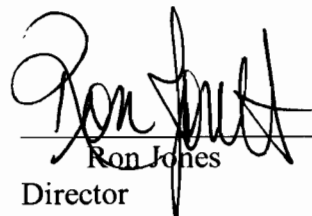
Sincerely,



Eddie Roberson
Chairman



Pat Miller
Director



Ron Jones
Director