

TEC

CONFIDENTIAL

17-00068

June 28, 2017

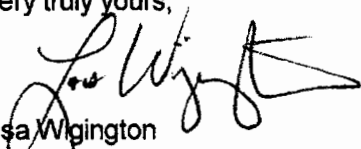
Mr. David Foster
Chief, Telecommunications
Tennessee Regulatory Authority
502 Deaderick St.
Nashville, TN 37243-0505

**RE: TRA Certification of Eligibility to Receive High Cost Support
Pursuant to 47 C.F.R. §54.314**

Dear Mr. Foster:

In conjunction with the Tennessee Regulatory Authority (the "Commission") annual certification requirements, please find attached the certification of Peoples Telephone Company dba TEC (the "Company") that the Company is eligible to continue to receive support from the Connect America Fund ("CAF"). If any additional information is required, please contact me at (601) 354-9070.

Very truly yours,


Lisa Wington
Director of Revenue Assurance
and Regulatory Compliance

Enclosure (1)

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CERTIFICATION

Peoples Telephone Company (the "Company") hereby certifies that it has used the federal high-cost support in the preceding calendar year and will use the funds for the upcoming calendar year for the provision, maintenance and upgrading of facilities and service for which such support is intended.

The Company hereby certifies that it has submitted via annual NECA filings, expenditures in support of its universal service filing. USF disbursements received by the Company and other rural incumbent local exchange companies that require state commission certification are divided into **three categories**: High Cost Loop Support ("HCLS"); Safety Net Additive Support ("SNAS"), and the Connect America Fund ("CAF"). The FCC in conjunction with the Federal-State Joint Board on Universal Service has created each of the above mechanisms. This means that representatives from State Commissions have also been involved in the development of these mechanisms through their representation in the Joint Board process.

The Company elected to receive Alternative Connect America Cost Model ("A-CAM") funding beginning in January 2017. This funding was made available by the FCC by WC Docket No. 10-90, Connect America Fund to further the goal of providing robust broadband access throughout the nation. The model support must be elected by state and therefore is distributed to both the Company and its Tennessee affiliates Crockett Telephone Company, Inc. and West Tennessee Telephone Company, Inc. evenly by month over a 10-year period. The total for the three Tennessee ILECs amounts to \$1.69 million annually. Electing to receive the A-CAM funding requires that the Company build out cable plant to rural areas to provide a certain level of broadband internet within the funded locations. The first milestone of the buildout obligation will occur at the end of year 4 or 2020 in which 40% of the funded locations could be provided 25/3, 10/1 or 4/1 Mbps internet service. The Company has elected A-CAM and is no longer able to receive High Cost Loop Support (other than any estimated true up amounts in 2017) or Interstate Common Line Support beginning in 2017.

The Company further certifies that it will only use the remaining CAF ICC Support it receives during 2017-2018 for the continued provision, maintenance and upgrading of facilities and service for which such support is intended as described in 47 C.F.R. § 54.101. Those services, which are available to any customer in the Company's service area are: single-party voice grade access to the public switched network, unlimited local usage, dual-tone multi-frequency signaling or its functional equivalent, access to emergency services, including 9-1-1 service or enhanced 9-1-1 service, access to operator service, access to interexchange service, and access to directory assistance, and toll limitation for qualifying low-income customers.

All of these programs are administered through USAC, a private, not-for-profit corporation. USAC assists NECA in data collection necessary for the remittance of universal service funds. This means each company submits, no less frequently than annually, detailed information requested by NECA in the USF data collection process necessary for the remittance of universal service funds.

Rural ILECs must attest to the information submitted. Further, NECA and its auditors must attest to the validity and integrity of NECA's process. In other words, the ILEC cost studies and responses to data collection requests are subject to audit. The information provided in response to all of the universal service fund mechanisms utilizes FCC accounts for regulated costs and must be in compliance with FCC rules in Parts 32, 36, 54 and 64.

All cost studies submitted by rural ILECs and all USF funding received by rural ILECs must be based upon financial statements. In addition, NECA performs focus reviews of cost studies as well as the USF filings for the cost companies involved in the NECA process. In addition, an officer of the rural ILEC must certify to the accuracy and validity of the filed information.

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Any questions regarding this submission or the underlying documentation previously submitted to the Commission should be directed to James Garner at (601) 354-9070.

Respectfully Submitted,

PEOPLES TELEPHONE COMPANY, INC.

By: 

James Garner

As Its: Vice President of Operations

Date: June 28, 2017