

IDAPA 31 – IDAHO PUBLIC UTILITIES COMMISSION

31.46.01 – Universal Service Fund Rules

Who does this rule apply to?

All telephone corporations' paying into the Universal Service Fund.

What is the purpose of this rule?

Govern the collection of and payment of monies to fund the Universal Service Fund, to all disbursements from the Universal Service Fund, to all actions by the Universal Service Fund Administrator, and to any other matter that may involve the Universal Service Fund.

What is the legal authority for the agency to promulgate this rule?

This rule implements the following statute passed by the Idaho Legislature:

- General legal authority of the Telecommunications Act of 1988, Chapter 6, Title 62, Idaho Code, and the specific authority of Section [62-610, Idaho Code](#).

Who do I contact for more information on this rule?

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31.46.01 – UNIVERSAL SERVICE FUND RULES

000. LEGAL AUTHORITY (RULE 0).

These rules are adopted under the general legal authority of the Telecommunications Act of 1988, Chapter 6, Title 62, Idaho Code, and the specific authority of Section 62-610, Idaho Code. (7-1-21)T

001. TITLE AND SCOPE (RULE 1).

The title of these rules is “Universal Service Fund Rules.” Their scope is that they apply to all telephone corporations’ collection of and payment of monies to fund the Universal Service Fund, to all disbursements from the Universal Service Fund, to all actions by the Universal Service Fund Administrator, and to any other matter that may involve the Universal Service Fund. (7-1-21)T

002. WRITTEN INTERPRETATIONS – AGENCY GUIDELINES (RULE 2).

Written interpretations to these rules can be obtained from the Secretary of the Idaho Public Utilities Commission and are available from the office of the Commission Secretary. (7-1-21)T

003. ADMINISTRATIVE APPEALS (RULE 3).

Any telephone corporation aggrieved by any decision of the Universal Service Fund Administrator or the Commission Staff under these rules may petition the Commission to review the decision of the Administrator or the Commission Staff by filing a formal petition according to the Commission’s Rules of Procedure, IDAPA 31.01.01.000, et seq. (7-1-21)T

004. (RESERVED)

005. DEFINITIONS (RULE 5).

01. Basic Local Exchange Service. “Basic local exchange service” means the provision of access lines to residential and small business customers with the associated transmission of two-way interactive switched voice communication within a local exchange area. See Section 62-603(1), Idaho Code. (7-1-21)T

02. Basic Local Exchange Rate. “Basic local exchange rate” means the monthly charge imposed by a telephone corporation for basic local exchange service, but does not include any charges resulting from action by a federal agency or taxes or surcharges imposed by a governmental body that are separately itemized and billed by a telephone corporation to its customers. See Section 62-603(2), Idaho Code. (7-1-21)T

03. Business Telephone Service. “Business telephone service” means telecommunication service that is not residential telephone service. (7-1-21)T

04. Local Exchange Company (LEC). “Local exchange company” (LEC) is a telephone corporation providing local exchange service to customers in Idaho. (7-1-21)T

05. Local Exchange Service. “Local exchange service” means the provision of local exchange access lines to residential or business customers with the associated transmission of two-way interactive switched voice-grade transmission within a local exchange area. (7-1-21)T

06. Message Telecommunication Service (MTS). “Message telecommunication service (MTS)” means the transmission of two-way interactive switched voice communication between local exchange areas for which charges are made on a per-unit basis, not including wide area telecommunications service (WATS), or its equivalent, or individually negotiated contracts for telecommunication services. See Section 62-603(6), Idaho Code. (7-1-21)T

07. MTS/WATS Company. “MTS/WATS company” means a telephone corporation providing Idaho intrastate MTS or WATS services within the definition of Section 62-603(6), Idaho Code. (7-1-21)T

08. Residential Customer. “Residential customer” means a person to whom telecommunication services are furnished at a dwelling and which are used for personal or domestic purposes and not for business, professional or institutional purposes. See Section 62-603(a), Idaho Code. (7-1-21)T

09. Residential Telephone Service. “Residential telephone service” means telecommunication service furnished and maintained at a dwelling primarily for personal or domestic purposes and not for business, professional or institutional purposes, i.e., service provided to a residential customer as defined in Section 62-603(7), Idaho Code. (7-1-21)T

10. Residual Revenue Requirement. “Residual revenue requirement means a local exchange company’s revenue requirement as determined by the Commission less revenue generated by all intrastate telecommunication services, including local exchange services priced at one hundred twenty-five percent (125%) or more of the weighted statewide average and MTS/WATS access services priced at one hundred percent (100%) or more of the statewide average, less contributions from the federal universal service fund. See Section 62-610(4), Idaho Code. (7-1-21)T

11. Small Business Customer. “Small business customer” means a business entity, whether an individual, partnership, corporation or any other business form, to whom telecommunication services are furnished for occupational, professional or institutional purposes, and whose business entity does not subscribe to more than five (5) access lines within a building. See Section 62-603(a), Idaho Code. (7-1-21)T

12. Telecommunication Service. “Telecommunication Service” means the transmission of two-way interactive switched signs, signals, writing, images, sounds, messages, data, or other information of any nature by wire, radio, light waves, or other electromagnetic means (which includes message telecommunication service and access service), which originate and terminate in Idaho, and are offered to or for the public, or some portion thereof, for compensation. “Telecommunication Service” does not include the one-way transmission to subscribers of: (7-1-21)T

a. Video programming; or (7-1-21)T

b. Other programming service, and subscriber interaction, if any, which is required for the selection of such a video programming or other programming service, surveying, or the provision of radio paging, mobile radio telecommunication services, answering services (including computerized or otherwise automated answering or voice message services), and such services shall not be subject to the provisions of Title 61, Idaho Code, or Title 62, Idaho Code. See Section 62-603(9), Idaho Code. (7-1-21)T

13. Telephone Corporation. “Telephone corporation” means every corporation or person, their lessees, trustees, receivers or trustees appointed by any court whatsoever, providing telecommunication services for compensation within Idaho. Telephone corporations providing radio paging, mobile radio telecommunications services, answering services (including computerized or otherwise automated answering or voice message services), or one-way transmission to subscribers of: (7-1-21)T

a. Video programming; or (7-1-21)T

b. Other programming service, and subscriber interaction, if any, which is required for the selection of such a video programming or other programming service or surveying are exempt from any requirement of Title 62 or Title 61, Idaho Code, in the provision of such services. See Section 62-603(10), Idaho Code. (7-1-21)T

14. WATS. “WATS” means wide-area telecommunications service. (7-1-21)T

006. -- 100. (RESERVED)

GENERAL PROVISIONS
Rules 101 through 200

101. ESTABLISHMENT AND PURPOSES (RULE 101).

Section 62-610, Idaho Code, directs the Commission to establish a universal service fund (USF) for the purposes of maintaining universal availability of local exchange service at reasonable rates and to promote the availability of message telecommunication service (MTS) at reasonably comparable prices throughout the state of Idaho. The USF is established pursuant to this statute. Rules or orders issued by the Commission concerning administration of the USF supersede previous rules, orders or provisions of the contract between the Commission and the Universal Service Fund administrator. (7-1-21)T

102. ADMINISTRATOR OF THE USF (RULE 102).

The Commission shall contract with an administrator of the universal service fund. The administrator of the USF shall receive all monies surcharged by telephone corporations for payment into the USF, account for those monies

pending their disbursement, disburse those monies to qualifying recipients according to the terms of the administrator's contract and the Commission's rules and orders, and comply with the other requirements of these rules or orders. The administrator shall have the authority to hire an attorney approved by the Commission to pursue enforcement action, including initiating civil proceedings, against telephone corporations that violate the USF rules. The Commission has a right to audit the books and records of the administrator of the USF. (7-1-21)T

103. STATEWIDE END-USER SURCHARGES (RULE 103).

01. Imposition of Surcharges. Pursuant to 62-610(2), Idaho Code, the USF is funded by the imposition of statewide end-user surcharges on local exchange, MTS and wide-area telephone service (WATS) services in amounts to be determined by the Commission pursuant to Rule 104. (7-1-21)T

02. Local Exchange Surcharges. The local exchange surcharges are imposed monthly as cents-per-line charges uniform throughout the state with the business-residential differential for the surcharges equal to the statewide average business-residential price ratio. (7-1-21)T

03. MTS/WATS Surcharges. The MTS and WATS surcharges are imposed monthly on a uniform basis by: (7-1-21)T

a. A uniform cents-per-minute surcharge applied to the monthly MTS and WATS bill of each end-user for all MTS/WATS companies using this option; or, alternatively, (7-1-21)T

b. A company-specific percentage surcharge applied to the monthly MTS and WATS bill of each end-user. (7-1-21)T

04. Remittance of Surcharges. Surcharges of a given level are authorized by order of the Commission and continue in effect until modified by subsequent order of the Commission. Surcharges on Title 62 services may be explicitly added to customers' bills in addition to charges that would otherwise be collected or may be implicitly included in customers' bills (and remitted by the telephone corporation) without increasing customers' bills. Unless otherwise provided by order of the Commission or letter from the Commission Staff or from the USF administrator issued pursuant to Rules 401 or 402, surcharges imposed by these rules are to be remitted monthly to the administrator pursuant to Rule 201. (7-1-21)T

104. THE COMMISSION'S DETERMINATION OF FUNDING LEVELS (RULE 104).

01. Issuance of Commission Order. On or before September 1 of each year the Commission shall issue an order in response to the administrator's report, which will establish statewide end-user surcharges to be in effect for the twelve (12) months beginning October 1 following issuance of the order. (7-1-21)T

02. Findings and Directives of the Order Prescribing Statewide End-User Surcharges. The order prescribing statewide end-user surcharges for the twelve months beginning October 1 shall contain the following: (7-1-21)T

a. The Commission's finding of the funding target for the USF for the twelve (12) months beginning October 1, based upon the anticipated revenue requirement of the USF for those twelve (12) months (including certain or likely changes in the revenue requirement of the USF from that reported by the administrator) and prudent management of minimum fund balances; (7-1-21)T

b. The Commission's finding of the fair, just, and reasonable contribution to this twelve (12) month funding target that should be made from local exchange and MTS/WATS surcharges; and (7-1-21)T

c. The Commission's finding of the statewide end-user surcharges to be imposed for the twelve (12) months beginning October 1 to reach the funding target. (7-1-21)T

03. Calculation of Local Surcharges. The surcharge imposed by Subsection 104.02.c. of this rule to be remitted by each LEC for residence and business local exchange service shall be calculated in the following manner from the total funds that the Commission finds should be recovered from local exchange surcharges. The

Commission may round the surcharges for local residence and business service to the nearest cent per month. The following is an example of calculation of local service surcharge: (7-1-21)T

- a. Total dollars to be funded from local service surcharges -- twenty-four thousand dollars (\$24,000)/month. (7-1-21)T
- b. Total local residence lines (as reported in Rule 302.02) -- four hundred fifty thousand (450,000) (7-1-21)T
- c. Weighted, state-wide average one-party, single-line flat residence rate (as reported in Rule 302.03) -- ten dollars (\$10)/month (7-1-21)T
- d. Hypothetical Residence revenues under statutory formula (line b x line c) -- four million five hundred thousand (\$4,500,000)/month (7-1-21)T
- e. Total local business lines (as reported in Rule 302.02) -- fifty thousand (50,000) (7-1-21)T
- f. Weighted, statewide average one-party, single-line flat business rate (as reported in Rule 302.03) -- thirty dollars (\$30)/month (7-1-21)T
- g. Hypothetical business revenues under statutory formula (line e x line f) -- one million five hundred thousand dollars (\$1,500,000)/month (7-1-21)T
- h. Total hypothetical revenue (line d + line g) -- six million dollars (\$6,000,000) (7-1-21)T
- i. Residence relative responsibility (line d / line h) -- .7500 (7-1-21)T
- j. Residence total responsibility -- eighteen thousand dollars (\$18,000) (7-1-21)T
- k. Residence surcharge (line j / line b) -- four cents (\$.04)/month (7-1-21)T
- l. Business relative responsibility (line g / line h) -- .2500 (7-1-21)T
- m. Business total responsibility (line a x line l) -- six thousand dollars (\$6,000)/month (7-1-21)T
- n. Business surcharge (line h /line e) -- twelve cents (\$.12)/month (7-1-21)T

* These hypothetical revenues from residence and business lines do not correspond to any actual revenues received by telephone corporations. Instead, they represent a calculation of revenues that would result if every residence and business line subscribed to one-party, single-line service at the weighted statewide average rate calculated for those services, which is the statutory formula underlying the calculation of the surcharges.

04. Calculation of MTS/WATS Surcharges. The surcharge imposed by Rule Subsection 104.02.c. of this rule to be remitted by each MTS/WATS company for MTS/WATS service shall be calculated in one (1) of two (2) alternative manners: (7-1-21)T

a. A uniform cents per minute surcharge for all MTS/WATS companies using this option will be calculated by the Commission by dividing the total revenues to be recovered from toll surcharges from all companies by the total actual toll minutes reported for all companies under Rule 204; or, alternatively, (7-1-21)T

b. A company-specific percentage surcharge will be calculated by the company (and reviewed by the administrator) by multiplying the individual MTS/WATS company's total toll minutes as reported in Rule 204 by the cents-per-minute surcharge calculated in a above, then dividing by the total toll revenues as reported for that company reported in Rule 204. (7-1-21)T

105. TELEPHONE CORPORATIONS' AUTHORIZATION TO IMPOSE SURCHARGES (RULE 105).

01. Local Exchange Companies. All local exchange companies are authorized to impose a surcharge for residence and business local exchange service in the amounts set forth in the order issued pursuant to Rule 104.03. The LEC may impose surcharges on the service of any customer subscribing to local service on or after October 1 following issuance of the order and may prorate the surcharge in the same manner as the LEC prorates other flat monthly charges. (7-1-21)T

02. MTS/WATS Companies. All MTS/WATS companies (except those exempted from remitting surcharges to the USF administrator pursuant to Rule 402) are authorized to impose a surcharge on Idaho intrastate MTS/WATS services in the amounts set forth in the order issued pursuant to Rule 104.04. The MTS/WATS surcharge may be imposed in two (2) different manners: (7-1-21)T

a. The MTS/WATS company is authorized to impose beginning October 1 following issuance of the order an MTS/WATS surcharge per toll minute in the amount set forth in the order issued pursuant to the Rule 104.04.a.; or, alternatively, (7-1-21)T

b. The MTS/WATS company is authorized to impose beginning October 1 following issuance of the order an MTS/WATS surcharge on a uniform percentage basis in the manner set forth in the order issued pursuant to Rule 104.04.b. Within fourteen (14) days after the Commission has issued its order pursuant to Rule 104 authorizing surcharges on MTS/WATS service, MTS/WATS companies authorized to impose surcharges under this paragraph must notify the administrator and the Commission in writing which option they choose for the twelve (12) months beginning October 1 following issuance of the order. (7-1-21)T

106. APPLICATIONS FOR FUNDS -- ORDERS FOR FUNDING (RULE 106).

01. Eligibility. Pursuant to 62-610, Idaho Code, a telephone corporation that provides local exchange service and access service for MTS/WATS providers may apply for disbursement from the USF if: (7-1-21)T

a. Its average residence and business rates for local exchange service for one-party, single-line services exceed one hundred twenty-five percent (125%) of the weighted statewide average rates for one-party, single-line services for residence and business lines, respectively; and (7-1-21)T

b. Its average rates per minute for MTS/WATS access services exceed one hundred percent (100%) of the weighted statewide average rate for the same or similar MTS/WATS access services. (7-1-21)T

02. Continuation of Eligibility. Each telephone company's average rate for one-party single-line residence and business service and for MTS/WATS access service shall be calculated individually and compared to the threshold rate based on the newly calculated statewide average as calculated annually by the Administrator pursuant to Rule 302. In order to continue receiving USF funding after the first year of eligibility, the rate shall be revised to equal or exceed the threshold rate, if a company's average for one-party single-line residence or business service or its rate for MTS/WATS access service is below the threshold rate and if: (7-1-21)T

a. The difference in the company's current average rate and the statewide average threshold rate is greater than three percent (3%); and (7-1-21)T

b. The difference in the annual revenue associated with the company's current rate and the revenue associated with the statewide average threshold rate is over six thousand dollars (\$6,000). (7-1-21)T

03. Form of Application. An application for initial USF funding or changes in USF funding may be made in a general rate case or as otherwise allowed by the Commission. Applications must quantify the USF funding sought and the proposed rates to be charged for one-party, single-line residence and business services and for MTS/WATS access services, indicating how USF funding will benefit the rates for these services. Applications must comply with the Commission's Rules of Procedure, IDAPA 31.01.01.000 et seq. (7-1-21)T

04. Changes to Funding on Commission's Own Motion. The Commission on its own motion may by order change a telephone company's funding from the USF: (7-1-21)T

a. In connection with any proceeding affecting the telephone company's residual revenue

requirement; (7-1-21)T

b. In connection with a recalculation of the statewide average rates for one-party, single-line residence and business rates and MTS/WATS access services and those recalculations' effect on the threshold for eligibility for funding; (7-1-21)T

c. In connection with redetermination of the percentage of the residual revenue requirement that should be met by the USF; or (7-1-21)T

d. As otherwise provided by order. No order altering a telephone company's funding from the USF will be issued without notice that USF funding is at issue and appropriate opportunity to be heard in person or in writing. (7-1-21)T

05. Order for Disbursement. If the Commission finds that an applicant is eligible for USF disbursements, it may issue an order directing the USF to meet between seventy-five percent (75%) and one hundred percent (100%) of the telephone corporation's residual revenue requirement as defined in Section 62-610(4), Idaho Code. See Rule 005.10. Disbursements from the USF shall be made monthly in one twelfth (1/12) of the annual disbursements ordered by the Commission. (7-1-21)T

107. -- 200. (RESERVED)

TELEPHONE CORPORATIONS' OBLIGATIONS
Rules 201 through 300

201. TELEPHONE CORPORATIONS' MONTHLY REMITTANCES OF USF SURCHARGES (RULE 201).

01. Local Exchange Companies. Unless otherwise provided by order, letter from the Commission Staff or from the USF administrator issued pursuant to Rule 401, all LECs providing local exchange service in Idaho shall remit the following funds to the administrator on or before the first day of the month: (7-1-21)T

a. The number of local residence lines in service in Idaho on the first day of the preceding month multiplied by the monthly residence surcharge the companies are authorized to impose under Rules 104.03 and 105.01; and (7-1-21)T

b. The number of local business lines in service in Idaho on the first day of the preceding month multiplied by the monthly business surcharge the companies are authorized to impose under Rules 104.03 and 105.01. The LEC's remittance shall be accompanied by a report on a form supplied by the administrator separately stating the number of local residence and business lines in service in Idaho for that LEC on the first day of the preceding month. This amount shall be remitted to the administrator without regard to whether the local exchange company has separately imposed the surcharge authorized by Rules 104.03 and 105.01. (7-1-21)T

02. MTS/WATS Companies. Unless otherwise provided by Order of the Commission or letter from the Commission Staff or from the USF administrator issued pursuant to Rule 402, all MTS/WATS companies offering intrastate MTS or WATS services in Idaho shall remit the following funds to the administrator on or before the first day of the month: (7-1-21)T

a. The number of actual toll minutes billed to customers in Idaho for intrastate MTS/WATS services in the last complete monthly billing cycle billed by the first day of the preceding calendar month multiplied by the surcharge per toll minute that the companies were authorized to impose under Rules 104.04.a and 105.02.a; or, alternatively; (7-1-21)T

b. The percentage surcharge of revenues from all intrastate MTS/WATS services provided in last complete monthly billing cycle billed by the first day of the preceding calendar month that the companies are authorized to impose under Subsections 104.04.b. and 105.02.b. These MTS/WATS companies' remittances under both a and b of this paragraph shall be accompanied by a report on a form supplied by the administrator separately stating the number of toll minutes billed and the revenues associated with the toll minutes and showing the

calculation of the surcharge on those minutes for the period stated in this paragraph. These amounts shall be remitted to the administrator without regard to whether the MTS/WATS company has separately imposed the surcharge authorized by Subsections 104.04 and 105.02. (7-1-21)T

03. Failure to Comply. A telephone corporation failing to comply with this rule is subject to all sanctions provided by Section 62-620, Idaho Code. (7-1-21)T

202. TELEPHONE CORPORATIONS' ANNUAL REPORTING TO ADMINISTRATOR (RULE 202).

01. Requirement to Report. Unless otherwise provided by order of the Commission or letter from the Commission Staff or from the USF administrator issued pursuant to Rule 402, on or before May 30 of each year all telephone corporations providing local exchange service or MTS/WATS intrastate service in Idaho shall report to the administrator the information required by these rules. The administrator shall annually supply forms for these reports on or before May 1 to all telephone corporations for which the administrator has records showing that the telephone corporation provides one (1) or more of these services. The administrator's failure to supply forms does not relieve any such telephone corporation of its reporting requirements under these rules and statute. The reports that this rule requires to be filed with the administrator should not be filed with the Commission. (7-1-21)T

02. The Administrator's Compliance Report. The administrator shall report to the Commission on or before June 15 whether all telephone corporations receiving the forms have complied with the reporting requirements of this Rule 202 and Rules 203 and 204, specifically identifying telephone corporations that have failed to report altogether, those that have incompletely reported, those that have reported late, and those that have failed to remit the monthly surcharges required by Rule 201. The report shall include a summary of the actions taken against the telephone corporations not complying with the USF rules. See Rule 303. (7-1-21)T

03. Failure to Comply. A telephone corporation failing to comply with this rule is subject to all sanctions provided. (7-1-21)T

203. LOCAL EXCHANGE COMPANIES' (LECS') ANNUAL REPORTS TO THE ADMINISTRATOR (RULE 203).

01. Reporting of One-Party, Single-Line Residence and Business Lines and Rates. The reports prescribed for LECs by this rule and Rule 202 must include the following information concerning the LEC's customer base and rates for each of the LEC's rate groups as of May 1 of that year: (7-1-21)T

a. Rates for one-party, single-line, flat-rate residential service (inclusive of mandatory extended area service (EAS) surcharges) and the number of customers subscribing to the service in each rate group, unless exchanges within the rate group have different rates, in which case exchange-by-exchange reporting is required; (7-1-21)T

b. Rates for one-party, single-line, flat-rate business service (inclusive of mandatory EAS surcharges) and the number of customers subscribing to the service in each rate group, unless exchanges within the rate group have different rates, in which case exchange-by-exchange reporting is required; and (7-1-21)T

c. The company-wide, weighted average rate for residential and business services described in Rules 203.01.a. and 203.01.b. of this paragraph. Rural zone and mileage charges are excluded from the rates reported in this paragraph. (7-1-21)T

02. Inventories of Other Local Access Lines. These reports must also include reporting for each rate group (or exchange if required by Subsection 203.01) the following inventories of customers and public network access lines of other local services as of May 1 of that year: (7-1-21)T

a. Multi-party residence local service; (7-1-21)T

b. Multi-party business local service; (7-1-21)T

c. Semi-public pay telephone service; (7-1-21)T

- d.** Public access line service for customer-owned pay telephones; (7-1-21)T
- e.** Centron, centrex or other central-office based telecommunication systems (including only the public network access lines to this kind of equipment, not the number of station lines behind the equipment); and (7-1-21)T
- f.** Local service trunks for private branch exchanges (PBXs). (7-1-21)T
- 03. MTS/WATS Actual Access Minutes and Revenues.** These reports must also include the following information: (7-1-21)T
- a.** Rates for access minutes associated with the provision of MTS/WATS services in effect on May 1 of that year; (7-1-21)T
- b.** Total minutes and revenues billed for MTS/WATS access services for the preceding calendar year; (7-1-21)T
- c.** Total revenues that would be obtained by billing the access minutes reported in Rule 203.03.b. at the rates reported in Rule 203.03.a.; and (7-1-21)T
- d.** Total revenues from billing and collection services for the preceding calendar year. If different exchanges have different rates, each rate must be reported as a separate line item, indicating the exchanges in which service is offered at each rate and total number of minutes billed to service at each rate. In making this report, telephone companies must include revenues associated with sale of intrastate access under feature groups A, B, C and D. (7-1-21)T
- 04. MTS/WATS Equivalent Access Minutes.** If the LEC provides MTS/WATS services in addition to basic exchange services, these reports must also include a conversion of the LEC's annual billed MTS/WATS minutes into "equivalent access minutes." The method used to convert billed toll minutes into equivalent access minutes must be shown with the number of toll minutes used in the calculation. Actual access minutes reported pursuant to Rule 203.03 of this rule must be separately stated from "equivalent access minutes" reported under this paragraph. The manner in which these data may be filed is shown in Rules 302.03.a. through 302.03.h. (7-1-21)T

204. MTS/WATS COMPANIES' ANNUAL REPORTS TO THE ADMINISTRATOR (RULE 204).
The reports prescribed for telephone corporations offering intrastate MTS or WATS services (including those that are also LECs) by this rule and by Rule 202 must include the following information for the calendar year preceding the year in which the report is due: (7-1-21)T

- 01. Total Intrastate MTS Minutes and Revenues.** (7-1-21)T
- 02. Total Intrastate WATS Minutes and Revenues.** (7-1-21)T
- 205. -- 300. (RESERVED)**

THE ADMINISTRATOR'S OBLIGATIONS
Rules 301 through 400

301. THE ADMINISTRATOR'S QUARTERLY REPORT TO THE COMMISSION (RULE 301).
On or before the fifteenth day after the close of each quarter, the administrator shall submit a report to the Commission providing the following information: (7-1-21)T

- 01. List of Companies Receiving Disbursements.** A list of all companies receiving disbursements from the USF during the quarter, the individual disbursements for each company during the quarter, and the total disbursements to companies during the quarter; (7-1-21)T
- 02. Administrator Fees and Expenses.** The administrator's fees and expenses for the quarter;

(7-1-21)T

03. List of Companies Remitting Surcharges. A list of all companies remitting surcharges to the USF during the quarter, indicating which companies remitted LEC surcharges, which companies remitted MTS/WATS surcharges, and which companies remitted both; (7-1-21)T

04. Aggregate Amount. The aggregate amount of LEC surcharges remitted to the USF during the quarter, the aggregate amount of MTS/WATS surcharges remitted to the USF during the quarter, and the total of the two (2); (7-1-21)T

05. Interest Earned. Interest earned during the quarter; and (7-1-21)T

06. Fund Balances. Beginning, ending and monthly fund balances for the quarter, together with any other information that may be necessary to calculate beginning and ending balances for the quarter. (7-1-21)T

302. THE ADMINISTRATOR'S CALCULATIONS FROM THE ANNUAL REPORTS (RULE 302).

01. Weighted Statewide Average Rates for One-Party, Single-Line Residence and Business Services. From the annual reports provided by LECs pursuant to Rule 203.01, the administrator shall calculate a weighted, state-wide average, one-party, single-line, flat residence rate and a weighted, state-wide average, one-party, single-line, flat business rate, including EAS surcharges. (7-1-21)T

02. Inventory of Local Service Lines. From the annual reports of LECs provided pursuant to Rule 203.01 and 203.02, the administrator shall calculate the total number of local service lines in Idaho, with subtotals for residence and business service lines and for the categories of lines listed in Rule 203.02. (7-1-21)T

03. Statewide Weighted Average Rate for MTS/WATS Access Minute. From the annual reports of LECs provided pursuant to Rule 203.03 and 203.04, the administrator shall calculate a statewide weighted average rate per MTS/WATS access minute in the manner shown in the following example :

Example Using Three Companies				
a.	Actual annual access minutes (as reported under Rule 203.03.b.)	500	500	1,000
b.	Annual pro forma actual access revenues (as reported under Rule 203.03.c.)	\$50	\$40	\$50
c.	Average pro forma revenue per actual access minute (line b/line a)	\$.10/min	\$.08/min	\$.05/min
d.	Calculated equivalent access minutes from MTS/WATS (as reported under Rule 203.04)	0	1,000	2,000
e.	Assigned average revenue (from line c)	\$.10/min	\$.08/min	\$.05/min
f.	Calculated equivalent access revenue (line d x line e)	\$0	\$80	\$100
g.	Total actual and equivalent access minutes (line a + line d)	500	1,500	3,000
h.	Total pro forma and equivalent access revenues (line b + line f)	\$50	\$120	\$150
i.	Average revenue per total actual and equivalent access minutes (line h /line g)	\$.10/min	\$.08/min	\$.05/min
j.	All companies' total actual and equivalent access minutes (sum of entries on line g)	---	5,000	---
k.	Company's ratio of total state access minutes (line g/line j)	.1000	.3000	.6000
l.	All companies' total actual and equivalent access revenues (sum of entries of line H)	---	\$320	---

(7-1-21)T

04. Access. The figures for access minutes and access revenues on lines a, b and d include all access minutes and all access revenues from any access service reported pursuant to Rule 203.03 or 203.04, and all access under any feature group. (7-1-21)T

303. THE ADMINISTRATOR'S ANNUAL REPORT TO THE COMMISSION (RULE 303).

01. The Administrator's Compliance Report. The administrator shall report to the Commission on or before June 15 whether all telephone corporations receiving the forms have complied with the reporting requirements of this Rule 303 and Rules 202, 203, and 204, specifically identifying telephone corporations that have failed to report altogether, those that have incompletely reported, those that have reported late, and those that have failed to remit the monthly surcharges required by Rule 201. The report shall include a summary of the actions taken against the telephone corporations not complying with the USF rules. (7-1-21)T

02. Report of Existing Conditions. On or before July 15 of each year the administrator shall submit a report to the Commission providing the following information: (7-1-21)T

a. Calculations of weighted statewide average rates required by Rule 302, providing workpapers showing each telephone corporation's contributions to the totals and averages contained in the administrator's calculation in Rule 302. (7-1-21)T

b. Calculations of the USF's expected revenues under the status quo for the twelve (12) months beginning July 1 made by: (7-1-21)T

i. Multiplying the existing local surcharge for residence service by the statewide total residence lines as of May 1; (7-1-21)T

ii. Multiplying the existing local surcharge for business service by the statewide total business lines as of May 1; (7-1-21)T

iii. Multiplying the total MTS/WATS access minutes for the previous calendar year by the existing MTS/WATS surcharge per access minute; and (7-1-21)T

iv. Summing the three (3) products. (7-1-21)T

c. Calculations of the expected revenue requirement of the USF under the status quo for the twelve (12) months beginning July 1 made by listing and summing the annualized rate of disbursement for every telephone corporation for which the Commission has ordered and authorized disbursements from the USF together with the administrator's annual budget for administration of the USF. (7-1-21)T

d. Calculations of the expected revenue requirement of the USF as described in Rule 303.02.c. assuming that companies revise their rates pursuant to Rule 106.02 to maintain funding eligibility and that their USF funding is adjusted pursuant to Rule 106.04. (7-1-21)T

e. Actual USF balances at the end of the quarters ending in June, September and December of the preceding year and of the quarters ending in March and June of the year of the report (or the estimated USF balance for the quarter ending June 30 if actual balances are not yet available). (7-1-21)T

03. Recommendation. The administrator shall report the USF's expected surplus or deficit for the twelve (12) months beginning July 1 based upon the assumption that the USF surcharges will not be changed. The administrator shall also report whether this surplus or deficit will alter the expected fund balance during the twelve (12) months beginning July 1 following the report significantly enough to recommend that USF surcharges be raised or lowered. If the administrator believes that the USF surcharges should be raised or lowered, the administrator shall recommend a target balance for the USF for the end of the twelve months beginning July 1 following this report and the amount by which USF collections would be increased or decreased beginning October 1 to meet this target. (7-1-21)T

04. Review by Commission Staff. On or before August 15 the Commission Staff shall review the calculations and recommendations of the administrator and call any errors or omissions to the attention of the administrator and the Commission. (7-1-21)T

05. Report a Public Record--Workpapers Exempted Trade Secrets. The report of the administrator showing statewide aggregate totals of local service and MTS/WATS revenues, inventories of services, and other information not identifying any telephone corporation or customer is a public record available for inspection, examination and copying under Section 74-102, Idaho Code. The workpapers accompanying the report showing individual telephone corporations' data for Title 62 services and individual telephone corporation's reports to the administrator showing data for Title 62 services, together with any data for Title 61 services protected from disclosure under applicable trade secret law, are trade secrets exempt from disclosure under Section 74-107(1), Idaho Code. (7-1-21)T

304. -- 400. (RESERVED)

EXEMPTIONS FROM REPORTING AND REMITTANCES
Rules 401 through 500

401. LECS' EXEMPTION FROM REPORTING AND REMITTANCES (RULE 401).

01. Criteria for Exemption. Local exchange companies may be exempted from monthly remittances and monthly reporting to the USF administrator under Rule 201 by order of the Commission or letter from the Commission Staff or from the USF administrator upon the grounds that the LEC provides such a small number of local service lines in Idaho and generates such a small monthly surcharge that neither the practical administration of the USF nor the public interest requires monthly remittances and reporting. (7-1-21)T

02. Action on Requests. The order or letter excusing the LEC from monthly reporting shall specify quarterly, semiannual or annual remittances and reporting instead. The order or letter may be issued upon request of the LEC or upon the initiative of the Commission, the Commission Staff, or the USF administrator without a request from the LEC. No LEC will be excused from making remittances less often than annually nor from annual reporting under Rules 202 and 203. (7-1-21)T

03. Requests of Exemptions. This Commission Staff shall maintain a file of all exemptions under this rule and supply a copy to the Commission Secretary and to the USF administrator. (7-1-21)T

04. Petition From Initial Denial by Commission Staff or Administrator. If a request for a LEC's exemption is denied by the Commission Staff or the Administrator, the LEC may petition the Commission. (7-1-21)T

402. MTS/WATS COMPANIES -- RESELLERS' EXEMPTION FROM REPORTING AND REMITTANCES (RULE 402).

01. Criterion for Exemption. MTS/WATS companies may be exempted from monthly remittances and monthly reporting to the USF administrator under Rule 201 by Order of the Commission or letter from the Commission Staff or from the USF administrator upon the grounds that the MTS/WATS company is exclusively a reseller of MTS/WATS services from another MTS/WATS company that is already remitting the surcharge prescribed for MTS/WATS services for all of the reselling MTS/WATS company's MTS/WATS minutes. (7-1-21)T

02. Requirements of Request for Exemption. No exemption will be given under this rule unless the reselling MTS/WATS company has requested an exemption in writing. The request for exemption shall be directed to the Commission Secretary (or if received by the administrator or a member of the Commission Staff forwarded to the Commission Secretary). The request for exemption must state that the MTS/WATS company is seeking a reseller's exemption, must name the reseller's underlying MTS/WATS carrier, must certify that the named underlying carrier carries all of the reseller's traffic in Idaho, and must be accompanied by a letter from the underlying carrier stating that the reselling carrier requesting the exemption is a customer of the underlying carrier, that the underlying carrier is remitting the surcharge to the USF for all minutes sold to the reselling carrier, and that the reseller will notify the

Commission whenever one of its underlying carriers changes.

(7-1-21)T

03. Action on Requests. The Commission Staff or the USF administrator may grant a reseller an exemption from monthly remittances of USF surcharges and from monthly reporting of MTS/WATS use if the reseller has shown that another MTS/WATS company is remitting the surcharge for all of the reseller's minutes. The exemption shall require the reseller to report to the Commission Staff whenever it changes its underlying carrier. The exemption ordinarily excuses the reseller from annual reporting under Rules 202 and 203, but does not exempt the reseller from annual recertification upon request of the Commission Staff or the administrator of its continuing status as a reseller. However, the Commission Staff or the administrator may require an exempt reseller to file an annual report upon written notification that the Commission Staff or administrator requires an annual report for that year.

(7-1-21)T

04. File of Exemptions. The Commission Staff shall maintain a file of all exemptions under this rule and supply a copy to the Commission Secretary and to the USF administrator.

(7-1-21)T

05. Petition From Initial Denial by the Commission Staff or Administrator. If a request for a reseller's exemption is denied by the Commission or the Commission Staff or the Administrator, the company may petition to the Commission. The petition must contain a description of the telephone company's network connections.

(7-1-21)T

403. -- 999. (RESERVED)

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