

DESCRIPTION AND JUSTIFICATION

The filing made on June 16, 2017, to be effective July 3, 2017, begins the transition of interstate switched access rates from a composite rate of \$0.005 to a composite rate of \$0.0007 pursuant to 47 CFR § 51.909(g) and revises the Access Recovery Charge (ARC) for the issuing carriers in the Alexicon Telecommunications Consulting, Inc. Tariff F.C.C. No. 1, pursuant to 47 CFR §51.917(e). This filing also revises, where applicable, the issuing carriers’ special access services, including retail Digital Subscriber Line (DSL) service, rates per normal operation of 47 C.F.R. § 61.39 as discussed further below. Finally, this filing revises, where appropriate, special access rates in compliance with the Commission’s Consumer Broadband-Only Line rate and revenue requirement rules and decisions as discussed further below.

This Tariff reflects the addition of one company to the issuing carriers list: Wamego Telephone Company, Inc.

Issuing carrier Cordova Telephone Company has implemented and maintains a Consumer Broadband-only Loop (CBOL) rate in the Alexicon Tariff. The other issuing carriers have chosen to offer the CBOL service on a detariffed basis.

This Tariff is issued pursuant to 47 CFR §61.39, and as such, an annual tariff filing is required in 2017. The rates contained in this transmittal reflect the interstate rate of return adopted in the Commission’s March 30, 2016 *Rate of Return Carrier USF Reform Order* (FCC 16-33) which is schedule to decrease to 10.75% on July 1, 2017.

In addition to the revised tariff pages listed in the Transmittal Letter, the issuing carriers are also providing information pursuant to the Wireline Competition Bureau’s (Bureau) Orders in WC Docket No. 17-65, dated March 16, 2017 (DA 17-258) and April 24, 2017 (DA 17-386).

Alaska Plan and ACAM Support Recipients

Issuing carrier Cordova Telephone Company participates in the Alaska Plan as adopted by the Commission in August 2016 (WC Docket No. 10-90, 16-271, FCC 16-115).

Issuing carriers Blue Earth Valley, Cannon Valley, Hager, and Easton elected to receive high cost support pursuant to the Commission’s alternative Connect America Model (ACAM) mechanism adopted in the *RoR Carrier USF Reform Order*.

Consumer Broadband-Only Line Rates and Revenue Requirement

Pursuant to the Commission’s Consumer Broadband-Only Line (CBOL) rules, carriers that did not elect model-based support under rules adopted in the *RoR Carrier USF Reform Order* are required to take certain actions to determine the CBOL-related revenue requirement and rates and the related calculation of Connect America Fund Broadband Loop Support (CAF BLS). For those carriers, which include issuing carriers Laurel Highland Telephone Company, Lake Livingston Telephone Company, Rural Telephone Service Telephone Company, Wamego Telephone Company and Yukon Waltz Telephone Company, an option is available for determining the amount of revenue requirement reallocated from the special access category to the CBOL category: (1) the surrogate cost method or (2) the waiver to the surrogate

cost method adopted by the March 20, 2017 Second Surrogate Waiver Order (DA 17-268). The issuing carriers listed above (Laurel Highland, Lake Livingston, Rural Telephone, Wamego, Yukon Waltz) pursuant to the Second Cost Surrogate Waiver Order (DA 17-268, rel. March 20, 2017) utilized the option to limit the costs subtracted from the Special Access category to the amount only affecting broadband transmission rates.

Intercarrier Compensation Rate Transition

Pursuant to 47 CFR § 51.909(f), the Alexicon Tariff issuing carriers established target composite interstate terminating end office access service rates at \$0.003567, which represents one-third of the difference between the current \$0.005 rate and the target \$0.0007 rate, consistent with 47 CFR § 51.909(g)(1)(i). The rate revisions reflected herein result in a composite rate no higher than the Alexicon Tariff issuing carriers' target composite rates. All non-end office rates were capped pursuant to 47 CFR § 51.909(a)(1) as of December 29, 2011 and reflect no revisions in this transmittal, except that the new carrier listed above is revising rates to reflect exit from the National Exchange Carrier Association pool, pursuant to 47 CFR § 51.909(a)(5)(i), and has provided support justifying the revised interstate switched access rates herein.

The Alexicon Tariff issuing carriers are including the material to be provided in support of 2017 annual access tariff filings, pursuant to the Bureau Orders listed above. This information includes the following Tariff Review Plan (TRP) schedules promulgated by the Bureau:

ACAM CARRIERS

Blue Earth Valley Telephone Co. :	61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR ACAM Rate Ceiling CAF ROR ILEC ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary
Cannon Valley Telecom:	61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR ACAM Rate Ceiling CAF ROR ILEC ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary
Hager Telecom, Inc.:	61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR ACAM Rate Ceiling CAF ROR ILEC ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC

Easton Telephone Company:	True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary 61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR ACAM Rate Ceiling CAF ROR ILEC ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary
	<u>AK PLAN CARRIER</u>
Cordova Telephone Co.:	61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR ACAM Rate Ceiling CAF ROR ILEC ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary
	<u>ROR CARRIERS</u>
Lake Livingston Telephone Co.:	61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR CAF-BLS Rate Ceiling CAF ROR ILEC ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary
Laurel Highland Telephone Co.:	61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR CAF-BLS Rate Ceiling CAF ROR ILEC ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary
Yukon Waltz Telephone Co.:	61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR CAF-BLS Rate Ceiling CAF ROR ILEC

	ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary
Rural Telephone Service Co.:	61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR CAF-BLS Rate Ceiling CAF ROR ILEC ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary
Wamego Telephone Company:	61.39 ILEC Special Access Reallocation (SPACR) Annual Filing ROR CAF-BLS Rate Ceiling CAF ROR ILEC ROR ILEC ICC Data Tariff Rate Comp CAF ROR ILEC True Up BRI-RES True Up BRI-SLB ROR ILEC 2017-2018 Summary

The information contained in the above-listed schedules constitutes the data necessary to establish each of the issuing carrier's ARC rates and each of the issuing carrier's projected eligibility for CAF ICC funding during the upcoming funding period, as required by 47 CFR 54.304(d)(1) and pursuant to 47 CFR 51.917. The information in the above-listed schedules also constitutes the data necessary to establish each of the issuing carrier's projected CAF BLS during the upcoming funding period. The schedules also present data related to the amounts of new special access costs generated by CBOL service, the amount of costs shifted from the special access category to the CBOL category, the projected Consumer Broadband-only loops, and the ARC imputation pursuant to the *RoR Carrier USF Reform Order*.

Each of the issuing carriers, also via Transmittal No. 23, provided the following required certifications:

- 47 CFR 51.917(f)(3) - A Rate-of-Return Carrier that elects to receive CAF ICC support must certify with its annual access tariff filings that it has complied with paragraphs (d) and (e), and, after doing so, is eligible to receive the CAF ICC support requested pursuant to paragraph (f) of this section.
- 47 CFR 51.917(d)(vii) - A Rate-of-Return Carrier seeking revenue recovery must annually certify as part of its tariff filings to the Commission and to the relevant state commission that the carrier is not seeking duplicative recovery in the state jurisdiction for any Eligible Recovery subject to the recovery mechanism.

- Pursuant to DA 17-386, the issuing carriers are required to certify that their historical and forecast data used in the annual tariff filing are accurate.