

**CONSOLIDATED COMMUNICATIONS COMPANIES
FCC No. 7**

October 25, 2019

Transmittal No. 98

Description and Justification

DESCRIPTION

Consolidated Communications Companies (Consolidated Communications) hereby submits its Tariff Review Plan (TRP) revisions to Federal Communications Commission ("FCC") for its Price Cap and Incentive Regulation Companies regulated under Tariff Nos. 7 with the required supporting documentation. This filing fulfills the requirements established in Sections 61.41 through 61.50 of the Commission Rules. Exhibit 1 lists the COSAs' associated with each Consolidated Communications company and the associated study area included in this filing.

Consolidated Communications is proposing voluntary reductions to the Subscriber Line Charge, Access Recovery Charge (ARC), Line Port Charge and the Federal Universal Service Fund (FUSF) rates in Maine, New Hampshire and Vermont. The proposed changes to the ARC comply with the requirements found in Part 51 Subpart J of the Commission Rules.

Consolidated Communications' FCC Tariff No. 7 calculated FUSF rate changes in compliance with the CALLS Order released in 2000 (*15 FCC Rcd 12,962 (2000)*), the Contribution Order released in 2002 (*17 FCC Rcd 24,952 (2002)*), and the Waiver Order released in 2003 and modified in 2008 (*18 FCC Rcd 4818 (2003)*) as modified by

Federal-State Joint Board on Universal Service, Order on Reconsideration, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116, 98-170 (rel. Feb. 14, 2008. These FUSF calculations utilize the demand for the state of Vermont. The carrier will no longer be assessing the underlying charges in NH and ME that are utilized to calculate the FUSF line rate. This results in an increase to the current FUSF line rates for Vermont. However, the carrier will not be implementing the increase.

The SLC changes create the need to set-up multi-jurisdictional Subscriber Line rates; therefore, three TRPs are being filed to support the changes to the Subscriber Line Charges. No adjustments are being made for exogenous costs.

JUSTIFICATION

The following justification is provided for the proposed rates filed by Consolidated Communications:

A. Demand

Demand data for the BDS regulated special access and Price Cap common line services reflects the period January 1 through December 31, 2018. Pursuant to paragraph 61.42(g) of the Commission's rules, only the demand for services that have not received regulatory relief pursuant to 61.42(f) are included in the appropriate BDS baskets.

B. Compliance with Indices

Consolidated Communications is required to compute the appropriate adjustments to the current indices or CMT for each Price Cap basket. No adjustments to the Indices are set forth in the Tariff Review Plan, form IND-1.

C. Rate Detail & Revenue Impact Summary

Included with the filing is a rate detail schedule. This detail shows the current and proposed rates in EXCEL spreadsheet format. In addition to the rate detail schedule, a

revenue impact summary is provided to ensure that the rate detail calculations agree with the SUM-1 and the RTE-1. Exhibit 2 contains the Revenue Impact Summary.

D. FUSF Rates

The calculations for FUSF rates utilize the change in the FCC prescribed contribution factor between the 3rd quarter and the 4th quarter 2019 from 0.244 to 0.250 per CC Docket No. 96-45 (rel. September 12, 2019). In addition, FCC Tariff No. 7, in compliance with the CALLS, the Contribution Order released in 2002, and the Waiver Order released in 2003 and modified in 2008, as outlined above, has calculated multi-line FUSF rates that are adjusted to reflect the Vermont multi-line demand associated with the multi-line equivalency calculation. Exhibit 3 provides a listing of the resulting FUSF rate changes and Exhibit 4 provides supporting documentation for the rate changes described in Exhibit 3. CCI opts not to increase the FUSF Line Rates in Vermont.

E. CAF ICC ARC Adjustment

Adjustments to the ARC in FCC Tariff #7 reflect a reduction in the multi-line business and BRI rates in ME and NH. In addition, the single line business ARC is eliminated in NH. Support for the current ARC rates was filed on September 16, 2019. There is no change to these calculations.

CONCLUSION

Consolidated Communications hereby submits for FCC Tariff No. 7, the accompanying TRP, proposed rate changes and exhibits consistent with the Commission's regulations for local exchange carriers. The proposed adjustments are supported as just and reasonable.

EXHIBIT INDEX

Consolidated Communications Companies provides the necessary detail to support the calculations of indices, exogenous costs, and rates in various workpapers.

The following is the index of such workpapers.

Certification

Tariff Review Plan (Long Form)

TRP Rate Detail

Exhibit 1

Exhibit 2

Exhibit 3

Exhibit 4

Affiliate and COSA Information

Proposed FUSF Rate Changes

Calculation of the Proposed FUSF Rates

Revenue Impact Summary