

Brightspeed Local Operating Companies

Transmittal No. 2

Description and Justification

The Brightspeed Local Operating Companies (BLOC) hereby submits the following information in support of the accompanying revisions to Brightspeed Local Operating Companies Tariff F.C.C. Nos. 1, 2, 3, 4, 6, 7, and 8.

This filing is made on at least 16 days' notice as required by Section 61.58 (2) (ii) of the Code of Federal Regulations Part 47 and includes tariff changes consistent with the requirements of Sections 61.41 through 61.49 of the Federal Communications Commission's Rules. This filing adjusts Brightspeed's federal universal service fund (USF) contribution factor for 1st quarter 2023 to 32.6% consistent with the requirements of the Commission's USF Order.¹

Universal Service Fund Contribution Factor - First Quarter 2022

For all companies, excluding those in BLOC Tariff F.C.C. No. 4, a surcharge equal to the first quarter 2023 USF contribution factor of 0.326 is applied to end users being billed local exchange service (i.e., primary residential, non-primary residential, ISDN-BRI, single-line business, multi-line business, ISDN-PRI, and Centrex), switched dedicated, special access, or other interstate access services (i.e., Presubscription Change Charges). The percentage surcharge is reflected as a separate line item, clearly identified on the customer's bill. The detailed calculations for Tariff F.C.C. No. 4 are defined below.

¹ *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Public Notice (DA 22-1286) released December 9, 2022.)

Calculations for Brightspeed Operating Companies Tariff F.C.C. No. 4

Brightspeed adjusts the federal universal service fund (USF) end user charges to reflect its full contribution obligation, which is based on interstate end user revenues used by the Universal Service Administration Company (USAC) to calculate Brightspeed's first quarter 2023 assessment. Consistent with the requirements of the Commission's *USF Interim Methodology Orders*,² Brightspeed recovers its federal universal service contributions through per line monthly charges assessed to end users subscribing to local exchange service (i.e., primary residential, non-primary residential, ISDN-BRI, single-line business, multi-line business, ISDN-PRI, and Centrex). Contributions for end users being billed switched dedicated, special access, or other interstate access services (i.e., Presubscription Change Charges) are recovered by applying a surcharge equal to the first quarter 2023 USF contribution factor of 0.326 to the total of the end user customer's interstate access charges. Both the per line charge and percentage surcharge are reflected as a separate line item, clearly identified on the customer's bill.

As detailed on Exhibit 1, Page 1, the Federal USF end user charges for primary residential, non-primary residential, ISDN-BRI and single-line business are calculated by applying the first quarter 2023 contribution factor of 0.326 to the sum of the charges representing the interstate portion of the customer's bill (i.e., the customer's end user common line or subscriber line charges).

Exhibit 1, Page 2 details the calculation of the Federal USF end user charges for Centrex, ISDN-PRI and multi-line business customers. The *USF Interim Methodology Orders* allow the Federal USF end user charges for Centrex customers to be recovered using an "equivalency ratio." Initially, the Federal USF charges for Centrex, ISDN-PRI and multi-line business customers are calculated by applying the 0.326 first quarter 2023 contribution factor to the sum of the charges representing the interstate portion of the

² *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order and Second Further Notice of Proposed Rulemaking (FCC 02-329), released December 13, 2002; Order and Second Order on Reconsideration (FCC 03-58), released March 14, 2003; and Public Notice (DA 03-1909) (Collectively *USF Interim Methodology Orders*).

customer's bill in the same manner as outlined above. For multi-line business and ISDN- PRI, the Federal USF charges are calculated by first determining the difference, on a per line basis, between assessing Centrex lines based on the equivalency ratio and applying the remaining USF recovery across multi-line business and ISDN-PRI lines on an averaged basis. Once the difference is determined, a portion (\$0.50) is allocated back to Centrex, and the remainder is added to the initial multi-line business Federal USF charge to produce the Federal USF end user charge for multi-line business customers. The Federal USF end user charge for ISDN-PRI customers is calculated by multiplying the multi-line business charge by 5. The Federal USF end user charge for Payphone Service Providers is calculated by applying the 0.326 first quarter 2023 contribution factor to the multi-line business subscriber line charge.

Conclusion

The Brightspeed Local Operating Companies are submitting the accompanying information consistent with the requirements of the Commission's price cap regulations for local exchange carriers and in compliance with universal service decisions. The rate adjustments proposed herein are demonstrated to be just and reasonable, and are supported by detailed exhibits, where applicable, reflecting the calculation of the proposed USF end user charges.

CenturyLink FCC #8 - 12/16/22 Federal USF End User Surcharge Rates
(1Q 2023 USF Contribution Factor 32.6% - DA-22-1286)
Transmittal No. 2

Subscriber Line Charge - SLC Rates										Federal End User USF Surcharge									
Residential Primary TL #124 1/1/2023	Residential Non-Primary TL #124 1/1/2023	ISDN BRI TL #124 1/1/2023	Single Line Business TL #124 1/1/2023	Multi-Line Business & ISDN-PRI & Centrex TL #124 1/1/2023	Proposed 1/1/2023 USF Contribution Factor (F)	Residential Primary TL #2 1/1/2023	Residential Non-Primary TL #2 1/1/2023	ISDN BRI TL #2 1/1/2023	Single Line Business TL #2 1/1/2023	Payphone TL #2 1/1/2023	Multi-Line Business * & ISDN-PRI TL #2 1/1/2023	Centrex * TL #2 1/1/2023							
(A)	(B)	(C)	(D)	(E)	(F)	(G)=A*F	(H)=B*F	(I)=C*F	(J)=D*F	(K)=E*F	(L)=Col H Page 2	(L)=Col I Page 2							
Indiana	\$ 6.50	\$ 7.00	\$ 7.00	\$ 6.50	\$ 9.20	32.6%	\$ 2.12	\$ 2.28	\$ 2.28	\$ 2.12	\$ 3.00	\$ 3.17							
Kansas	\$ 6.50	\$ 7.00	\$ 7.00	\$ 6.50	\$ 9.20	32.6%	\$ 2.12	\$ 2.28	\$ 2.28	\$ 2.12	\$ 3.00	\$ 3.02							
Missouri	\$ 6.50	\$ 7.00	\$ 7.00	\$ 6.50	\$ 9.20	32.6%	\$ 2.12	\$ 2.28	\$ 2.28	\$ 2.12	\$ 3.00	\$ 3.58							
New Jersey	\$ 5.78	\$ 5.78	\$ 5.78	\$ 5.78	\$ 7.96	32.6%	\$ 1.88	\$ 1.88	\$ 1.88	\$ 1.88	\$ 2.59	\$ 2.69							
North Carolina	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 7.74	32.6%	\$ 2.12	\$ 2.12	\$ 2.12	\$ 2.12	\$ 2.52	\$ 3.05							
Ohio	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 9.06	32.6%	\$ 2.12	\$ 2.12	\$ 2.12	\$ 2.12	\$ 2.95	\$ 3.23							
Pennsylvania	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 8.91	32.6%	\$ 2.12	\$ 2.12	\$ 2.12	\$ 2.12	\$ 2.90	\$ 3.16							
South Carolina	\$ 6.50	\$ 7.00	\$ 7.00	\$ 6.50	\$ 9.05	32.6%	\$ 2.12	\$ 2.28	\$ 2.28	\$ 2.12	\$ 2.95	\$ 3.13							
Tennessee	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.50	\$ 6.72	32.6%	\$ 2.12	\$ 2.12	\$ 2.12	\$ 2.12	\$ 2.19	\$ 2.62							
Texas	\$ 6.50	\$ 7.00	\$ 7.00	\$ 6.50	\$ 9.20	32.6%	\$ 2.12	\$ 2.28	\$ 2.28	\$ 2.12	\$ 3.00	\$ 3.11							
Virginia	\$ 6.50	\$ 7.00	\$ 7.00	\$ 6.50	\$ 9.20	32.6%	\$ 2.12	\$ 2.28	\$ 2.28	\$ 2.12	\$ 3.00	\$ 3.16							

* - Rates are developed on Exhibit 1 Page 2.

CenturyLink FCC #9 - 12/16/22 Federal USF End User Surcharge Rates
(1Q 2023 USF Contribution Factor 32.6% - DA-22-1286)
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	Nov. 2022 Access Lines			Multi-Line Bus, ISDN-PRI & Centrex		Proposed 1/1/2023 USF Contribution Factor (G)	Initial USF Charge Calculation (H)=F*G	Proposed 1/1/23* Multi-Line Business & ISDN-PRI USF Charge I=if((E*H-D*0.50)/(A-B+C)< \$0.50,H,(E*H-D* 50)/(A-B+C))		Proposed 1/1/23* Centrex USF Charge J=Min(\$0.50,H)	Allowable Multi-Line Bus & Centrex & ISDN-PRI Revenue K=E*H		PriceOut Multi-Line Bus & Centrex & ISDN-PRI Revenue L=(A-B+C)*I+D*J	
	Multi-Line Business (A)	Payphone (B)	ISDN PRI (5 Times) (C)	Centrex (D)	Total Multi-Line Bus & ISDN PRI & Centrex Lines (E)=A-B+C+D									
					TL #124 01/01/2023 (F)									
Indiana	8,907	2	870	666	10,441	\$	9.20	\$	3.00	\$	31.315	\$	31,315	\$
Kansas	4,431	-	185	30	4,646	\$	9.20	\$	3.00	\$	13,934	\$	13,934	\$
Missouri	9,778	-	871	2,490	13,139	\$	9.20	\$	3.00	\$	39,406	\$	39,406	\$
New Jersey	10,424	-	345	485	11,254	\$	7.96	\$	2.59	\$	29,204	\$	29,204	\$
North Carolina	49,745	1	4,360	13,969	68,073	\$	7.74	\$	2.52	\$	171,765	\$	171,765	\$
Ohio	16,368	-	2,120	2,064	20,552	\$	9.06	\$	2.95	\$	60,702	\$	60,702	\$
Pennsylvania	14,038	-	1,240	1,614	16,892	\$	8.91	\$	2.90	\$	49,066	\$	49,066	\$
South Carolina	3,827	-	315	309	4,451	\$	9.05	\$	2.95	\$	13,132	\$	13,132	\$
Tennessee	6,238	-	1,450	1,973	9,661	\$	6.72	\$	2.19	\$	21,165	\$	21,165	\$
Texas	17,924	-	1,406	830	20,160	\$	9.20	\$	3.00	\$	60,464	\$	60,464	\$
Virginia	18,465	-	1,540	1,262	21,267	\$	9.20	\$	3.00	\$	63,784	\$	63,784	\$
	160,145	3	14,702	25,692	200,536						553,935	\$	553,935	\$