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AUG 1 4 2008 PUBLIC SERVICE COMMISSION



August 12, 2008

Ms. Stephanie L. Stumbo, Executive Director Kentucky Public Service Commission P. O. Box 615 Frankfort, KY 40602-0615

RE: PSC Case No. 381

Please find enclosed the original and four (4) copies of our response to the Commission's order dated September 25, 2001 requesting a detailed proposal for the certification process from carriers receiving federal high cost support for the Commission's annual certification to the Federal Communications Commission (FCC) and the Universal Service Administrative Company (USAC).

Should you have any questions regarding our filing, please don't hesitate to contact me.

Sincerely,

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Johnny L. McClanahan President and CEO

Enclosures

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AUG 1 4 2008

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A CERTIFICATION OF THE CARRIERS)ADMINISTATIVERECEIVING UNIVERSAL SERVICE)CASE NO. 381HIGH COST SUPPORT))

NORTH CENTRAL TELEPHONE COOPERATIVE RESPONSE TO COMMISSION'S SEPTEMBER 25, 2001 ORDER

North Central Telephone Cooperative is committed to providing excellent customer service and the highest level of telecommunications services at rates that are affordable and comparable to non-rural areas. It is critical that North Central Telephone Cooperative remain eligible to receive federal high cost support to meet these goals.

The state certification for federal support will be an annual process. In order to receive federal support beginning January 1 of each year, the Kentucky Public Service Commission must file its annual certification on or before October 1 of the previous year. The attached affidavit should be accepted by the Kentucky Public Service Commission for the purpose of notifying the Universal Service Administrative Company (USAC) and the Federal Communications Commission (FCC) that North Central Telephone Cooperative is eligible to receive high cost support in accordance with 47 USC 254(e).

Respectfully submitted,

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Johnny L. McClanahan President and CEO North Central Telephone Cooperative, Inc. P. O. Box 70 Lafayette, TN 37083

AFFIDAVIT

STATE OF KENTUCKY

COUNTY OF ALLEN

BEFORE ME, the undersigned authority, on this day personally appeared Johnny L. McClanahan of North Central Telephone Cooperative, ("the Cooperative"), who on his oath deposed and said:

- 1. My name is Johnny L. McClanahan. I am employed by North Central Telephone Cooperative in the position of President and CEO. In this position, I am personally familiar with the Federal Universal Service support received by the Cooperative and how these funds are used by the Cooperative.
- 2. North Central Telephone Cooperative was designated as an eligible Telecommunications carrier by the Kentucky Public Service Commission in Case No. 360 by order dated November 26, 1997.
- 3. North Central Telephone Cooperative estimates that it will receive approximately \$282,602 of Federal Universal Service high cost support for Kentucky during the January 1, 2008 to December 2008 time period.
- 4. The Federal Universal Service Support funds the Cooperative receives during 2008 will be used for the provision, maintenance and upgrading of facilities and services for which the support is intended, as designated by the Federal Communications Commission consistent with Section 254(e) of the federal Telecommunications Act. These funds will be used to provide the following supported services, as outlined in 47 CFR section 54.10(a), which are available to any customer in the Cooperative's service area: single-party voice grade access to the public switched network, unlimited local usage, dual-tone multi-frequency signaling or its functional equivalent, access to operator service, access to interexchange service and access to directory assistance and toll limitation for qualifying low income customers.
- 5. North Central Telephone Cooperative follows Federal Communications Commission Part 32 accounting requirements for regulated local exchange carriers and Part 36 separations provisions used to determine high cost support amounts. As a regulated utility, North Central Telephone Cooperative's accounting and separations procedures are subject to periodic National Exchange Carrier Association and Kentucky Public Service Commission reviews.
- 6. While continuing to receive the estimated amount of Federal Universal

Service support as described and using this support for the purposes as described, North Central Telephone Cooperative does not anticipate increasing local rates nor withdrawing any services; therefore, the comparability of rates and service between the rural area served by North Central Telephone Cooperative and the urban areas of Kentucky will not be changed because of any action on the part of North Central Telephone Cooperative.

7. The matters addressed above are within my personal knowledge and are true and correct.

Johnny L. McClanahan

Sworn and subscribed before me, the undersigned authority, on this the $\frac{12^{44}}{2}$ day of <u>Hugust</u>, 2008.



Notary Public, State of Tennessee My Commission expires <u>11/26/2011</u>