

201 E. Fourth St. P.O. Box 2301 Cincinnati, Ohio 45201-2301

August 30, 2005

Ms. Beth O'Donnell
Executive Director
Commonwealth of Kentucky
Public Service Commission
211 Sower Boulevard
Post Office Box 615
Frankfort, KY 40602

AUG 3 I 2005

PUBLIC SERVICE
COMMISSION

Re:

<u>A Certification of the Carriers Receiving Universal Service High Cost Support</u> Administrative Case No. 381

Dear Ms. O'Donnell:

Enclosed please find an original and 10 copies of the Certification of Cincinnati Bell Telephone Company in the above matter.

Please date stamp and return a copy of this letter to me in the enclosed, self-addressed, stamped envelope. Any questions concerning this matter may be directed to me at 513-397-6671.

Sincerely,

Patricia L. Rupich

Patricia L. Figural

Enclosures



201 E. Fourth St. P.O. Box 2301 Cincinnati, Ohio 45201-2301

phone 513.397.6351 fax 513.721.7358

christopher.wilson@cinbell.com

August 30, 2005

Ms. Beth O'Donnell Executive Director Commonwealth of Kentucky Public Service Commission 211 Sower Boulevard Post Office Box 615 Frankfort, KY 40602

Christopher J. Wilson

Vice President and General Counsel

Re: <u>A Certification of the Carriers Receiving Universal Service High Cost Support</u>

Administrative Case No. 381

Dear Ms. O'Donnell:

Pursuant to the Commission Order issued on September 25, 2001 in the above case, by September 1st of each year all incumbent local exchange carriers must submit plans for their intended use of any federal high-cost support they expect to receive in the ensuing calendar year. Cincinnati Bell Telephone Company (CBT) hereby files this letter in compliance with the Commission's Order for calendar year 2006 federal high-cost fund support.

At this time, the Universal Service Administrative Company (USAC) has not released its estimates for federal universal service high-cost support for 2006. The most recent estimates available from USAC are for the fourth quarter of 2005 (released by the USAC on August 2, 2005). Based on that report and high-cost model funds received to date for the current year, CBT anticipates that it will receive approximately \$700,000 during 2005. Although high-cost funding has been somewhat erratic from year-to-year, CBT's best estimate is that its 2006 funding will be comparable to 2005 levels. Thus, at this time, CBT anticipates that its high-cost model support for 2006 will be approximately \$700,000.

Given the unpredictable nature of the federal universal service high-cost funding from year to year, it is difficult for CBT to develop a concrete proposal for how it would spend any funds it might receive in 2006. However, CBT commits that any such funds it receives will be directed to investment initiatives designed to maintain and upgrade its network to improve reliability, enhance feature availability, or expand broadband deployment in its rural wire centers in Kentucky. Such initiatives will be consistent with the directives of Section 254(e) of the Telecommunications Act of 1996 and the Federal Communications Commission's rules that

require universal service high-cost support to be used for the provision, maintenance, and upgrading of facilities and services.¹

If you have any questions regarding this matter please contact Pat Rupich at 513-397-6671.

Sineerely,

Christopher J. Wilson

 $^{^1}$ 47 U.S.C. \S 254(e) and 47 C.F.R. \S 54.313.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing filing of Cincinnati Bell Telephone was sent by U. S. mail, postage prepaid, to the following parties on this 30th day of August 2005.

Patricia L. Rupich

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