CONGRESSIONAL REAPPORTIONMENT ALSO CHANGES PUBLIC SERVICE COMMISSION

Every ten years the South Carolina General Assembly must redraw congressional and state legislative districts to reflect population changes based on the U.S. Census. South Carolina gained a seat in Congress as a result of population growth as reflected in the 2010 census. The General Assembly’s redistricting plan added a 7th Congressional District centered in Horry County which the Governor signed on August 1st. The U.S. Justice Department must approve the plan to ensure that it meets federal voting rights standards. Several groups have indicated that they may challenge the proposed new districts in Court.

If approved, changes are effective with the 2012 general elections. The reapportionment will affect the Commissioners serving on Public Service Commission since the General Assembly elects the seven Commissioners based on the congressional districts. The reapportionment plan, 2011 Act 75, also provides that any person elected or appointed to serve or serving on a Commission to represent a Congressional district whose residency is transferred to another district may continue to serve the term of office for which he was elected. Prior to this reapportionment, a Commissioner was elected for each of the six congressional districts with one at-large Commissioner. The two Commissioners who will be affected if the plan is approved are Commissioner Swain Whitfield and Commissioner O’Neal Hamilton whose terms expire June 30, 2012. Commissioner Hamilton now represents the 5th District, but resides in the newly formed 7th District. Commissioner Whitfield is currently the at-large Commissioner. He lives in the 2nd District currently represented by Commissioner David Wright whose term expires in 2014. Commissioner Whitfield would have to move his residence into the 5th District that would be vacated by Commissioner Hamilton if he decides to seek re-election to the Commission. If the plan has not received final approval or is challenged in Court, their re-elections would be delayed until the Congressional Districts are finally settled and their successors are elected.
From the Executive Director….

The first regular session of the 119th SC General Assembly commenced the second Tuesday in January and ended the first Thursday in June. This year’s Sine Die resolution allowed the General Assembly to return to complete the appropriations bill, continue reapportionment, ratification of Acts, conference reports and to address gubernatorial vetoes.

SC Governor Nikki Haley ordered the General Assembly back into session the week after its regular adjournment to address one of her key goals to restructure state government. The bill that creates the Department of Administration out of a large segment of the Budget and Control Board languished in the State Senate with over 70 amendments. However, the SC Supreme Court ruled S.C. legislators would not return to work in the emergency session ruling that Gov. Nikki Haley lacks the authority to order them back into session during a weeklong break. The ruling by the state Supreme Court sided with Senate President Pro Tem Glenn McConnell, R-Charleston. McConnell filed a lawsuit before the court, arguing that fellow Republican Haley had overstepped her powers as laid out in the state Constitution. The bill to create a Department of Administration will continue to be debated in 2012.

The South Carolina Cable Television Association tracked approximately 70 bills that directly or indirectly affect the state’s cable industry. Three pieces of legislation that we followed were ratified in June. H3183 addressed lobbyist registration and the fines and penalties to be paid before annual registration with the State Ethics Committee. House Bill 3660 addressed the issue of copper theft and the permitting to sell or transport such metals. Senate Bill 705, which updates South Carolina’s Damage Prevention Act, was discussed for quite a while by the utility and telecommunications industries along with Carolina’s AGC (Contractors Association).

A number of bills were filed in 2011 related to the immanent copper theft in the Palmetto state. H3660, now law, requires those who sell and/or transport copper and other metals to get a permit from their local sheriff’s department. There would be no fees related to obtaining this permit. The new law also prohibits recyclers from making cash payments for copper, catalytic converters and beer kegs. H3508, the AT&T backed legislation, has been our dominate piece of legislation in 2011. This bill, which imposes the same requirements on government-owned broadband operations that are currently imposed on telecommunications operations, remains to be heard before the full Senate Judiciary Committee. Both Orangeburg and Oconee counties, who received federal stimulus funds last year, have consistently objected to the bill. The session ended before this bill could be heard before the Judiciary Committee. This association has offered to assist the bill’s proponents to work on a strategy before the 2012 session.

The second regular session of the 119th begins in January and the remaining bills, and newly filed bills will continue to be monitored and addressed by this association. Our team provided a lot of work on the ATT/Broadband Bill and the “Dig Bill”. Your efforts and dedicated work is appreciated.

The 2011 Carolina’s Joint Summer Meeting (JSM) hosted by North Carolina and held at the Grove Park Inn in Asheville was a great success. I sincerely appreciate your participation in this event and for your assistance preparing for the SCCTF and SCCTA board meetings along with the annual meeting. SC State Senate President Pro Tempore Glenn F. McConnell was awarded the 2010 SCCTA Legislator of the Year at the JSM. The Senator had a scheduling conflict and could not attend the meeting but taped a very gracious acceptance speech for the awards dinner. You will continue to receive reports and information as we continue to develop a strategy for the 2012 legislative session in SC.

Ray Sharpe
SC Cable Television Association (SCCTA) Board Chairman Dan Jones and SCCTA Director, Ray Sharpe present the SCCTA 2011 Legislator of the Year to SC Senate President Pro Tempore Glenn McConnell.

Senator Glenn McConnell was awarded the 2011 South Carolina Cable Television Association Legislator of the Year at the 2011 Carolinas’ Joint Summer Meeting in Asheville. Senator McConnell is a native and life-long resident of Charleston, South Carolina. Senator McConnell started his legal career by working for two years as a staff attorney with the Neighborhood Legal Assistance Program. He also served as a Labor Management Relations Specialist with the Charleston Naval Shipyard and then entered private practice. He retired from active practice to manage a family business until deciding to retire and close the business in 2009. Senator McConnell was elected to the South Carolina Senate in 1980 and has served as Chairman of the Rules Committee and is now Chairman of the Senate Judiciary Committee, which handles over 40% of all legislation that comes before the Senate for consideration. In 2009, McConnell was elected as the first Republican President Pro Tempore of the Senate since Reconstruction.

Interim LEC and SC USF Funds

Oral arguments were held at the South Carolina Public Service Commission on June 29, 2011, on SCCTA’s request that the Interim Local Exchange Carrier (“LEC”) Fund be transitioned into the S.C. Universal Service Fund. The Interim LEC Fund is an access charge replacement fund established in 1996 under the same legislation that established the S.C. Universal Service Fund. It is collected from companies that have interexchange traffic in South Carolina and is billed on a minutes of use basis. It currently brings in about $32 million per year. The statute that established the Fund provided for it to be transitioned into the USF.

The Commission recently voted at its weekly meeting not to consolidate the Interim LEC fund. A formal order has not yet been issued. Commissioner Mitchell moved that the consolidation not take place because there may be changes in the Federal Universal Service Fund that would force a change in the character of the South Carolina Fund. He also cited the Office of Regulatory Staff’s proposition that consolidation would cause an increase in the USF factor paid by end users that would result in a $32 million tax increase. This is the first time the Commission and the Office of Regulatory Staff have acknowledged that the USF fee is a tax.
Member News...

Charter to Give Customers in the Carolinas and Virginia a New “Experience”

Charter renews focus on customer service with the roll out of its “Customer Experience Transformation” program

In an effort to exceed the service expectations of its customers, Charter employees nationwide, including those in North and South Carolina, as well as Virginia, recently rolled out a bold new program called the Customer Experience Transformation that is aimed at delivering a better service experience to customers. The launch of the program comes on the heels of a customer experience pilot program held in Greenville, SC during the first quarter of 2011 – titled “customer on-boarding” – that centered on improving technician and sales agent interactions with customers the first time. The pilot proved successful, with reductions in unnecessary and repeat truck rolls, as well as improved customer survey scores.

Two additional pilots held in Charter’s Madison, WI and Irwindale, CA markets that focused on improving the customer experience during repair visits and inventory management also will be integrated into the Customer Experience Transformation program. Anthony Pope, Vice President and General Manager for Charter in the Carolinas and Virginia, said that the Greenville pilot was a success because employees were given more ownership of the customer experience. “We are excited to launch the Customer Experience Transformation,” said Pope. “This is a program created by employees for employees that will provide tremendous, measurable benefits to our customers and position us as their trusted advisors.”

The Customer Experience Transformation was officially introduced to employees during training sessions for managers, supervisors, and front-line employees that began in late June. Kenny Parker, leader of the Customer Experience Transformation team for the Carolinas and Virginia, says that the trainings help to instill pride and confidence in employees. “We want all employees to be proud to wear their Charter shirt and to be able to speak confidently about our company while out in the community,” said Parker. Kevin Galloway, a technician and safety trainer for Charter and a lead presenter during the customer experience trainings, said that initial feedback from employees about the program has been positive.

“In conversations with employees throughout North and South Carolina, the responses have been very upbeat,” said Galloway. “Most are glad to see that we are really focusing on the customer, from their point of view. We even had feedback from some techs that are putting their training to work and noticing a difference already.” Parker echoes this sentiment, and said that he, too, has already had a couple of “wow” moments emerge from the training sessions. He recalls one example in particular of a customer and her children taking the time to make a card by hand for a Charter technician, and even attached candy to it. “The goal is to exceed the customer’s expectation at every interaction,” said Parker. “As competition grows, great customer service will win out in the end.”
PSC Broadband Workshop

The Federal-State Joint Conference on Advanced Services was established in 1999 to implement Section 706 of the 1996 Telecommunications Act. The Act requires the FCC and each State Commission to encourage the reasonable and timely deployment of advanced telecommunications services (broadband) to all Americans. The Joint Conference is a forum to conduct an ongoing, cooperative dialogue between the state and federal regulatory agencies regarding broadband deployment. The Joint Conference also monitors the ongoing deployment of advanced services throughout the nation to determine what is being deployed and to identify a set of best practices that promote rapid deployment. The Joint Conference has created a web site, FCC/State Data Sharing Community, that allows state regulators to share information with each other and the FCC about what the states are doing to promote broadband adoption. The website is http://communities.nrri.org/web/telecom-broadband-adoption. The website permits state agencies and regulators to upload documents on broadband deployment and adoption promotion efforts, relevant state statutes, orders, regulations, and other public record materials that provide useful information. South Carolina Commissioner Mitchell is the Vice Chairman of the Joint Conference.

Commissioner Mitchell scheduled a workshop on August 18, 2011, at the South Carolina Public Service Commission to determine where South Carolina stands on broadband availability, affordability, adoption, and best practices. Members of the South Carolina telecommunications community were invited to attend. Commissioner Mitchell sought input to create a South Carolina best practices document for the website. The presenters included representatives of the incumbent local exchange carriers, the S.C. Department of Information Technology, SC’s Connected Nation division and Comcast. No competitive local exchange carriers made presentations.

ConnectSC is Connected Nation’s South Carolina division leading the broadband initiative to gather data to increase access and encourage usage. ConnectSC is working on a Community Technology Certification Program to be used as an economic development tool to help communities stand out from the pack. The program certifies that the community has a robust infrastructure and technologically savvy workforce. The S.C. Department of State Information Technology’s representative presented information on broadband in South Carolina government explaining how state agencies and higher education institutions are interconnected throughout the state. The K-12 Technology Initiative was also described. Farmers Telephone Cooperative described numerous examples of how broadband is being used in its service area. Farmers indicated they started a $17 million fiber-to-the-home project intended to pass 10,000 homes and be completed by the end of 2012. CenturyLink’s representative described its Broadband Adoption program scheduled to go on-line October 1st.

Rick Wolfe of Comcast presented Introduction to Internet Essentials: Helping Low Income Families Get Connected to the Internet. Mr. Wolfe described how a customer qualifies for the program and explained the reduced rate for Internet access. An eligible customer also has the option to purchase a computer for $150. The program is being launched in Charleston on August 19th.
PSC / ORS Briefs

AT&T Discontinues MVTS & CQVA

AT&T filed a copy of its FCC Section 63.71 Application with the S.C. Public Service Commission in May. In the application AT&T requests permission from the FCC to discontinue offering Modular Video Transport (MVTS) and Commercial Quality Video Services (CQVS) through the southeast including South Carolina. AT&T plans to discontinue offering CQVS services to new customers effective August 1, 2011, but will continue providing it to existing customers until the service is withdrawn on August 1, 2012. MVTS will be discontinued on or after December 31, 2013. AT&T is discontinuing these services due to a lack of demand. There are competing advanced video transport services in the marketplace including AT&T’s Broadcast Quality Video service.

Sprint Deregulation

Sprint filed a notice of its election to deregulate its local exchange services pursuant to the Customer Choice and Technology Investment Act of 2009 (AT&T’s Deregulation Bill - S.C. Code § 58-9-576(C)) on May 17, 2011. The election eliminates the S.C. Public Service Commission’s authority to regulate most retail local services. Since the AT&T Deregulation Bill became law, four AT&T entities have elected to be deregulated as well as MCImetro Access Transmission Services, doing business as Verizon Access Transmission Services.

ORS’s Annual USF Audit

The Office of Regulatory Staff filed and posted the 2010 Annual Report on the Audit of the South Carolina Universal Fund Financial Statements on June 6, 2011, http://regulatorystaff.sc.gov. The report noted that assessable revenues reported were down. The total revenues for 2010 were $47 million compared to $52 million in 2009.

Telecom Bond Regulation

The revised telecom bond regulation, 26 S.C. Regs. 103-607, became effective in June. Telephone utilities that provide retail residential local exchange services may be required to post a performance bond if they have not invested at least $5 million in telecommunications facilities in South Carolina. The utility may petition for a waiver of the requirement if it provides evidence of financial stability. The amount must be no less than $100,000.
SOUTH CAROLINA LEGISLATIVE UPDATE

Several bills of interest became law since the last newsletter including the following:

**Act 40 / House Bill 3183 - Lobbyists Registration**

Lobbyists and lobbyists’ principals may not register, re-register or continue to be registered until they comply with reporting requirements, pay any late filing fees, and all complaint fines.

**Act 48 / Senate Bill 705 –Damage Prevention – SC 811**

The Underground Facility Damage Prevention Act replaces the law that created the Palmetto Utility Protection Service in order to comply with the 2006 federal Pipeline Inspection, Protection, Enforcement and Safety Act (“PIPES”). The major changes with the new act include mandatory membership for all facility owners, 3 full working day notification of excavation, positive response to SC811 by facility owner concerning marking of facilities, excavators must check the positive response system prior to beginning excavation and notify the system when complete.

**Act 50 / Senate Bill 694 – Employees Charging Discrimination**

This act amends the remedies for private sector employees who blow the whistle on occupational safety and health violations. The employee must file a complaint with the Director of the Department of Labor, Licensing and Regulation within 30 days after the violation occurs. The Director must then forward the complaint to the U.S. Department of Labor whistleblower program.

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**STATE- ISSUED CERTIFICATES OF FRANCHISE AUTHORITY**

As of August 2, 2011, the South Carolina Secretary of State has issued the following certificates of franchise authority. Changes from the last newsletter are highlighted in red:

- **ATLANTIC BROADBAND**...........Aiken, Aiken County, Allendale, Bamberg, Bamberg County, Barnwell, Burnettown, Denmark, Fairfax, Jackson, New Ellenton, Snelling, Williston
- **BALDWIN COUNTY INTERNET/**........Beaufort County, Charleston County, Greenville, Greenville County
- **DSSI SERVICE, LLC**
- **BELLSOUTH TELECOMMUNICATIONS, ...Anderson, Anderson County, Arcadia Lakes, Bamberg County, Belton, Berkeley County, Blythewood, Calhoun County, Camden, Cayce, Central, Chapin, Charleston, Charleston County, Cheraw, Cherokee County, Chesterfield County, Clemson, Clover, Colleton County, Columbia, Cordova, Dorchester County, Duncan, Easley, Elgin, Fairfield County, Folly Beach, Forest Acres, Fountain Inn, Gaffney, Gaston, Goose Creek, Greenville, Greenville County, Greer, Hanahan, Hollywood, Irmo, Isle of Palms, James Island, Kiawah Island, Kershaw County, Laurens, Lexington County, Liberty, Lincolnville, Little Mountain, Lyman, Mauldin, McConnells, Mount Pleasant, Newberry, North Charleston, Oconee County, Orangeburg, Orangeburg County,
**State-Issued Certificates of Franchise Authority continued...**

BellSouth (continued).................Pickens, Pickens County, Pine Ridge, Ravenel, Reidville, Richland County, **Seabrook Island**, Seneca, **Six Mile**, South Congaree, Spartanburg, Spartanburg County, Springdale, **Sullivan’s Island**, Summerville, Travelers Rest, Walhalla, West Columbia, **West Pelzer**, Williamson, York, York County

BERKELEY CABLE TV, INC..............Berkeley County, Charleston, Goose Creek, Harleyville, Jamestown, Moncks Corner, North Charleston, St. Stephens

BROADBAND EXPERIENCE..............Central, Clemson, Pickens County
d/b/a FAMILY VIEW CABLEVISION

CAROLINA TELECOM SERVICES.......Hickory Grove, Sharon

CATAWBA, INC............................Rock Hill

CHARTER COMMUNICATIONS, LLC.....Abbeville, Anderson County, **Campobello, Central Pacolet**, Chesnee, Clinton, Cowpens, Duncan, Easley, Greer, Greenville, Greenville County, Honea Path, Inman, Jonesville, Landrum, Laurens, Mauldin, Newberry County, Oconee County, Pelzer, Pickens County, Reidville, Salem, Six Mile, Spartanburg, Spartanburg County, Starr, Travelers Rest, Union, **Welford**, West Pelzer, Whitmire, Woodruff

CHESNEE COMMUNICATIONS..........Cherokee County, Chesnee, Spartanburg County

CHESTER COMMUNICATIONS, LLC
dBA TRUVISTA............................Chester

COMCAST OF CAROLINA..............Berkeley County, Charleston, Dorchester County, Edisto Beach, Goose Creek, Hampton County, Hanahan, Isle of Palms, James Island, Mount Pleasant, Sullivan’s Island, Summerville *(Walterboro denied application.)*

COMCAST OF GEORGIA/SC II..........Beaufort County, Charleston, Edisto Beach, Hampton County, Hollywood, Meggett, Mount Pleasant, Town of Seabrook Island

COMCAST OF GEORGIA/SC INC........Aiken County, Burnettown, Hampton County, North Augusta

COMCAST OF THE SOUTH..............Calhoun Falls, Prosperity

ELK COMMUNICATIONS, LLC..........Gaston, Lexington County, Swansea

FALCON VIDEO COMMUNICATIONS...Beaufort, Beaufort County, Port Royal

FARMERS TELEPHONE...............Andrews, Clarendon County, Coward, Florence County, Georgetown County, Cooperative
Greeleyville, Lane, Lee County, Lynchburg, Mayesville, Paxville, Pinewood, Scranton, Sumter, Sumter County, Turberville, Williamsburg County

FTC DIVERSIFIED SERVICES, INC...Bishopville, Clarendon County, Florence County, Georgetown County, Kingstree, Lake City, Lee County, Manning, Olanta, Summerton, Sumter, Sumter County, Williamsburg County

GREAT FALLS CABLEVISION, INC.....Town of Great Falls
d/b/a TRUVISTA

HARGRAY CATV CO., INC..............Bluffton, Estill, Hampton, Hardeeville, Hilton Head Island, Jasper County *(Ridgeland denied application.)*
**State-Issued Certificates of Franchise Authority continued...**

HORY TELEPHONE COOPERATIVE…Conway, Surfside Beach

HPI ACQUISITION CO., LLC………………..Anderson, Anderson County, Due West

KNOLOGY OF CHARLESTON, INC……City of Charleston, Charleston County, Dorchester County, Hanahan, Mount Pleasant, North Charleston, Summerville

*(Lincolnville denied application.)*

MANAGED SERVICES INC…………………..Berkeley County, Horry County, Jasper County, Richland County

METROCAST COMMUNICATIONS……Marlboro County, McColl

OF MISSISSIPPI, LLC

NORTHLAND CABLE TELEVISION……Laurens County, Pendleton, Pickens County, Seneca, West Union

PALMETTO CABLE TV, LLC……………. Fort Mill, Lancaster County

PALMETTO RURAL TELEPHONE……Bamberg County, Colleton County, Cottageville, Lodge, Smoaks, Walterboro, COOPERATIVE, INC. Williams

PASSPORT COMMUNICATIONS………..Fort Mill

PINE TREE CABLEVISION…………………..Aiken County, Bamberg County, Barnwell County, Bethune, Cottageville, Gaston, Jefferson, Kershaw County, Lamar, McBee, Orangeburg County, Perry, Salley, Wagener

PBT COMMUNICATIONS…………………..Gilbert, Lexington, Lexington County, Monetta, Pelion, Saluda County, Summit, Wagener

*(Aiken County and Swansea denied applications.)*

RST COMMUNICATIONS, INC…………….Gaffney

TECHCORE CONSULTANTS II……………Bowman, Dorchester County, Earhardt, Eutawville, Holly Hill, Orangeburg County

TELECOMMUNICATIONS MANAGEMENT LLC, DBA NEWWAVE COMMUNICATIONS…Pageland

TIME WARNER CABLE, LLC……………….Andrews, Charleston County, Georgetown County, Summerville, Williamsburg County

TIME WARNER ENTERTAINMENT……..Calhoun County, Cayce, Columbia, Conway, Florence County, Forest Acres, Georgetown County, Hemingway, Irmo, Lane, Lee County, Lexington, Lexington County, Myrtle Beach, Myrtle Beach Air Force Base, Orangeburg, Orangeburg County, Pamplico, Pine Ridge, Quinby, Richland County, South Congaree, Springdale, Surfside Beach, Sumter, Sumter County, West Columbia

TIME WARNER ENTERTAINMENT ADVANCE/NEWHOUSE PTRSHP……..Clover, Fort Mill, York County

-CHARLOTTE DIVISION

TIME WARNER NY CABLE, LLC……….Beaufort County, Bishopville, Bluffton, Cheraw, Darlington County, Dillon County, Georgetown County, Goose Creek, Hardeeville, Hilton Head, Jasper County, Lakeview, Marion County, McBee, Moncks Corner, Nichols

VIDEO VISION, INC………………………..Fort Lawn, Heath Springs, Kershaw, Lancaster, Lancaster County

YRT2, INC……………………………..Berkeley County, Columbia, Dorchester County, Greenville, Greenville County, Horry County, Myrtle Beach, Summerville
FCC BRIEFS

The following documents can be downloaded from the FCC’s website at http://www.fcc.gov

On May 12, 2011, the FCC adopted a Notice of Proposed Rulemaking that would require interconnected VoIP service and broadband Internet service providers to report outages of at least 30 minutes that meet certain thresholds. The reports would enable the FCC to track and analyze outage information affecting 911 service over broadband networks.

In May, the FCC issued Telephone Subscribership in the US, Telecommunications Industry Revenues: 2009 and the latest Broadband Progress Report. In 2009 the industry reported $281 billion in telecom services revenues, a 5% decrease from 2008. The Broadband Report found that approximately 1/3 of Americans do not subscribe to broadband even when it’s available. The private sector continues to invest tens of billions of dollars in broadband infrastructure each year—$65 billion in 2010 alone—expanding capacity, increasing speeds, and rolling out next-generation mobile services.

On June 9, 2011, an FCC Working Group delivered an in-depth analysis of the current state of the media landscape and recommendations in Information Needs of Communities: the Changing Media Landscape in a Broadband Age.

On June 16, 2011, the FCC proposed a total of $11.7 million in penalties against several telephone companies for unlawfully billing tens of thousands of customers. The FCC issued an Enforcement Advisory to remind companies that cramming will not be tolerated. On July 12, 2011, the FCC proposed new rules to protect consumers from mystery fees and cramming.

On June 17, 2011, the FCC and Department of Agriculture released their joint report to Congress, Bringing Broadband to Rural America: Update to Report on a Rural Broadband Strategy. The report updates the progress made over the last two years in deploying infrastructure. $8 billion in grants and loans have been invested under RUS’s BIP and BTOP programs as well as RUS grants and loans through ongoing programs.

On June 21, 2011, the FCC issued its Lifeline and Link Up Reform and Modernization Report and Order. The FCC clarified its rules to expressly bar more than one benefit per subscriber.

On June 22, 2011, the FCC adopted rules to implement the Truth in Caller ID Act of 2009 to prohibit any person from knowingly spoofing caller id information with the intent to defraud, cause harm or wrongfully obtain anything of value.

The rules governing the pole attachments access timeline and the use of utility-approved, independent contractors by attaching telecom carriers and cable systems take effect on July 12, 2011.

On July 13, 2011, the FCC issued a notice of proposed rulemaking and 3rd report and order that strengthens existing Enhanced 911 location accuracy regime for wireless carriers.

On July 15, 2011, tw telecom filed a petition for a declaratory ruling that it has the right under section 251(c)(2) to direct IP-to-IP interconnection with incumbent LECs for certain IP-based services, specifically facilities-based VoIP services and for voice services originating and terminating in TDM format but converted to IP format for transport. tw telecom also asks the FCC to clarify that its facilities-based VoIP serves are telecommunications services.

On July 29, 2011, six of the largest telephone carriers submitted their USF and intercarrier compensation reform proposal to the FCC. They propose transitioning the high cost voice focused fund to one focused on broadband without increasing the overall size of the fund. On August 3, 2011, the FCC issued a notice seeking comments on the proposals received from these Price Cap Companies, the RLECs and others.

On August 2, 2011, the FCC released its Measuring Broadband America: A Report on Consumer Wireline Broadband Performance in the U.S.