

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

Geneseo Telephone Company,)	
Cambridge Telephone Company and)	Docket No. 11-0210
Henry County Telephone Company)	
)	
Petition for Universal Service Support)	
)	(Cons.)
Illinois Independent Telephone Association)	
)	
Petition to update the Section 13-301(1)(d))	
Illinois Universal Service Fund and to implement)	Docket No. 11-0211
Intrastate Switched Access Charge reform as)	
described herein and for other relief.)	

MOTION FOR EXTENSION OF SCHEDULE

Illinois Bell Telephone Company d/b/a AT&T Illinois (“AT&T Illinois”), by its attorneys, respectfully requests an extension in the schedule established in this proceeding. In support of this Motion, AT&T Illinois states as follows:

1. This consolidated proceeding was initiated in March, 2011 by several rural carriers requesting that the Commission investigate and update changes to the Illinois Universal Service Fund (“IUSF”). The Illinois Independent Telephone Association (“IITA”) filed a contemporaneous petition seeking to update the IUSF and to implement certain reforms of intrastate switched access charges.

2. On March 6, 2013, the Commission issued an Order updating the IUSF on an interim basis. This updated fund is referred to as the “Interim Fund.” The Order directed that all carriers receiving funds from the Interim Fund must reduce their originating intrastate switched access charges to rates no greater than the allowed interstate switched access charges.

3. The Commission further ordered that within two years (i.e., by March 6, 2015) eligible recipients of the Interim Fund petition the Commission for approval of a long-term IUSF to replace the Interim Fund:

IT IS FURTHER ORDERED that not later than two years from issuance of this Order, one or more eligible recipients of IUSF, or an organization representing them such as the IITA, shall petition the Commission for approval of a longer-term IUSF to replace the Interim Fund. Such petition, and any resulting longer-term IUSF, shall be based upon a different methodology, absent a showing that no such alternative methodology is reasonably feasible.

4. The Order sets forth general ground rules for the establishment of the long-term replacement fund:

IT IS FURTHER ORDERED that any longer-term IUSF replacing the Interim IUSF shall be: (i) compliant with the terms and requirements of Section 13-301 of the Illinois Public Utilities Act, (ii) consistent with and fully reflect the Commission's concerns and admonitions, as stated in its several Orders in Docket Nos. 00-0233/0335 and 04-0354, regarding continued use of a rate-of-return based methodology to determine IUSF support levels, and (iii) consistent with FCC policies and rules applicable on an interstate level to Illinois ILECs potentially eligible for IUSF support pursuant to Section 13-301(1)(d) of the Act.

5. The Federal Communications Commission ("FCC") has undertaken fundamental reforms of the federal universal service funding mechanism, beginning with the *USF/ICC Transformation Order* issued in November, 2011.¹ The FCC has vigorously pursued implementation of universal service reform by issuing a series of orders clarifying and expanding upon its 2011 order.² While the FCC's future orders may or may not impact the issues to be addressed in a permanent IUSF and the parties reserve the right to address the significance of those orders, AT&T Illinois understands that additional orders will be forthcoming. For example, on June 10, 2014, the FCC released a 138 page Report and Order, Declaratory Ruling, Order, Memorandum Opinion and Order, Seventh Order on Reconsideration, and Further Notice

¹ See *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform—Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC 17663 (2011) (*USF/ICC Transformation Order and/or FNPRM*); *aff'd in In re: FCC 11-161*, No. 11-9900 (10th Cir. May 23d, 2014).

² See, e.g., *Connect America Fund*, WC Docket No. 10-90, Report and Order, 28 FCC Rcd 7766 (2013) (*Phase I Order*).

of Proposed Rulemaking (FCC 14-54). The industry is just beginning to evaluate the impact of this order.

6. In contemplation of the Commission's March, 2015 filing requirement, the Staff of the Illinois Commerce Commission ("Staff") initiated a series of workshops to facilitate industry discussion of a possible long-term IUSF replacement fund. The first workshop was held on April 30, 2013 and led to the development of a comprehensive list of issues to be discussed in considering the transition to a potential long-term IUSF replacement fund. Among the issues identified for discussion were: (1) the need for a fund; (2) what services should be supported by a fund; and (3) what providers should be eligible for support from a fund. The complete list is attached as Exhibit A. Additional workshops were held on January 24, 2014 (discussing the matters on the issues list) and May 29, 2014 (discussing this motion and the results of initial research into possible cost models). To maintain and move beyond progress made to date, another workshop has been tentatively scheduled for September 9, 2014 to review details of the FCC's currently-employed cost model, as well as any alternative models suggested and/or presented. Subsequent workshops and deliverables will be scheduled thereafter to ensure substantive learning and a deliberate process.

7. The industry is making progress on this assignment, but needs more time to offer a specific proposal on this complex matter. Additional discussion would also maximize the opportunities for consensus and, ideally, narrow the issues to be decided in the eventual case considering the petition.

8. AT&T Illinois respectfully requests an order extending the March 6, 2015 filing deadline by 16 months and setting the next filing for July of 2016 by amending the following Ordering paragraph from page 71 of the Interim Order:

IT IS FURTHER ORDERED that during July of 2016 ~~not later than two years from issuance of this Order~~, one or more eligible recipients of IUSF, or an organization representing them such as the IITA, shall petition the Commission for approval of a longer-term IUSF to replace the Interim Fund. Such petition, and any resulting longer-term IUSF, shall be based upon a different methodology, absent a showing that no such alternative methodology is reasonably feasible.

It is AT&T Illinois' expectation that the additional time requested would permit the Illinois carriers to better fulfill the Commission's goals in this proceeding.

9. AT&T Illinois has consulted with the following parties about this request to extend the schedule and is authorized by them to represent to the Commission that they do not oppose the Motion:

- a. Alhambra-Grantfork Telephone Company
- b. Cable Television & Communications Association of Illinois
- c. Cambridge Telephone Company
- d. Gallatin River Communications L.L.C. d/b/a CenturyLink GRC
- e. Geneseo Telephone Company
- f. Henry County Telephone Company
- g. Illinois Independent Telephone Association
- h. Leaf River Telephone Company
- i. MCI Communications Services, Inc. d/b/a Verizon Business Services; MCImetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services; Teleconnect Long Distance Services & Systems Company; TTI National, Inc.; Verizon Enterprise Solutions LLC; Verizon Long Distance LLC; Verizon Select Services Inc.³
- j. Montrose Mutual Telephone Company
- k. Moultrie Independent Telephone Company
- l. New Windsor Telephone Company

³ Verizon was not a party in Docket No. 11-0210 and 11-0211 but has been actively participating throughout the workshop process and expects that its competitive local exchange carrier and interexchange carrier affiliates will participate in the upcoming proceeding.

- m. Oneida Telephone Exchange
- n. Shawnee Telephone Company
- o. tw telecom of illinois, inc.
- p. Viola Home Telephone Company
- q. Woodhull Telephone Company

10. AT&T Illinois has also consulted with the Staff of the Commission about this request to extend the schedule and is authorized to represent that Staff does not oppose the Motion.

WHEREFORE, for all of the reasons set forth herein, AT&T Illinois respectfully requests that the Commission enter an order establishing a new filing obligation of July, 2016 for one or more eligible recipients of IUSF, or an organization representing them such as the IITA, to petition the Commission for approval of a longer-term IUSF to replace the Interim Fund.

Respectfully submitted,

AT&T ILLINOIS

One of Its Attorneys

Mark R. Ortlieb
AT&T Illinois
225 West Randolph Street, Floor 25D
Chicago, Illinois 60606
(312) 727-6705
mo2753@att.com

CERTIFICATE OF SERVICE

I, Mark R. Ortlieb, an attorney, hereby certify that a copy of the foregoing **MOTION FOR EXTENSION OF SCHEDULE** was served upon the parties listed below via U.S. Mail and/or electronic mail on June 16, 2014.

Mark R. Ortlieb

Administrative Law Judge Larry Jones
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701
ljones@icc.illinois.gov

Kelly Armstrong Turner
Illinois Commerce Commission
160 North LaSalle Street, Suite. C-800
Chicago, IL 60601-3104
ktturner@icc.illinois.gov

Mary Cegelski
First Communications, LLC
3340 West Market Street
Akron, OH 44333
mcegelski@firstcomm.com

Thomas Dethlefs
Gallatin River Communications, LLC
1801 California Street, 10th Floor
Denver, CO 80202
thomas.dethlefs@centurylink.com

Theodore T. Eidukas
Edward C. Hurley
Foley & Lardner LLP
321 North Clark Street, Suite 2800
Chicago, IL 60654
teidukas@foley.com
ehurley@foley.com

William A. Haas
McLeodUSA Telecommunications
One Martha's Way
Hiawatha, IA 52233
william.haas@paetec.com

Matthew L. Harvey
Illinois Commerce Commission
160 North LaSalle Street, Suite. C-800
Chicago, IL 60601-3104
mharvey@icc.illinois.gov

Catherine James
Henry T. Kelly
Julie Musselman Oost
Kelley, Drye & Warren LLP
333 West Wacker Drive
Chicago, IL 60606
cjames@kelleydrye.com
hkelly@kelleydrye.com
joost@kelleydrye.com

John Marlett
Gary L. Smith
Lowenstein Hagen & Smith, P.C.
1204 South Fourth Street
Springfield, IL 62703
jm@lhoslaw.com
lexsmith@lhoslaw.com

Dennis K. Muncy
Joseph D. Murphy
Meyer Capel
306 W. Church St.
P.O. Box 6750
Champaign, IL 61826-6750
dmuncy@meyercapel.com
jmurphy@meyercapel.com

James V. Olivero
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701
jolivero@icc.illinois.gov

Carmen L. Fosco
John E. Rooney
Rooney Rippie & Ratnaswamy LLP
350 West Hubbard Street, Suite 430
Chicago, IL 60654
carmen.fasco@r3law.com
john.rooney@r3law.com

Scott Rubins
Henry County Telephone Company
Geneseo Telephone Company &
Cambridge Telephone Company
111 E. First St., P. O. Box 330
Geneseo, IL 61254
telco@geneseo.net

Kevin Saville
Frontier Communications Corporation
2378 Wilshire Blvd.
Mound, MN 55364
ksaville@czn.com

Pamela H. Sherwood
tw Telecom of Illinois, Inc.
4625 West 86th Street, #500
Indianapolis, IN 46268
pamela.sherwood@twtelecom.com

Michael Ward
John F. Ward, Jr.
Ward & Ward P.C.
One Rotary Center
1560 Sherman Avenue, Suite 310
Evanston, IL 60201
mward@dnsys.com
jfward@levelerllc.com

Donald E. Weihl
Greensfelder Hemker & Gale, P.C.
12 Wolf Creek, Suite 100
Belleville, IL 62226
dew@greensfelder.com

James Zolnierok
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701
jzolnier@icc.illinois.gov