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Accepted / Filed

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December 28, 2018

DEC 28 2018

Federal Communications Commission
Office of the Secretary

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
TW-A325
Washington, D.C. 20554

Re: Connect America Fund, WC Docket No. 10-90, § 54.313(h), Annual Reporting Requirements for High-Cost Recipients

Dear Ms. Dortch:

In compliance with sections 54.313(h) and (i) of the Commission's rules,¹ attached is a redacted version of a file showing rate-of-return carrier rate floor data at the rate zone level as of December 1, 2018 for carriers reporting changes during the voluntary mid-year data collection. Also attached are reporting carrier certifications, carrier certifications designating NECA as the filing agent, and NECA's certification. This information was filed with the Universal Service Administrative Company today, December 28, 2018.

In accordance with the *Protective Order*,² each page of this filing has been marked "REDACTED-FOR PUBLIC INSPECTION."

For the non-redacted version of this filing, NECA is providing the Commission with one copy of the cover letter and one compact disc (CD), along with two copies of the non-redacted cover letter and two copies of the CD to Alex Minard of the Wireline Competition Bureau. NECA is also providing the Commission with two copies of a redacted version of this filing marked "REDACTED - FOR PUBLIC INSPECTION."

Notwithstanding the *Protective Order*, the information provided in the confidential data files is entitled to confidential, non-public treatment under the Freedom of Information Act (FOIA) and related

¹ 47 C.F.R § 54.313(h) - (i).

² *Connect America Fund*, WC Docket No. 10-90, *et al.* Third Protective Order, 27 FCC Rcd. 10276 (2012) (*Protective Order*).



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provisions of the Commission's rules.³ The information satisfies the requirement of FOIA Exemption 4 (trade secrets or commercial/financial information). The information provided in this filing may also be protected under additional exemptions from disclosure under FOIA.

NECA submits the following information pursuant to section 0.459 in support of its request for confidential treatment of the data in this file.

- Identification of the specific information for which confidential treatment is sought:
NECA seeks confidential treatment for certain information in the following file:
NECA Rate Floor filing 20181228 – Confidential.xlsx

This file contains confidential and proprietary line count data for certain areas served by NECA Common Line (CL) tariff participants. The data is quantified at the rate zone level for those areas where the rates for local voice service fall below the local urban rate floor as defined in section 54.318 of the Commission's rules.

- Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

This information is filed with the Secretary's Office in compliance with sections 54.313(h) and (i) of the Commission rules.

- Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The information in the files contains sensitive rate zone-specific line count information for certain NECA CL tariff participants. At the rate zone level, the information is granular and highly confidential to the reporting CL tariff participants. These line count data are treated as confidential trade secrets by CL tariff participants.

- Explanation of the degree to which the information concerns a service that is subject to competition:

Rural telephone service has historically lent itself to "cherry picking" by competitors that choose to serve only the low cost areas within a study area. Release of granular line count information could give competitors insight into the operations of NECA CL pool members and allow them to gain an unfair competitive advantage.

- Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The information provided in the files is made available only to NECA representatives on a need-to-know basis. Any public information is only made available on an aggregate basis.

³ 47 C.F.R. §§ 0.457 and 0.459; 5 U.S.C. § 552, *et. seq.*

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- Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

The information is not publicly available.

- Justification of the period during which the submitting party asserts that material should not be available for public disclosure:

NECA requests that all member company data provided be treated as confidential indefinitely. Because of the sensitive nature of the data, it would not be appropriate for public disclosure at any time in the foreseeable future.

The *Protective Order* places additional requirements on Reviewing Parties to destroy or return all confidential information, as well as copies and derivative materials, within two weeks after final resolution of this proceeding.⁴

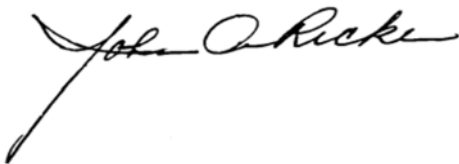
- Any other information that the party seeking confidential treatment believes may be useful in assessing whether its request for confidential treatment should be granted:

NECA is submitting this information on behalf of the member ILECs that participate in NECA's pools and tariffs. The Commission should take care not to deprive those ILECs of the opportunity to speak for themselves in the event of a FOIA request for access to data. NECA requests that the Commission notify carriers of any FOIA request and allow them to be given a reasonable opportunity to file detailed information supporting continued confidential treatment of their respective data.

Accordingly, NECA requests confidential treatment of the member data provided in this filing pursuant to section 0.457 and 0.459 of the Commission's rules and paragraph 5 of the *Protective Order*.

If you have questions regarding this filing, please contact me.

Sincerely,



⁴ *Protective Order* ¶ 18.

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Attachments:

Local Rate Floor Spreadsheet
Carrier Certifications
Agent Certifications
NECA Certification

cc: A. Minard, Wireline Competition Bureau