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September 29, 2011

The Honorable Jocelyn Boyd
Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Re: AT&T South Carolina's Petition to Withdraw Funds from the State USF to Support Stand-Alone Basic Residential Lines Pursuant to S.C. Code Ann. §58-9-576(C)(9)(c)
Docket No.

Dear Ms. Boyd:

Enclosed for filing is AT&T South Carolina's Petition in the above-referenced matter.

By copy of this letter, I am serving all parties of record with a copy of this pleading as indicated on the attached Certificate of Service.

Sincerely,

Patrick W. Turner

PWT/nml
Enclosure
cc: All Parties of Record
945194

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

In Re: AT&T SOUTH CAROLINA'S PETITION TO WITHDRAW FUNDS FROM THE STATE USF TO SUPPORT STAND-ALONE BASIC RESIDENTIAL LINES PURSUANT TO S.C. CODE ANN. §58-9-576(C)(9)(c)	))))))

PETITION

BellSouth Telecommunications, LLC d/b/a AT&T South Carolina ("AT&T South Carolina") currently serves 22,907 stand-alone basic residential lines that were in service as of the date AT&T South Carolina's election to operate pursuant to S.C. Code Ann. §58-9-576(C) became effective. Pursuant to S.C. Code Ann. §58-9-576(C)(9)(c), AT&T South Carolina respectfully petitions the Public Service Commission of South Carolina ("the Commission") to withdraw $1,112,111 – an average of approximately $4.05 per line per month – from the State USF during the 2012 calendar year to support its provision of these lines. This Petition is supported by the verified direct testimony of AT&T South Carolina Witness Kenneth E. Minzenberger, which AT&T South Carolina has pre-filed with the Commission along with this Petition.

1. AT&T South Carolina is an incumbent local exchange carrier ("ILEC") as that term is defined by both federal[1] and state[2] law, and it is a "telephone utility" as that term is defined by state law.[3]

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1 *See, e.g.*, 47 U.S.C. §251(h)(1).
2 *See* S.C. Code Ann. §58-9-10(11).
3 *See Id.*, §58-9-10(6).

2. The full name and address of the authorized representative for AT&T South Carolina in this proceeding is:

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3. AT&T South Carolina has elected to operate pursuant to S.C. Code Ann. §58-9-576(C), and that election became effective October 1, 2009.

4. Prior to that election, AT&T South Carolina withdrew approximately $24.7 million annually from the State USF.

5. As of October 1, 2011, AT&T South Carolina is entitled to continue withdrawing from the State USF amounts needed to fund the state Lifeline match necessary to ensure that low-income persons enrolled in the Lifeline program receive the maximum federally funded Lifeline amounts available (currently approximately $1.7 annually). *See* S.C. Code Ann. §58-9-576(C)(9)(d).

6. Additionally, prior to October 1, 2011, AT&T South Carolina may petition the Commission to withdraw from the State USF amounts based on its stand-alone basic residential lines that were in service as of October 1, 2009 and that remain in service. *See* S.C. Code Ann. §58-9-576(C)(9)(c).

6. Twenty-two thousand, nine hundred seven (22,907) of AT&T South Carolina's stand-alone basic residential lines that were in service as of October 1, 2009 remain in service.

7. On July 1, 2011, AT&T South Carolina provided the Office of Regulatory Staff ("ORS") a calculation of the "Phase I Support for Residence Line" in accordance

with the Universal Service Fund Guidelines and Administrative Procedures the Commission adopted in Order No. 2001-996.

8. The $1,112,111 in State USF support AT&T South Carolina seeks in this Petition is the result of multiplying each of the 22,907 lines described in Paragraph 6 above by the annual "Phase I Support for Residence Line" amount described in Paragraph 7 above for the wire center from which the line is served.

9. Section 58-9-576(C)(9)(c) requires that the Commission establish a process for annually reducing AT&T South Carolina's withdrawals from the state USF based on its stand-alone basic residential lines that were in service as of October 1, 2009 and that remain in service as of the adjustment date.

10. AT&T South Carolina respectfully recommends that the Commission comply with the statutory requirement describe in Paragraph 9 above by requiring AT&T South Carolina to file with the Commission, on or before July 1 of each year,[4] a calculation of the support it seeks pursuant to S.C. Code Ann. §58-9-576(C)(9)(c) for the following calendar year.

CONCLUSION

For the reasons set forth above, AT&T South Carolina respectfully requests that the Commission enter an order: (1) allowing AT&T South Carolina to withdraw $1,112,111 from the State USF during the 2012 calendar year pursuant to S.C. Code Ann. §58-9-576(C)(9)(c); and (2) requiring AT&T South Carolina to file with the Commission,

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[4] AT&T South Carolina provides the ORS confidential and proprietary information related to the State USF on July 1 of each year. Among other things, the ORS uses this information to re-size the State USF on an annual basis. Requiring AT&T South Carolina to file the annual calculation discussed above at the same time it provides this information to the ORS will promote administrative efficiency by allowing the ORS to incorporate the request into its annual re-sizing of the State USF.

on or before July of each year, a calculation of the support it seeks pursuant to S.C. Code Ann. §58-9-576(C)(9)(c) for the following calendar year.

Respectfully submitted this ___ day of September, 2011.

BELLSOUTH TELECOMMUNICATIONS, LLC
d/b/a AT&T SOUTH CAROLINA

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STATE OF SOUTH CAROLINA)
) CERTIFICATE OF SERVICE
COUNTY OF RICHLAND)

The undersigned, Nyla M. Laney, hereby certifies that she is employed by the Legal Department for BellSouth Telecommunications, LLC. d/b/a AT&T South Carolina ("AT&T") and that she has caused AT&T South Carolina's Petition to be served upon the following on September 29, 2011:

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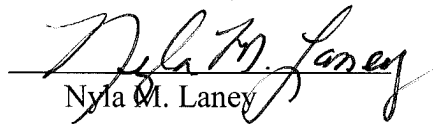

Nyla M. Laney