

**Alaska Universal Service
Administrative Company
BOARD OF DIRECTORS**

Meeting Agenda

August 25, 2022

Thursday 1:30 p.m.

Teleconference

**Teleconference: Call Number from Anchorage 907-561-6398
From Outside Anchorage Area 1-877-561-6398**

- I. Roll Call
- II. Approval of Agenda
- III. Public Comment (Limited to 5 Minutes)
- IV. Approval of Prior Minutes
 - A. June 28, 2022 – Monthly Meeting (Amended)
 - B. July 27, 2022 – Monthly Meeting
- V. AUSF Remittance and Distribution Report – July 2022
- VI. Agent Report
 - A. Financial Statements – July 2022
 - B. AECA Invoices – July 2022
- VII. New Business
 - A. Board Nomination for Retiring Seat Replacement - Expiring Feb 2025 – (Information Only)
- VIII. Unfinished Business
 - A. R-21-001 (5) - AUSF Sunset Review
 - B. AUSF Late Fee/Tariff Update – TA39 Draft
- IX. Next Meeting/Adjournment

**ALASKA UNIVERSAL SERVICE
ADMINISTRATIVE COMPANY**

DRAFT

Board of Directors

Regular Meeting

June 28, 2022

I. Roll Call

Board President Andilea Weaver called the meeting to order at approximately 11:18 a.m. Alaska time. She asked Wendi Gratrix to call roll:

Andilea Weaver, Board President – Wireless Telecom Provider (teleconference)

Larry Snipes, Board Vice President – ILEC (teleconference)

Bob Dunn – Other Telecom Provider (teleconference)

Juliana Wayman, Secretary/Treasurer – CLEC(teleconference)

Lisa Phillips – IXC (teleconference)

Shawn Uschmann - IXC w/Wholesale Tariff (teleconference)

Steve Kramer – ILEC (teleconference)

Members present through proxy:

The members attending represented a quorum.

Members absent:

Others present:

Wendi Gratrix, AUSAC Staff

II. Approval of Agenda

Motion by Juliana Wayman, seconded by Shawn Uschmann, that the Board approves the agenda.

Motion passed, unopposed.

III. Public Comments

There was no public present.

IV. Approval of Prior Minutes

A. May 25, 2022 Monthly Meeting

Motion, by Steve Kramer, seconded by Shawn Uschmann, that the May 25, 2022 meeting minutes be approved.

Motion passed, unopposed.

B. June 15, 2022 Special Meeting

Motion, by Steve Kramer, seconded by Bob Dunn, that the June 15, 2022 meeting minutes be approved.

Motion passed, unopposed.

V. AUSF Remittance and Distribution Report

Board President Andilea Weaver asked Ms. Gratrix to present the May 2022 AUSF Remittance and Distribution Report on behalf of the AUSAC Agent, Keegan Bernier. She proceeded to lead a review of the current disbursements and the distribution percentages of each support element.

The support funds are scheduled to be distributed on June 30, 2022. A copy of the distribution report was included in the packet labeled V.

Motion, by Juliana Wayman, seconded by Bob Dunn, that the Board approves the May 2022 AUSF Remittance and Distribution Report and authorizes the distribution of funds on or about June 30, 2022 in the amount of \$1,126,196.49.

Motion passed, unopposed.

VI. Agent Report

Board President Andilea Weaver asked Ms. Gratrix to present the monthly administrative report, along with the financial reports for May on behalf of the Agent, Keegan Bernier. Ms. Gratrix provided a copy of the report and is included in these minutes. She proceeded with a review of the financials.

There was one item for the Board to consider, the invoice from AECA for May 2022 administrative services. The Agent report provided in the Board packet listed an incorrect invoice #324 amount of \$6,178.94, the agent report was corrected to reflect the total amount of \$6,196.94.

Ms. Phillips asked what the AUSAC Rackspace item is on the AECA invoice. Ms. Gratrix explained that Rackspace is a digital storage facility.

BOARD ACTION REQUEST #1:

Motion, by Lisa Phillips, seconded by Bob Dunn that the Board approves the payment for invoice number 324, from AECA, for May 2022 administrative services for a total of \$6,196.94.

Motion passed, unopposed.

VII. New Business

There was no new business.

VIII. Unfinished Business

A. R-21-001 - AUSF Sunset Review

There were no new items to report on this agenda item.

B. Late Fee Committee

Ms. Phillips provided an update on the Late Fee Committee notifying the Board that Steve Kramer, Keegan Bernier and Lisa Phillips met for an hour to brainstorm late fees models. The Committee reviewed credit card late fees of \$35, USAC late fees and the actual calculated AUSAC expense would be around \$50 per late fee. The breakdown of staff's hours shows a portion allocated to standard monthly reports and an additional portion allocated to research and invoice generation of late fees. Late fees for non-payment and non-submission of remittance reports were discussed as potential separate late fee items. The Committee will meet again to further review late fee options and Ms. Phillips will follow up with RAPA for a recommendation on late fee practices.

IX. Next Meeting/Adjournment

Board President Andilea Weaver adjourned the meeting at approximately 11:39 a.m. The next Board meeting was previously scheduled for July 27, 2022 at 1:00 p.m. This meeting will be held via teleconference. If you plan to call in to attend the meeting, the conference line is 1-877-561-6398 out of Anchorage area and 561-6398 in Anchorage.

**ALASKA UNIVERSAL SERVICE
ADMINISTRATIVE COMPANY**

DRAFT

Board of Directors

Regular Meeting

July 27, 2022

I. Roll Call

Board President Andilea Weaver called the meeting to order at approximately 1:00 p.m. Alaska time. She asked Keegan Bernier to call roll:

Andilea Weaver, Board President – Wireless Telecom Provider (teleconference)

Larry Snipes, Board Vice President – ILEC (teleconference)

Bob Dunn – Other Telecom Provider (teleconference)

Juliana Wayman, Secretary/Treasurer – CLEC (teleconference, joined at 1:05)

Lisa Phillips – IXC (teleconference)

Shawn Uschmann - IXC w/Wholesale Tariff (teleconference)

Steve Kramer – ILEC (teleconference)

Members present through proxy:

The members attending represented a quorum.

Members absent:

Others present:

Keegan Bernier, AUSAC Agent

II. Approval of Agenda

Motion by Steve Kramer, seconded by Bob Dunn, that the Board approves the agenda, as amended to correct V.A and B to the year 2022.

Motion passed, unopposed.

III. Public Comments

There was no public present.

IV. Approval of Prior Minutes

A. June 28, 2022 Monthly Meeting

Mr. Dunn asked for clarification on the AECA invoice dollar amount noted in the Agent report section, page 3, of the minutes. Ms. Bernier will review further and include the June minutes on the next meeting's agenda.

The June 28, 2022 minutes were tabled.

Juliana Wayman joined the meeting at 1:05 p.m.

V. AUSF Remittance and Distribution Report

Board President Andilea Weaver asked Ms. Bernier to present the June 2022 AUSF Remittance and Distribution Report. She proceeded to lead a review of the current disbursements and the distribution percentages of each support element. She noted that the AUSAC admin fee is higher this month due to the higher AECA admin invoice and the 2021 financial audit fees.

The support funds are scheduled to be distributed on July 29, 2022. A copy of the distribution report was included in the packet labeled V.

Motion, by Juliana Wayman, seconded by Larry Snipes, that the Board approves the June 2022 AUSF Remittance and Distribution Report and authorizes the distribution of funds on or about July 29, 2022 in the amount of \$1,063,886.67.

Motion passed, unopposed.

Ms. Bernier proceeded to present an overview of the quarterly monitoring report and the top ten graphs. These were provided as information.

VI. Agent Report

Board President Andilea Weaver asked Ms. Bernier to present the monthly administrative report, along with the financial reports for June. Ms. Bernier provided a copy of the report and is included in these minutes. She proceeded with a review of the financials.

There were three items for the Board to consider, the invoice from AECA for June 2022 administrative services, the payment of the Alban invoice for the 2021 financial audit and the approval of the 990 tax filing.

VI. Agent Report Con't

BOARD ACTION REQUEST #1:

Motion, by Lisa Phillips, seconded by Steve Kramer that the Board approves the payment for invoice number 325, from AECA, for June 2022 administrative services for a total of \$6,559.77.

Motion passed, unopposed.

BOARD ACTION REQUEST #2:

Motion, by Lisa Phillips, seconded by Steve Kramer that the Board approves the payment for the invoice from Alban & Company, for the 2021 financial audit and preparation of the form 990 for a total of \$10,500.

Motion passed, unopposed.

BOARD ACTION REQUEST #3:

Motion, by Steve Kramer, seconded by Bob Dunn that the Board accepts and approves the form 990 for the 2021 tax year.

Motion passed, unopposed.

VII. New Business

There was no new business.

VIII. Unfinished Business

A. R-21-001(5) - AUSF Sunset Review

Ms. Bernier presented that reply comments were filed July 5, 2022.

B. AUSF Late Fee/Tariff Update

Ms. Phillips provided an update on the Late Fee Workgroup notifying the Board that Steve Kramer, Keegan Bernier and herself met a couple of times and Ms. Phillips also met with someone from RAPA to discuss late fee options. Ms. Bernier completed an analysis that supports the fee calculation.

The focus is on keeping the reporting requirements clear and simple with the goal of changing behavior for on time reporting. Three issues were identified to correct: 1) receiving payments but no information on who submitted the payment, 2) receiving the monthly form but no payment and 3) receiving the form and/or payment late due to the mailing time.

B. AUSF Late Fee/Tariff Update Con't

The workgroup recommends three changes to the tariff and instructions: 1) all filings with AUSAC will be electronic, via email, 2) implementing a filing fee for the late submission of the remittance report, 3) minimum late fee for late payment. Both of the fee for late submission of the report and the minimum fee for late payment would be \$35.

She stated that the workgroup discussed the issue of companies that are unable to pay electronically. The workgroup chose to exclude language from the tariff regarding this issue and AUSAC staff will address electronic payment issues on a case by case basis.

Mr. Kramer discussed the different payment requirements, under the current tariff, that require payments over \$500 to be electronic while allowing payments under \$500 to be mailed. Requiring all payments to be made electronically will simplify the payment process and eliminate the mail delivery delays.

Mr. Kramer also noted that companies that remit less than \$100 a year are exempt from paying and the workgroup has included language to expressly state that late fees apply to companies that are required to remit to the fund.

Ms. Bernier discussed the time AUSAC staff spends on processing reports and payments received via mail and the time spent on investigating or contacting companies regarding reporting issues. She also provided review of the late fee cost analysis.

She notified the Board that a previous version of the tariff changes included the removal of DEM language as it no longer applies. The DEM changes will be addressed under a separate tariff clean up filing and not included with the late fee update.

IX. Next Meeting/Adjournment

Board President Andilea Weaver adjourned the meeting at approximately 1:39 p.m. The next Board meeting was scheduled for August 25, 2022 at 1:30 p.m. This meeting will be held via teleconference. If you plan to call in to attend the meeting, the conference line is 1-877-561-6398 out of Anchorage area and 561-6398 in Anchorage.



Board of Directors

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Alaska Universal Service Administrative Company

810 N Street,
Suite 204
Anchorage, Alaska 99501

To: Board of Directors
From: Keegan Bernier, Agent
Subject: Remittance and Distribution Report
Date: August 25, 2022

The AUSF Remittance and Distribution Report for July 2022 reflects the following:

| | |
|-------------------------|---|
| \$1,000.00 | previous AUSF balance |
| \$0.00 | interest on investments |
| \$220.81 | late fees |
| <u>\$1,069,892.08</u> | remittances received in current period |
| <u>\$1,071,112.89</u> | total balance |
| (\$6,259.26) | current July period support disbursements |
| (\$1,063,853.63) | current year (2022) prior period shortage disbursements |
| <u>(\$0.00)</u> | prior year (2021) prior period shortage disbursements |
| (\$1,070,112.89) | total support disbursements |
| \$1,000.00 | ending AUSF balance |
| <u>(\$1,000.00)</u> | LESS: accrual for operating expenses |
| <u>\$0.00</u> | Available Balance |

The distribution of funds is scheduled for August 30, 2022.

The July distribution report reflects the approved 2022 support amounts and regulation changes from TA37-998 and R-18-001.

AUSAC has distributed **4.87%** of the total AUSF support estimate for the rate year 2022, page 4.

Distribution Percentage of each Support Element:

AUSAC 2022 Rate Year (Jan-Dec), page 4
49.67% of AUSAC's operating budget
4.64% of the support requirement for Nonpooled ENS
4.64% of the support requirement for Pooled ENS

The July period distribution experienced a shortage of 100% after admin fees, see page 6. This month, 55.70% of the January 2022 period support will be disbursed. The remaining December 2021 period support exceeded the 6-month accrual, see page 15.

This concludes the report for the July 2022 period.

Remittance and Distribution Report

Monthly AUSF Remittance

July-22

| | Number of Companies | Local Exchange Revenues | Mobile Revenues | Interexchange Revenues | Pay Telephone Revenues | Other Revenues | Uncollectible Revenues | VoIP Revenues | Total Reported Revenues | Amount Remitted |
|-------|------------------------|----------------------------|--------------------|---------------------------|---------------------------|-------------------|---------------------------|------------------|----------------------------|--------------------|
| Total | 109 | 5,469,023.51 | 4,168,407.59 | 741,359.01 | 1,554.00 | 9,004.99 | (33,910.76) | 343,452.54 | 10,698,890.88 | 1,069,892.08 |

Adjustments are reflected in the month they are made, not in the month they apply to.

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| Total Distribution | Current Distribution | Current Year Support Shortage Dist. | Prior Year Support Shortage Dist. | Total Distribution |
|---------------------------|---------------------------------|--|--|-------------------------------|
| AECA: Pooling Co. CCL | 0.00 | 226,998.25 | 0.00 | 226,998.25 |
| ACSA - Ft. Wainwright | 0.00 | 9,255.91 | 0.00 | 9,255.91 |
| ACS - Fairbanks | 0.00 | 63,788.88 | 0.00 | 63,788.88 |
| ACSA - Juneau | 0.00 | 3,610.99 | 0.00 | 3,610.99 |
| ACSN - Glacier State | 0.00 | 132,084.69 | 0.00 | 132,084.69 |
| ACSN - Sitka | 0.00 | 9,320.98 | 0.00 | 9,320.98 |
| ASTAC | 0.00 | 32,996.92 | 0.00 | 32,996.92 |
| CORDOVA | 0.00 | 24,187.46 | 0.00 | 24,187.46 |
| CVTC | 0.00 | 108,264.17 | 0.00 | 108,264.17 |
| GCI | 0.00 | 94,145.30 | 0.00 | 94,145.30 |
| INTERIOR | 0.00 | 52,556.77 | 0.00 | 52,556.77 |
| KPU | 0.00 | 44,358.94 | 0.00 | 44,358.94 |
| MTA | 0.00 | 246,127.49 | 0.00 | 246,127.49 |
| MUKLUK | 0.00 | 16,156.88 | 0.00 | 16,156.88 |
| Subtotal | 0.00 | 1,063,853.63 | 0.00 | 1,063,853.63 |
| AUSAC | 6,259.26 | 0.00 | 0.00 | 6,259.26 |
| Total Distribution | \$6,259.26 | \$1,063,853.63 | \$0.00 | \$1,070,112.89 |

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| | |
|-------------------------|---------|
| Distribution This Month | July-22 |
|-------------------------|---------|

| | |
|---------------------------------------|-----------------------|
| Total Remittance | \$1,069,892.08 |
| Previous Month AUSF Balance | \$1,000.00 |
| Interest on Investments | \$0.00 |
| Late Fees Received/Misc | \$220.81 |
| Total Funds Collected | <u>\$1,071,112.89</u> |
| LESS: Accrual for Operating Expenses* | <u>(\$1,000.00)</u> |
| Total Available to Distribute | <u>\$1,070,112.89</u> |

| Less: | Current Year | | Prior Year Support |
|----------------------------|-------------------|------------------------|--------------------|
| | Current Period | Support Shortage Dist. | Shortage Dist. |
| AUSAC Administrative Sweep | \$6,259.26 | \$0.00 | \$0.00 |
| ENS Nonpooling Co. Support | \$0.00 | \$836,855.38 | \$0.00 |
| ENS Pooling Co. Support | \$0.00 | \$226,998.25 | \$0.00 |
| Distribution This Month | <u>\$6,259.26</u> | <u>\$1,063,853.63</u> | <u>\$0.00</u> |

| | |
|--|------------|
| Total AUSF Balance | \$1,000.00 |
| AUSF End of Period Available Balance** | \$0.00 |

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

2022 Year-To-Date Summary for rate in effect Jan 2022

Total

AUSF FUNDS

| | |
|--|----------------|
| Prior Year Balance | \$1,000.00 |
| YTD Remittance | \$7,817,786.64 |
| YTD Interest on Investments and misc items | \$122,542.65 |
| YTD Prior Year Distribution | \$6,819,290.94 |
| YTD Current Year Distribution | \$1,121,038.35 |
| AUSF Balance | \$1,000.00 |
| | \$0.00 |

AUSAC ADMINISTRATION

| | |
|------------------|--------------|
| Proposed Budget | \$115,137.00 |
| YTD Distribution | \$57,184.72 |
| % Distributed | 49.67% |

Essential Network Support - Nonpooling Companies

| | |
|------------------|-----------------|
| Annual Support | \$18,030,818.00 |
| YTD Distribution | \$836,855.38 |
| % Distributed | 4.64% |

Essential Network Support - Pooling Companies

| | |
|------------------|----------------|
| Annual Support | \$4,890,886.00 |
| YTD Distribution | \$226,998.25 |
| % Distributed | 4.64% |

TOTAL

| | |
|------------------------|-----------------|
| Total Support Estimate | \$23,036,841.00 |
| YTD Distribution | \$1,121,038.35 |
| % Distributed | 4.87% |

GROSS ANNUAL END USER REVENUES

| | |
|------------------------------------|---------------|
| Filed Annual End User Revenues | \$138,179,710 |
| YTD End User Revenues (YTD Jul 22) | \$75,369,263 |
| % Reported | 54.54% |

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| | F=A+B-C | A | B | C |
|--------------------|----------------|------------------|--------------------------------------|------------------|
| AUSF History | Balance | Remittance | Investment Interest and Late Fees | Distribution |
| 1999 Total | 286,071.09 | 3,738,651.25 | | 3,452,580.16 |
| 2000 Total | 391,714.75 | 4,009,706.32 | | 3,617,991.57 |
| 2001 Total | (341,527.65) | 1,234,183.32 | 27,963.38 | 1,603,674.35 |
| 2002 Total | (99,223.12) | 1,768,702.77 | 7,454.15 | 1,875,380.04 |
| 2003 Total | (5,655.00) | 2,170,950.12 | 2,504.32 | 2,179,109.44 |
| 2004 Total | 55,383.76 | 3,075,113.32 | 1,654.81 | 3,021,384.37 |
| 2005 Total | 32,434.40 | 3,361,183.54 | 7,512.14 | 3,336,261.28 |
| 2006 Total | 475,993.97 | 4,288,029.01 | 24,212.01 | 3,836,247.05 |
| 2007 Total | 956,193.52 | 4,719,544.95 | 43,790.66 | 3,807,142.09 |
| 2008 Total | (1,095,207.89) | 3,040,932.59 | 23,530.75 | 4,159,671.23 |
| 2009 Total | (434,340.88) | 3,923,388.25 | 8,761.29 | 4,366,490.42 |
| 2010 Total | 472,419.01 | 5,037,854.71 | 1,494.26 | 4,566,929.96 |
| 2011 Total | 1,448,846.05 | 16,584,300.28 | 2,079.79 | 15,137,534.02 |
| 2012 Total | 415,458.70 | 30,631,836.49 | 4,800.55 | 30,221,178.34 |
| 2013 Total | 274,031.14 | 29,505,235.91 | 5,480.99 | 29,236,685.76 |
| 2014 Total | (1,300,851.43) | 27,053,757.73 | 4,810.31 | 28,359,419.47 |
| 2015 Total | (925,825.50) | 26,689,956.54 | 3,918.53 | 27,619,700.57 |
| 2016 Total | (600,027.42) | 26,898,008.03 | 1,318.29 | 27,499,353.74 |
| 2017 Total | (4,887.50) | 27,788,850.61 | 3,532.67 | 27,797,270.78 |
| 2018 Total | 6,847,260.61 | 36,178,403.61 | 119,501.14 | 29,450,644.14 |
| 2019 Total | (6,847,260.61) | 15,858,521.14 | 95,582.97 | 22,801,364.72 |
| 2020 Total | 0.00 | 14,424,848.97 | 4,362.87 | 14,429,211.84 |
| 2021 Total | 0.00 | 13,522,151.30 | 4,090.65 | 13,526,241.95 |
| Year End 2021 AUSF | \$1,000.00 | \$305,504,110.76 | \$398,356.53 | \$305,901,467.29 |
| 2022 | | | | |
| January | 0.00 | 1,333,022.85 | 0.00 | 1,333,022.85 |
| February | 0.00 | 1,049,865.95 | 47,187.75 | 1,097,053.70 |
| March | 0.00 | 1,122,640.00 | 75,134.09 | 1,197,774.09 |
| April | 0.00 | 1,052,282.60 | 0.00 | 1,052,282.60 |
| May | 0.00 | 1,126,196.49 | 0.00 | 1,126,196.49 |
| June | 0.00 | 1,063,886.67 | 0.00 | 1,063,886.67 |
| July | 0.00 | 1,069,892.08 | 220.81 | 1,070,112.89 |
| August | 0.00 | | | |
| September | 0.00 | | | |
| October | 0.00 | | | |
| November | 0.00 | | | |
| December | 0.00 | | | |
| 2022 AUSF Subtotal | \$0.00 | \$7,817,786.64 | \$122,542.65 | \$7,940,329.29 |
| Total AUSF to Date | \$1,000.00 | \$313,321,897.40 | \$520,899.18 | \$313,841,796.58 |

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| Support Shortage Detail | | | | | | | |
|--------------------------------------|----------------|-----------------------------------|-----------------|------------------------|---------------------|-------------|-----------------|
| Distribution Priority | Support Period | | AUSAC Admin Fee | ENS Nonpooling Support | ENS Pooling Support | Adjustments | Totals |
| Month 7 (Dropped from Shortage List) | December-21 | Support Shortage | | - | - | - | - |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | | | | |
| | | Remaining Support Not Recoverable | | - | - | - | - |
| Month 6 (Oldest) | January-22 | Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| | | Shortage Paid | | 836,855.38 | 226,998.25 | - | 1,063,853.63 |
| | | % Payment | | 55.70% | 55.70% | 55.70% | 55.70% |
| | | Remaining Support Shortage | | (665,712.79) | (180,575.57) | - | (846,288.36) |
| Month 5 | February-22 | Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| Month 4 | March-22 | Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| Month 3 | April-22 | Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| Month 2 | May-22 | Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| Month 1 (Newest) | June-22 | Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| Current Period | July-22 | Current Support Due | (6,259.26) | (1,502,568.17) | (407,573.82) | - | (1,916,401.25) |
| | | Current Distribution Paid | 6,259.26 | - | - | - | 6,259.26 |
| | | % Payment | 100.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Support Shortage | - | (1,502,568.17) | (407,573.82) | - | (1,910,141.99) |
| Total Distribution | | | 6,259.26 | 836,855.38 | 226,998.25 | - | 1,070,112.89 |
| Total Support Shortage | | | - | (9,681,121.81) | (2,626,018.49) | - | (12,307,140.30) |

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| Current Distribution by Company | Distribution Breakdown | | | | | | | | | |
|---------------------------------|------------------------|--------------------|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------------------|----------------|
| | Monthly Support | Percent of Support | Support Distribution Made on August 30, 2022 | | | | | | | |
| | | | Jan 2022 Period | Feb 2022 Period | Mar 2022 Period | Apr 2022 Period | May 2022 Period | Jun 2022 Period | Total Shortage Distribution | Current Period |
| | | | Pool ENS Dist | NP ENS Dist | Pool ENS Dist | NP ENS Dist | Pool ENS Dist | NP ENS Dist | Pool ENS Dist | NP ENS Dist |
| | | | \$ 226,998.25 | \$ 836,855.38 | \$ - | \$ - | \$ - | \$ - | \$ 226,998.25 | \$ - |
| ENS | | | | | | | | | | |
| Pooled | | | | | | | | | | |
| AECA: Pooling Co. ENS | \$ 407,573.82 | 100.00% | 226,998.25 | - | - | - | - | - | 226,998.25 | - |
| Pooled Subtotal | \$ 407,573.82 | 100.00% | 226,998.25 | - | - | - | - | - | 226,998.25 | - |
| NonPooled | | | | | | | | | | |
| ACSA - Ft. Wainwright | \$ 16,618.92 | 1.11% | 9,255.91 | - | - | - | - | - | 9,255.91 | - |
| ACS - Fairbanks | 114,532.50 | 7.62% | 63,788.88 | - | - | - | - | - | 63,788.88 | - |
| ACSA - Juneau | 6,483.50 | 0.43% | 3,610.99 | - | - | - | - | - | 3,610.99 | - |
| ACSN - Glacier State | 237,157.17 | 15.78% | 132,084.69 | - | - | - | - | - | 132,084.69 | - |
| ACSN - Sitka | 16,735.75 | 1.11% | 9,320.98 | - | - | - | - | - | 9,320.98 | - |
| ASTAC | 59,245.75 | 3.94% | 32,996.92 | - | - | - | - | - | 32,996.92 | - |
| CORDOVA | 43,428.42 | 2.89% | 24,187.46 | - | - | - | - | - | 24,187.46 | - |
| CVTC | 194,387.58 | 12.94% | 108,264.17 | - | - | - | - | - | 108,264.17 | - |
| INTERIOR | 94,365.33 | 6.28% | 52,556.77 | - | - | - | - | - | 52,556.77 | - |
| KPU | 79,646.17 | 5.30% | 44,358.94 | - | - | - | - | - | 44,358.94 | - |
| MTA | 441,920.25 | 29.41% | 246,127.49 | - | - | - | - | - | 246,127.49 | - |
| MUKLUK | 29,009.58 | 1.93% | 16,156.88 | - | - | - | - | - | 16,156.88 | - |
| GCI | 169,037.25 | 11.25% | 94,145.30 | - | - | - | - | - | 94,145.30 | - |
| NonPooled Subtotal | \$ 1,502,568.17 | 100.00% | 836,855.38 | - | - | - | - | - | 836,855.38 | - |
| ENS Distribution Total | \$ 1,910,141.99 | | 1,063,853.63 | - | - | - | - | - | 1,063,853.63 | - |

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| Current Distribution by Company | ENS | | | | | |
|---------------------------------|---------------------|------------------------------|--------------------------------|------------------------------------|--|--------------------|
| | Current Support Due | Current Support Distribution | Current Month Support Shortage | Current Year Support Shortage Dist | Prior Year Support Shortage Dist & Adjustments | Total Distribution |
| AECA: Pooling Co. ENS | 407,573.82 | 0.00 | (407,573.82) | 226,998.25 | 0.00 | 226,998.25 |
| ACSA - Ft. Wainwright | 16,618.92 | 0.00 | (16,618.92) | 9,255.91 | 0.00 | 9,255.91 |
| ACS - Fairbanks | 114,532.50 | 0.00 | (114,532.50) | 63,788.88 | 0.00 | 63,788.88 |
| ACSA - Juneau | 6,483.50 | 0.00 | (6,483.50) | 3,610.99 | 0.00 | 3,610.99 |
| ACSN - Glacier State | 237,157.17 | 0.00 | (237,157.17) | 132,084.69 | 0.00 | 132,084.69 |
| ACSN - Sitka | 16,735.75 | 0.00 | (16,735.75) | 9,320.98 | 0.00 | 9,320.98 |
| ASTAC | 59,245.75 | 0.00 | (59,245.75) | 32,996.92 | 0.00 | 32,996.92 |
| CORDOVA | 43,428.42 | 0.00 | (43,428.42) | 24,187.46 | 0.00 | 24,187.46 |
| CVTC | 194,387.58 | 0.00 | (194,387.58) | 108,264.17 | 0.00 | 108,264.17 |
| INTERIOR | 94,365.33 | 0.00 | (94,365.33) | 52,556.77 | 0.00 | 52,556.77 |
| KPU | 79,646.17 | 0.00 | (79,646.17) | 44,358.94 | 0.00 | 44,358.94 |
| MTA | 441,920.25 | 0.00 | (441,920.25) | 246,127.49 | 0.00 | 246,127.49 |
| MUKLUK | 29,009.58 | 0.00 | (29,009.58) | 16,156.88 | 0.00 | 16,156.88 |
| GCI | 169,037.25 | 0.00 | (169,037.25) | 94,145.30 | 0.00 | 94,145.30 |
| Total Current Distribution | \$1,910,141.99 | \$0.00 | (\$1,910,141.99) | \$1,063,853.63 | \$0.00 | \$1,063,853.63 |

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| Nonpooling Companies - ENS | ENS Support | | Percent of Support | Jan-22 | | | FIRST QTR | YTD ENS Support | YTD ENS Shortage Drop Off (Not Paid) |
|--|------------------|-----------------|-----------------------|---------------|-----------------------|-----------------------|-------------------------|--------------------|--|
| | Annual 2022* | 1/12 Annual | | Shortage Dist | Distribution Total | Remaining Shortage | Current Distribution | | |
| NonPooling Company ENS Distribution | | | | 836,855.38 | 836,855.38 | | | | |
| ACS-FTW | 199,427 | 16,618.92 | 1.11% | 9,255.91 | 9,255.91 | (7,363.01) | 9,255.91 | 9,255.91 | 0.00 |
| ACS-Fairbanks | 1,374,390 | 114,532.50 | 7.62% | 63,788.88 | 63,788.88 | (50,743.62) | 63,788.88 | 63,788.88 | 0.00 |
| ACS-Juneau | 77,802 | 6,483.50 | 0.43% | 3,610.99 | 3,610.99 | (2,872.51) | 3,610.99 | 3,610.99 | 0.00 |
| ACS-GST | 2,845,886 | 237,157.17 | 15.78% | 132,084.69 | 132,084.69 | (105,072.48) | 132,084.69 | 132,084.69 | 0.00 |
| ACS-Sitka | 200,829 | 16,735.75 | 1.11% | 9,320.98 | 9,320.98 | (7,414.77) | 9,320.98 | 9,320.98 | 0.00 |
| ASTAC | 710,949 | 59,245.75 | 3.94% | 32,996.92 | 32,996.92 | (26,248.83) | 32,996.92 | 32,996.92 | 0.00 |
| Cordova | 521,141 | 43,428.42 | 2.89% | 24,187.46 | 24,187.46 | (19,240.96) | 24,187.46 | 24,187.46 | 0.00 |
| CVTC | 2,332,651 | 194,387.58 | 12.94% | 108,264.17 | 108,264.17 | (86,123.41) | 108,264.17 | 108,264.17 | 0.00 |
| Interior | 1,132,384 | 94,365.33 | 6.28% | 52,556.77 | 52,556.77 | (41,808.56) | 52,556.77 | 52,556.77 | 0.00 |
| KPU | 955,754 | 79,646.17 | 5.30% | 44,358.94 | 44,358.94 | (35,287.23) | 44,358.94 | 44,358.94 | 0.00 |
| MTA | 5,303,043 | 441,920.25 | 29.41% | 246,127.49 | 246,127.49 | (195,792.76) | 246,127.49 | 246,127.49 | 0.00 |
| Mukluk | 348,115 | 29,009.58 | 1.93% | 16,156.88 | 16,156.88 | (12,852.70) | 16,156.88 | 16,156.88 | 0.00 |
| GCI | 2,028,447 | 169,037.25 | 11.25% | 94,145.30 | 94,145.30 | (74,891.95) | 94,145.30 | 94,145.30 | 0.00 |
| Total | \$ 18,030,818.00 | \$ 1,502,568.17 | 100.00% | \$836,855.38 | \$836,855.38 | (\$665,712.79) | \$836,855.38 | \$836,855.38 | \$0.00 |

* From TA28-998 Third Supplemental filed 12/5/2018, TA28-998 Notice of ENS CCL Adjustments
filed 7/24/2019 and TA37-998

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| POOLING Companies - ENS 1st Qtr | | ENS Support | | Percent of Support | Jan-22 | | | FIRST QTR | YTD ENS Support | YTD ENS Shortage Drop Off (Not Paid) |
|------------------------------------|-----------------|---------------|---------------|-----------------------|-----------------------|-----------------------|----------------------|--------------|-----------------|---|
| Company | Annual 2022* | 1/12 Annual | Shortage Dist | | Distribution Total | Remaining Shortage | Current Distribution | | | |
| Pooling Company ENS Distributions | | | | | 226,998.25 | 226,998.25 | | | | |
| Adak Eagle Enterprises | 508,254.00 | 42,354.50 | 10.39% | 23,589.34 | 23,589.34 | (18,765.16) | 23,589.34 | 23,589.34 | 0.00 | |
| ATC | 785,988.00 | 65,499.00 | 16.07% | 36,479.67 | 36,479.67 | (29,019.33) | 36,479.67 | 36,479.67 | 0.00 | |
| BBTC | 303,625.00 | 25,302.08 | 6.21% | 14,091.99 | 14,091.99 | (11,210.09) | 14,091.99 | 14,091.99 | 0.00 | |
| Bettles | 3,745.00 | 312.08 | 0.08% | 173.81 | 173.81 | (138.27) | 173.81 | 173.81 | 0.00 | |
| Bush-Tell | 233,799.00 | 19,483.25 | 4.78% | 10,851.20 | 10,851.20 | (8,632.05) | 10,851.20 | 10,851.20 | 0.00 | |
| Nushagak | 382,933.00 | 31,911.08 | 7.83% | 17,772.88 | 17,772.88 | (14,138.20) | 17,772.88 | 17,772.88 | 0.00 | |
| OTZ | 540,283.00 | 45,023.58 | 11.05% | 25,075.88 | 25,075.88 | (19,947.70) | 25,075.88 | 25,075.88 | 0.00 | |
| Summit | 224,898.00 | 18,741.50 | 4.60% | 10,438.08 | 10,438.08 | (8,303.42) | 10,438.08 | 10,438.08 | 0.00 | |
| United KUC | 222,897.00 | 18,574.75 | 4.56% | 10,345.21 | 10,345.21 | (8,229.54) | 10,345.21 | 10,345.21 | 0.00 | |
| United Utilities | 1,360,482.00 | 113,373.50 | 27.82% | 63,143.37 | 63,143.37 | (50,230.13) | 63,143.37 | 63,143.37 | 0.00 | |
| Yukon | 61,701.00 | 5,141.75 | 1.26% | 2,863.70 | 2,863.70 | (2,278.05) | 2,863.70 | 2,863.70 | 0.00 | |
| Subtotal | \$ 4,628,605.00 | \$ 385,717.07 | 94.64% | 214,825.13 | 214,825.13 | (170,891.94) | 214,825.13 | 214,825.13 | 0.00 | |
| Average Schedule Companies | | | | | | | | | | |
| Circle Telephone Co. | 25,057.00 | 2,088.08 | 0.51% | 1,162.96 | 1,162.96 | (925.12) | 1,162.96 | 1,162.96 | 0.00 | |
| North Country Telephone | 66,677.00 | 5,556.42 | 1.36% | 3,094.65 | 3,094.65 | (2,461.77) | 3,094.65 | 3,094.65 | 0.00 | |
| Subtotal | 91,734.00 | 7,644.50 | 1.88% | 4,257.61 | 4,257.61 | (3,386.89) | 4,257.61 | 4,257.61 | 0.00 | |
| Company subtotal | 4,720,339.00 | 393,361.57 | | 219,082.74 | 219,082.74 | | 219,082.74 | 219,082.74 | | |
| AECA ENS Admin fee | 170,547.00 | 14,212.25 | 3.49% | 7,915.51 | 7,915.51 | (6,296.74) | 7,915.51 | 7,915.51 | 0.00 | |
| Total | \$4,890,886.00 | \$407,573.82 | 100.00% | \$226,998.25 | \$226,998.25 | (\$180,575.57) | \$226,998.25 | \$226,998.25 | \$0.00 | |

*From TA 28-998 Third Supplemental, TA37-998, AECA Admin fee from U-21-008

Total ENS including Nonpooling and Pooling

\$22,921,704.00

\$1,063,853.63

\$1,063,853.63

\$1,063,853.63

Alaska Universal Service Administrative Company

Intrastate End User Revenues - Trends

AUSF Distribution

July-22

| Date | # of Cos. | Local | Wireless | IXC | Payphone | Other | Uncollectible | VOIP | Total Revenue |
|----------------|-----------|---------------|---------------|---------------|-----------|------------|---------------|--------------|----------------|
| Jan-21 | 112 | 5,735,850 | 4,195,631 | 977,783 | 3,494 | 11,282 | (170,268) | 322,145 | 11,075,918 |
| Feb-21 | 108 | 5,816,396 | 4,047,290 | 1,002,782 | 3,368 | 11,224 | (114,740) | 330,005 | 11,096,324 |
| Mar-21 | 111 | 5,934,301 | 4,319,601 | 1,126,647 | 1,591 | 11,000 | 37,005 | 288,871 | 11,719,015 |
| Apr-21 | 112 | 5,849,494 | 4,141,806 | 1,051,407 | 1,841 | 12,092 | (63,459) | 272,083 | 11,265,264 |
| May-21 | 110 | 5,906,736 | 4,228,241 | 1,000,834 | 1,695 | 12,430 | (18,836) | 303,608 | 11,434,708 |
| Jun-21 | 112 | 5,823,688 | 4,309,662 | 1,001,799 | 1,695 | 11,674 | 18,932 | 353,866 | 11,521,316 |
| Jul-21 | 112 | 5,802,481 | 4,349,307 | 903,571 | 1,464 | 11,746 | (13,583) | 307,678 | 11,362,665 |
| Aug-21 | 113 | 5,766,990 | 4,140,653 | 973,258 | 1,577 | 10,874 | (14,821) | 285,683 | 11,164,215 |
| Sep-21 | 111 | 5,663,946 | 4,123,670 | 1,022,559 | 1,577 | 12,773 | (85,662) | 255,518 | 10,994,381 |
| Oct-21 | 113 | 5,691,205 | 4,160,667 | 1,031,133 | 1,579 | 13,107 | 41,206 | 269,166 | 11,208,063 |
| Nov-21 | 111 | 5,597,056 | 4,138,821 | 1,010,027 | 1,577 | 14,085 | (22,223) | 243,773 | 10,983,116 |
| Dec-21 | 110 | 5,508,597 | 4,150,562 | 1,008,992 | 1,577 | 15,540 | (122,755) | 259,211 | 10,821,724 |
| YTD Total 2021 | | \$ 69,096,740 | \$ 50,305,911 | \$ 12,110,792 | \$ 23,035 | \$ 147,827 | \$ (529,203) | \$ 3,491,607 | \$ 134,646,709 |

Adjustments to prior periods are reflected in the period they apply to, not the period in which they were made.

| Date | # of Cos. | Local | Wireless | IXC | Payphone | Other | Uncollectible | VOIP | Total Revenue |
|----------------|-----------|---------------|---------------|--------------|-----------|-----------|---------------|--------------|---------------|
| Jan-22 | 111 | 5,408,608 | 4,070,864 | 980,956 | 1,287 | 13,946 | (65,930) | 263,304 | 10,673,035 |
| Feb-22 | 111 | 5,369,034 | 3,946,917 | 1,024,507 | 1,577 | 10,655 | (50,913) | 274,123 | 10,575,900 |
| Mar-22 | 110 | 5,634,948 | 4,313,218 | 857,570 | 1,577 | 13,094 | (67,007) | 294,729 | 11,048,129 |
| Apr-22 | 113 | 5,402,243 | 4,047,501 | 961,832 | 1,364 | 11,027 | (63,441) | 288,509 | 10,649,036 |
| May-22 | 114 | 5,458,400 | 4,193,903 | 968,312 | 1,554 | 20,190 | 93,271 | 344,044 | 11,079,674 |
| Jun-22 | 114 | 5,412,194 | 4,247,277 | 890,822 | 1,554 | 14,000 | (57,940) | 298,404 | 10,806,310 |
| Jul-22 | 105 | 5,461,507 | 4,049,674 | 737,302 | 1,554 | 9,005 | (33,911) | 312,048 | 10,537,180 |
| Aug-22 | | | | | | | | | |
| Sep-22 | | | | | | | | | |
| Oct-22 | | | | | | | | | |
| Nov-22 | | | | | | | | | |
| Dec-22 | | | | | | | | | |
| YTD Total 2022 | | \$ 38,146,932 | \$ 28,869,355 | \$ 6,421,301 | \$ 10,467 | \$ 91,918 | \$ (245,871) | \$ 2,075,161 | \$ 75,369,263 |

Adjustments to prior periods are reflected in the period they apply to, not the period in which they were made.

Alaska Universal Service Administrative Company

Intrastate End User Revenues - Variance Analysis

AUSF Distribution

July-22

| 2022 Month over Month - Variances | # of Cos. | Local | Wireless | IXC | Payphone | Other | Uncollectible | VOIP | Total Revenue |
|--------------------------------------|-----------|-------|----------|------|----------|-------|---------------|------|------------------|
| Jan | 1% | -2% | -2% | -3% | -18% | -10% | -46% | 2% | -1% |
| Feb | 0% | -1% | -3% | 4% | 23% | -24% | -23% | 4% | -1% |
| Mar | -1% | 5% | 9% | -16% | 0% | 23% | 32% | 8% | 4% |
| Apr | 3% | -4% | -6% | 12% | -14% | -16% | -5% | -2% | -4% |
| May | 1% | 1% | 4% | 1% | 14% | 83% | -247% | 19% | 4% |
| Jun | 0% | -1% | 1% | -8% | 0% | -31% | -162% | -13% | -2% |
| Jul | -8% | 1% | -5% | -17% | 0% | -36% | -41% | 5% | -2% |
| Aug | | | | | | | | | |
| Sep | | | | | | | | | |
| Oct | | | | | | | | | |
| Nov | | | | | | | | | |
| Dec | | | | | | | | | |

| 2022 Year over Year - Variances | # of Cos. | Local | Wireless | IXC | Payphone | Other | Uncollectible | VOIP | Total Revenue |
|------------------------------------|-----------|-------|----------|------|----------|-------|---------------|------|------------------|
| Jan | -1% | -6% | -3% | 0% | -63% | 24% | -61% | -18% | -4% |
| Feb | 3% | -8% | -2% | 2% | -53% | -5% | -56% | -17% | -5% |
| Mar | -1% | -5% | 0% | -24% | -1% | 19% | -281% | 2% | -6% |
| Apr | 1% | -8% | -2% | -9% | -26% | -9% | 0% | 6% | -5% |
| May | 4% | -8% | -1% | -3% | -8% | 62% | -595% | 13% | -3% |
| Jun | 2% | -7% | -1% | -11% | -8% | 20% | -406% | -16% | -6% |
| Jul | -6% | -6% | -7% | -18% | 6% | -23% | 150% | 1% | -7% |
| Aug | | | | | | | | | |
| Sep | | | | | | | | | |
| Oct | | | | | | | | | |
| Nov | | | | | | | | | |
| Dec | | | | | | | | | |
| YTD Total* | | -7% | -2% | -9% | -31% | 13% | -24% | -5% | -5% |

* YTD Jan - May

Prior Year Support Detail
2021

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| Support Shortage Detail | | | | | | | |
|--------------------------------------|----------------|-----------------------------------|-----------------|------------------------|---------------------|-------------|--------------|
| Distribution Priority | Support Period | | AUSAC Admin Fee | ENS Nonpooling Support | ENS Pooling Support | Adjustments | Totals |
| Month 7 (Dropped from Shortage List) | December-21 | Support Shortage | | (679,404.51) | (184,289.47) | - | (863,693.98) |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | | | | |
| | | Remaining Support Not Recoverable | | (679,404.51) | (184,289.47) | - | (863,693.98) |
| Month 6 (Oldest) | N/A | Support Shortage | | - | - | - | - |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | - | - | - | - |
| Month 5 | N/A | Support Shortage | | - | - | - | - |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | - | - | - | - |
| Month 4 | N/A | Support Shortage | | - | - | - | - |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | - | - | - | - |
| Month 3 | N/A | Support Shortage | | - | - | - | - |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | - | - | - | - |
| Month 2 | N/A | Support Shortage | | - | - | - | - |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | - | - | - | - |
| Month 1 (Newest) | N/A | Support Shortage | | - | - | - | - |
| | | Shortage Paid | | - | - | - | - |
| | | % Payment | | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Remaining Support Shortage | | - | - | - | - |
| Current Period | N/A | Current Support Due | - | - | - | - | - |
| | | Current Distribution Paid | - | - | - | - | - |
| | | % Payment | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | | Support Shortage | - | - | - | - | - |
| Total Distribution | | | - | - | - | - | - |
| Total Support Shortage | | | - | - | - | - | - |

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| Nonpooling Companies - ENS | ENS Support | | Percent of Support | FIRST QTR | SECOND QTR | THIRD QTR |
|--|-------------------------|------------------------|-----------------------|-------------------------|-----------------------|-------------------------|
| | Annual 2021* | 1/12 Annual | | Current Distribution | Current Distribution | Current Distribution |
| NonPooling Company ENS Distribution | | | | | | |
| ACS-FTW | 199,427 | 16,618.92 | 1.11% | 28,945.59 | 29,626.38 | 31,447.30 |
| ACS-Fairbanks | 1,374,390 | 114,532.50 | 7.62% | 199,484.10 | 204,175.96 | 216,725.18 |
| ACS-Juneau | 77,802 | 6,483.50 | 0.43% | 11,292.47 | 11,558.07 | 12,268.46 |
| ACS-GST | 2,845,886 | 237,157.17 | 15.78% | 413,062.52 | 422,777.74 | 448,762.84 |
| ACS-Sitka | 200,829 | 16,735.75 | 1.11% | 29,149.07 | 29,834.66 | 31,668.37 |
| ASTAC | 710,949 | 59,245.75 | 3.94% | 103,189.79 | 105,616.81 | 112,108.32 |
| Cordova | 521,141 | 43,428.42 | 2.89% | 75,640.35 | 77,419.42 | 82,177.83 |
| CVTC | 2,332,651 | 194,387.58 | 12.94% | 338,569.66 | 346,532.81 | 367,831.69 |
| Interior | 1,132,384 | 94,365.33 | 6.28% | 164,358.44 | 168,224.14 | 178,563.67 |
| KPU | 955,754 | 79,646.17 | 5.30% | 138,721.71 | 141,984.43 | 150,711.20 |
| MTA | 5,303,043 | 441,920.25 | 29.41% | 769,703.45 | 787,806.85 | 836,227.67 |
| Mukluk | 348,115 | 29,009.58 | 1.93% | 50,526.70 | 51,715.09 | 54,893.65 |
| GCI | 2,028,447 | 169,037.25 | 11.25% | 294,416.37 | 301,341.03 | 319,862.29 |
| Total | \$ 18,030,818.00 | \$ 1,502,568.17 | 100.00% | \$2,617,060.22 | \$2,678,613.39 | \$2,843,248.47 |

* From TA28-998 Third Supplemental filed 12/5/2018 and TA28-998 Notice of ENS CCL
Adjustments filed 7/24/2019.

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| Nonpooling Companies - ENS | ENS Support | | Percent of Support | Oct-21 | | | Nov-21 | | | Dec-21 | | | FOURTH QTR | YTD ENS Support | YTD ENS Shortage Drop Off (Not Paid) |
|--|------------------|-----------------|-----------------------|--------------------------|-----------------------|-----------------------|----------------------------|--------------------|-----------------------|--------------------------|--------------------|-----------------------|----------------------|--------------------|--|
| | Annual 2021* | 1/12 Annual | | Shortage Dist 5/27/22 | Distribution Total | Remaining Shortage | Shortage Dist 6/30/2022 | Distribution Total | Remaining Shortage | Shortage Dist 7/29/22 | Distribution Total | Remaining Shortage | Current Distribution | | |
| NonPooling Company ENS Distribution | | | | 824,760.53 | 824,760.53 | | 873,163.67 | 873,163.67 | | 823,163.66 | 823,163.66 | | | | |
| ACS-FTW | 199,427 | 16,618.92 | 1.11% | 9,122.13 | 9,122.13 | (7,496.79) | 9,657.50 | 9,657.50 | (6,961.42) | 9,104.47 | 9,104.47 | (7,514.45) | 27,884.10 | 117,903.37 | (81,523.67) |
| ACS-Fairbanks | 1,374,390 | 114,532.50 | 7.62% | 62,866.95 | 62,866.95 | (51,665.55) | 66,556.46 | 66,556.46 | (47,976.04) | 62,745.23 | 62,745.23 | (51,787.27) | 192,168.64 | 812,553.88 | (561,836.12) |
| ACS-Juneau | 77,802 | 6,483.50 | 0.43% | 3,558.80 | 3,558.80 | (2,924.70) | 3,767.65 | 3,767.65 | (2,715.85) | 3,551.91 | 3,551.91 | (2,931.59) | 10,878.36 | 45,997.36 | (31,804.64) |
| ACS-GST | 2,845,886 | 237,157.17 | 15.78% | 130,175.71 | 130,175.71 | (106,981.46) | 137,815.39 | 137,815.39 | (99,341.78) | 129,923.67 | 129,923.67 | (107,233.50) | 397,914.77 | 1,682,517.87 | (1,163,368.17) |
| ACS-Sitka | 200,829 | 16,735.75 | 1.11% | 9,186.26 | 9,186.26 | (7,549.49) | 9,725.38 | 9,725.38 | (7,010.37) | 9,168.48 | 9,168.48 | (7,567.27) | 28,080.12 | 118,732.22 | (82,096.78) |
| ASTAC | 710,949 | 59,245.75 | 3.94% | 32,520.03 | 32,520.03 | (26,725.72) | 34,428.55 | 34,428.55 | (24,817.20) | 32,457.06 | 32,457.06 | (26,788.69) | 99,405.64 | 420,320.56 | (290,628.44) |
| Cordova | 521,141 | 43,428.42 | 2.89% | 23,837.88 | 23,837.88 | (19,590.54) | 25,236.87 | 25,236.87 | (18,191.55) | 23,791.73 | 23,791.73 | (19,636.69) | 72,866.48 | 308,104.08 | (213,036.96) |
| CVTC | 2,332,651 | 194,387.58 | 12.94% | 106,699.45 | 106,699.45 | (87,688.13) | 112,961.38 | 112,961.38 | (81,426.20) | 106,492.87 | 106,492.87 | (87,894.71) | 326,153.70 | 1,379,087.86 | (953,563.10) |
| Interior | 1,132,384 | 94,365.33 | 6.28% | 51,797.19 | 51,797.19 | (42,568.14) | 54,837.03 | 54,837.03 | (39,528.30) | 51,696.90 | 51,696.90 | (42,668.43) | 158,331.12 | 669,477.37 | (462,906.59) |
| KPU | 955,754 | 79,646.17 | 5.30% | 43,717.83 | 43,717.83 | (35,928.34) | 46,283.52 | 46,283.52 | (33,362.65) | 43,633.18 | 43,633.18 | (36,012.99) | 133,634.53 | 565,051.87 | (390,702.17) |
| MTA | 5,303,043 | 441,920.25 | 29.41% | 242,570.28 | 242,570.28 | (199,349.97) | 256,806.12 | 256,806.12 | (185,114.13) | 242,100.62 | 242,100.62 | (199,819.63) | 741,477.02 | 3,135,214.99 | (2,167,828.01) |
| Mukluk | 348,115 | 29,009.58 | 1.93% | 15,923.38 | 15,923.38 | (13,086.20) | 16,857.88 | 16,857.88 | (12,151.70) | 15,892.54 | 15,892.54 | (13,117.04) | 48,673.80 | 205,809.24 | (142,305.72) |
| GCI | 2,028,447 | 169,037.25 | 11.25% | 92,784.64 | 92,784.64 | (76,252.61) | 98,229.94 | 98,229.94 | (70,807.31) | 92,605.00 | 92,605.00 | (76,432.25) | 283,619.58 | 1,199,239.27 | (829,207.73) |
| Total | \$ 18,030,818.00 | \$ 1,502,568.17 | 100.00% | \$824,760.53 | \$824,760.53 | (\$677,807.64) | \$873,163.67 | \$873,163.67 | (\$629,404.50) | \$823,163.66 | \$823,163.66 | (\$679,404.51) | \$2,521,087.86 | \$10,660,009.94 | (\$7,370,808.10) |

* From TA28-998 Third Supplemental filed 12/5/2018 and TA28-998 Notice of ENS CCL
Adjustments filed 7/24/2019.

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| POOLING Companies - ENS | ENS Support | | Percent of Support | FIRST QTR | SECOND QTR | THIRD QTR |
|-----------------------------------|-----------------|---------------|-----------------------|-------------------------|----------------------|-------------------------|
| | Annual 2021* | 1/12 Annual | | Current Distribution | Current Distribution | Current Distribution |
| Pooling Company ENS Distributions | | | | | | |
| Adak Eagle Enterprises | 508,254.00 | 42,354.50 | 10.40% | 73,769.87 | 75,504.95 | 80,132.23 |
| ATC | 785,988.00 | 65,499.00 | 16.08% | 114,081.23 | 116,764.42 | 123,920.28 |
| BBTC | 303,625.00 | 25,302.08 | 6.21% | 44,069.26 | 45,105.77 | 47,870.06 |
| Bettles | 3,745.00 | 312.08 | 0.08% | 543.56 | 556.35 | 590.44 |
| Bush-Tell | 233,799.00 | 19,483.25 | 4.78% | 33,934.47 | 34,732.59 | 36,861.17 |
| Nushagak | 382,933.00 | 31,911.08 | 7.83% | 55,580.32 | 56,887.57 | 60,373.90 |
| OTZ | 540,283.00 | 45,023.58 | 11.05% | 78,418.68 | 80,263.09 | 85,181.99 |
| Summit | 224,898.00 | 18,741.50 | 4.60% | 32,642.53 | 33,410.29 | 35,457.81 |
| United KUC | 222,897.00 | 18,574.75 | 4.56% | 32,352.10 | 33,113.02 | 35,142.35 |
| United Utilities | 1,360,482.00 | 113,373.50 | 27.83% | 197,465.44 | 202,109.81 | 214,496.03 |
| Yukon | 61,701.00 | 5,141.75 | 1.26% | 8,955.52 | 9,166.14 | 9,727.89 |
| Subtotal | \$ 4,628,605.00 | \$ 385,717.07 | 94.68% | 671,812.98 | 687,614.00 | 729,754.15 |
| Average Schedule Companies | | | | | | |
| Circle Telephone Co. | 25,057.00 | 2,088.08 | 0.51% | 3,636.86 | 3,722.41 | 3,950.53 |
| North Country Telephone | 66,677.00 | 5,556.42 | 1.36% | 9,677.76 | 9,905.37 | 10,512.42 |
| Subtotal | 91,734.00 | 7,644.50 | 1.88% | 13,314.62 | 13,627.78 | 14,462.95 |
| Company subtotal | 4,720,339.00 | 393,361.57 | | 685,127.60 | 701,241.78 | 744,217.10 |
| AECA ENS Admin fee | 168,313.00 | 14,026.08 | 3.44% | 24,429.57 | 25,004.15 | 26,888.74 |
| Total | \$4,888,652.00 | \$407,387.65 | 100.00% | \$709,557.17 | \$726,245.93 | \$771,105.84 |

*From TA 28-998 Third Supplemental, AECA Admin fee from U-18-119, filed 12/20/2018

Total ENS including Nonpooling and Pooling \$22,919,470.00 \$3,326,617.39 \$3,404,859.32 \$3,614,354.31

Alaska Universal Service Administrative Company

AUSF Distribution

July-22

| POOLING Companies - ENS | ENS Support | | Percent of Support | Oct-21 | | Nov-21 | | | Dec-21 | | | FOURTH QTR | YTD ENS Support | YTD ENS Shortage Drop Off (Not Paid) |
|-----------------------------------|-----------------|---------------|-----------------------|-----------------------|-----------------------|--------------------------|--------------------|-----------------------|--------------------------|-----------------------|-----------------------|-------------------------|-----------------|---|
| | Annual 2021* | 1/12 Annual | | Distribution Total | Remaining Shortage | Shortage Dist 6/30/22 | Distribution Total | Remaining Shortage | Shortage Dist 7/29/22 | Distribution Total | Remaining Shortage | Current Distribution | | |
| Pooling Company ENS Distributions | | | | 223,717.50 | | 236,846.92 | 236,846.92 | | 223,284.35 | 223,284.35 | | | | |
| Adak Eagle Enterprises | 508,254.00 | 42,354.50 | 10.40% | 23,248.41 | (19,106.09) | 24,612.80 | 24,612.80 | (17,741.70) | 23,203.40 | 23,203.40 | (19,151.10) | 71,064.61 | 300,471.66 | (207,782.34) |
| ATC | 785,988.00 | 65,499.00 | 16.08% | 35,952.44 | (29,546.56) | 38,062.40 | 38,062.40 | (27,436.60) | 35,882.83 | 35,882.83 | (29,616.17) | 109,897.67 | 464,663.60 | (321,324.40) |
| BBTC | 303,625.00 | 25,302.08 | 6.21% | 13,888.33 | (11,413.75) | 14,703.40 | 14,703.40 | (10,598.68) | 13,861.44 | 13,861.44 | (11,440.64) | 42,453.17 | 179,498.26 | (124,126.70) |
| Bettles | 3,745.00 | 312.08 | 0.08% | 171.30 | (140.78) | 181.35 | 181.35 | (130.73) | 170.96 | 170.96 | (141.12) | 523.61 | 2,213.96 | (1,531.00) |
| Bush-Tell | 233,799.00 | 19,483.25 | 4.78% | 10,694.37 | (8,788.88) | 11,321.99 | 11,321.99 | (8,161.26) | 10,673.66 | 10,673.66 | (8,809.59) | 32,690.02 | 138,218.25 | (95,580.75) |
| Nushagak | 382,933.00 | 31,911.08 | 7.83% | 17,516.01 | (14,395.07) | 18,543.98 | 18,543.98 | (13,367.10) | 17,482.10 | 17,482.10 | (14,428.98) | 53,542.09 | 226,383.88 | (156,549.08) |
| OTZ | 540,283.00 | 45,023.58 | 11.05% | 24,713.47 | (20,310.11) | 26,163.84 | 26,163.84 | (18,859.74) | 24,665.61 | 24,665.61 | (20,357.97) | 75,542.92 | 319,406.68 | (220,876.28) |
| Summit | 224,898.00 | 18,741.50 | 4.60% | 10,287.22 | (8,454.28) | 10,890.95 | 10,890.95 | (7,850.55) | 10,267.30 | 10,267.30 | (8,474.20) | 31,445.47 | 132,956.10 | (91,941.90) |
| United KUC | 222,897.00 | 18,574.75 | 4.56% | 10,195.69 | (8,379.06) | 10,794.05 | 10,794.05 | (7,780.70) | 10,175.95 | 10,175.95 | (8,398.80) | 31,165.69 | 131,773.16 | (91,123.84) |
| United Utilities | 1,360,482.00 | 113,373.50 | 27.83% | 62,230.77 | (51,142.73) | 65,882.95 | 65,882.95 | (47,490.55) | 62,110.29 | 62,110.29 | (51,263.21) | 190,224.01 | 804,295.29 | (556,186.71) |
| Yukon | 61,701.00 | 5,141.75 | 1.26% | 2,822.31 | (2,319.44) | 2,987.95 | 2,987.95 | (2,153.80) | 2,816.85 | 2,816.85 | (2,324.90) | 8,627.11 | 36,476.66 | (25,224.34) |
| Subtotal | \$ 4,628,605.00 | \$ 385,717.07 | 94.68% | 211,720.32 | (173,996.75) | 224,145.66 | 224,145.66 | (161,571.41) | 211,310.39 | 211,310.39 | (174,406.68) | 647,176.37 | 2,736,357.50 | (1,892,247.34) |
| Average Schedule Companies | | | | | | | | | | | | | | |
| Circle Telephone Co. | 25,057.00 | 2,088.08 | 0.51% | 1,146.15 | (941.93) | 1,213.41 | 1,213.41 | (874.67) | 1,143.93 | 1,143.93 | (944.15) | 3,503.49 | 14,813.29 | (10,243.67) |
| North Country Telephone | 66,677.00 | 5,556.42 | 1.36% | 3,049.92 | (2,506.50) | 3,228.91 | 3,228.91 | (2,327.51) | 3,044.02 | 3,044.02 | (2,512.40) | 9,322.85 | 39,418.40 | (27,258.64) |
| Subtotal | 91,734.00 | 7,644.50 | 1.88% | 4,196.07 | (3,448.43) | 4,442.32 | 4,442.32 | (3,202.18) | 4,187.95 | 4,187.95 | (3,456.55) | 12,826.34 | 54,231.69 | (37,502.31) |
| Company subtotal | 4,720,339.00 | 393,361.57 | | 215,916.39 | | 228,587.98 | 228,587.98 | | 215,498.34 | 215,498.34 | | 660,002.71 | 2,790,589.19 | |
| AECA ENS Admin fee | 168,313.00 | 14,026.08 | 3.44% | 7,801.11 | (6,411.14) | 8,258.94 | 8,258.94 | (5,953.31) | 7,786.01 | 7,786.01 | (6,426.24) | 23,846.06 | 100,168.52 | (69,261.46) |
| Total | \$4,888,652.00 | \$407,387.65 | 100.00% | \$223,717.50 | (\$183,856.32) | \$236,846.92 | \$236,846.92 | (\$170,726.90) | \$223,284.35 | \$223,284.35 | (\$184,289.47) | \$683,848.77 | \$2,890,757.71 | (\$1,999,011.11) |

*From TA 28-998 Third Supplemental, AECA Admin fee from U-18-119, filed 12/20/2018

Total ENS including Nonpooling and Pooling \$22,919,470.00 \$1,048,478.03 \$1,110,010.59 \$1,110,010.59 \$1,046,448.01 \$1,046,448.01 \$3,204,936.63

ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

AGENT'S REPORT BOARD OF DIRECTORS MEETING

August 25, 2022

Since our last regular meeting, AUSAC Staff has attended an RCA public meeting regarding R-21-001, prepared draft tariff changes and held workgroup meetings for the late fee charge revision. Additionally, staff has provided support to the companies that report to the AUSF.

A copy of the July 2022 financial report is included this month, labelled VI.A. This month the Board has one item to consider, the approval of the invoice for administrative services from AECA for the month of July.

The AECA invoice is about \$1,000 lower this month but in general is higher than average due to employee training and the coverage of staff leave time.

BOARD ACTION REQUEST #1:

Recommend the Board approve the payment for invoice number 326 from AECA, for July 2022 administrative services for a total of \$5,515.39.

All bills received by AUSAC have been paid. This concludes the Agent's report.

8/25/2022

Variance: Actual Higher
(Lower) than Budget

AUSAC FINANCIAL STATEMENT
CASH BASIS

| ACCOUNT | July-22 | | | | | | 8/30/2022 |
|--|--------------------|--------------------|-------------------|--------------------|--------------------|--------------------|------------------------|
| | Current Month | | | YTD | | | Proj. Exp. & Cash Draw |
| | ACTUAL | BUDGET | VARIANCE | ACTUAL | BUDGET | VARIANCE | |
| EXPENDITURES | | | | | | | |
| GEN/ADM: | | | | | | | |
| Administration Support | \$ 6,541 | \$ 4,917 | \$ 1,624 | \$ 28,298 | \$ 34,419 | \$ (6,121) | \$ 5,515 |
| Administration Support: 2021 Pd in 2022 | - | - | - | 2,631 | - | 2,631 | |
| Miscellaneous | 5 | 61 | (56) | 60 | 427 | (367) | 5 |
| Misc. Exp. 2021 Pd in 2022 | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - |
| Postage & Courier | 19 | 10 | 9 | 19 | 66 | (47) | - |
| Insurance | - | - | - | 9,983 | 10,678 | (695) | - |
| Legal | - | 3,000 | (3,000) | 388 | 8,522 | (8,135) | - |
| Legal Exp. 2021 Pd in 2022 | - | - | - | - | - | - | - |
| Database Project | - | - | - | - | - | - | - |
| Audit | 10,500 | 10,500 | - | 10,500 | 10,500 | - | - |
| Audit Exp. 2021 Pd in 2022 | - | - | - | - | - | - | - |
| Agreed Upon Procedures/Compliance Review | - | - | - | - | - | - | - |
| Comp. Rev. Exp.2021 Paid in 2022 | - | - | - | - | - | - | - |
| Bank Fees | 343 | 281 | 62 | 1,750 | 1,967 | (217) | 299 |
| Notices/Adv | 51 | 187 | (136) | 452 | 1,309 | (857) | 97 |
| Notices/Adv. Exp. 2021 Pd in 2022 | - | - | - | 45 | - | 45 | - |
| SUBTOTAL | \$ 17,459 | \$ 18,956 | \$ (1,497) | \$ 54,125 | \$ 67,888 | \$ (13,763) | \$ 5,916 |
| OTHER | | | | | | | |
| Directors Expense | - | - | - | - | 333 | (333) | - |
| SUBTOTAL | - | - | - | - | 333 | (333) | - |
| | | | | | | | |
| TOTAL EXPENDITURES | \$ 17,459 | \$ 18,956 | \$ (1,497) | \$ 54,125 | \$ 68,221 | \$ (14,096) | \$ 5,916 |
| Total Expenditures for 2021 Paid in 2022 | - | | | 2,676 | | | |
| INCOME: | | | | | | | |
| | | | | | | | |
| Tariff Remittance Funds | 6,243 | - | 6,243 | 37,896 | - | 37,896 | 5,916 |
| Interest | - | - | - | - | - | - | \$ - |
| Interest from CD Investments | - | - | - | - | - | - | - |
| Other (late fees) | - | - | - | - | - | - | \$ - |
| Reimbursements | | | | | | | |
| Miscellaneous | - | - | - | - | - | - | \$ - |
| Deposit In Transit (Sweep) | - | - | - | - | - | - | \$ - |
| TOTAL INCOME | \$ 6,243 | \$ - | \$ 6,243 | \$ 37,896 | \$ - | \$ 37,896 | \$ 5,916 |
| | | | | | | | |
| NET VARIANCE | \$ (11,216) | \$ (18,956) | \$ 7,740 | \$ (16,229) | \$ (68,221) | \$ 51,992 | \$ - |
| | | | \$0 | | | | |
| CASH | | | | | | | |
| Beginning Cash | \$0 | | | \$0 | | | \$0 |
| Cash On Hand | | | | \$0 | | | |

AUSAC Financial Statement

Notes to Financial Statement

August 25, 2022

1. Cash Balance at July 31, 2022 is \$0 in the general operating account. This account sweeps to the Sweep account at FNBA as the checks clear.
2. \$17,459 was posted to the statement for services and bank fees.
3. Administrative support expense of \$6,541 applicable to June 2022 was posted to this report.
4. Miscellaneous expense of \$5 was paid for website hosting.
5. Postage expense was \$19 for January through July 2022.
6. Audit expense was \$10,500 in July for the 2021 financial audit.
7. Bank fee expense was \$343 in July.
8. Notices fee expense was \$51 in July.
9. The cash sweep in July was \$6,243. The estimated sweep for expenditures in August 2022 is \$5,916.

Alaska Universal Service Administrative Company
AUSF Cash Balances in Banks
August 25, 2022

| Bank | Type | Next Mature Date | Avg Rate | 8/24/2022 |
|-----------------------------------|-----------------|------------------|----------|----------------|
| Edward Jones CD | Closed | | | \$0.00 |
| | Interest Earned | | 0.00% | \$0.00 |
| | Fees | | | \$0.00 |
| | Total | | | \$0.00 |
| Funds transferred to FNBA | | | | \$0.00 |
| Remaining Balance | | | | \$0.00 |
| First National Bank Alaska | R&D Acct/RP | Daily | Varies | \$1,118,306.05 |
| FNBA | Total | | | \$1,118,306.05 |
| Total AUSF Cash Balances in Banks | | | | \$1,118,306.05 |
| Out of Period Adjustments | | | | (\$47,193.16) |
| Total Available Balance | | | | \$1,071,112.89 |

Alaska Exchange Carriers Association

810 N Street, Suite 204
Anchorage, AK 99501

Invoice

| Date | Invoice # |
|-----------|-----------|
| 7/31/2022 | 326 |

| |
|--|
| Bill To |
| AUSAC 810 N Street 204 Anchorage, AK 99501 |

| Quantity | Item Code | Description | Price Each | Amount |
|--------------|------------------|---|------------|--------|
| 0.5 | Gen. Admin. | (625-05) Administrative work on AUSAC contract | 39.13 | 19.57 |
| 1 | Collections | (610-50) Collection and compliance issues. Company notices. late fees - May | 39.13 | 39.13 |
| 0.5 | Agenda_Notice | (625-70) Prepare agenda, Notice meetings, Call attendees | 39.13 | 19.57 |
| 0.5 | Bank Dep. | (610-56) Prepare and made deposits at the bank. | 39.13 | 19.57 |
| 1 | Compliance Audit | (625-60) Compliance Audit per U-98-168. | 39.13 | 39.13 |
| 1 | Collections | (610-50) Collection and compliance issues. Company notices. late fees | 39.13 | 39.13 |
| 0.5 | Mail | (610-26) Open mail, download and print files. | 39.13 | 19.57 |
| 0.5 | Compliance Audit | (625-60) Compliance Audit per U-98-168. | 39.13 | 19.57 |
| 0.5 | Collections | (610-50) Collection and compliance issues. Company notices. rev vals 6 mo | 39.13 | 19.57 |
| 0.5 | Bill & Coll. | (610-10) Reconcile Bank report to remittances, to data entry, audit reports and analyze reports . | 39.13 | 19.57 |
| 0.5 | Mail | (610-26) Open mail, download and print files. | 39.13 | 19.57 |
| 0.25 | Board Meeting | (605-05) Prepare for and attend Board of Directors meetings. | 98.62 | 24.66 |
| 3 | Tariff | (630-10) Prepare Tariff and Forms late fee workgroup | 98.62 | 295.86 |
| 3.5 | Tariff | (630-10) Prepare Tariff and Forms late fee workgroup | 98.62 | 345.17 |
| 0.75 | Bank Dep. | (610-56) Prepare and made deposits at the bank. | 98.62 | 73.97 |
| 0.75 | Gen. Admin. | (625-05) Administrative work on AUSAC contract Add Jeff to banking, fiannicals | 98.62 | 73.97 |
| 0.5 | Gen. Admin. | (625-05) Administrative work on AUSAC contract JL banking, 990 review, financials | 98.62 | 49.31 |
| 1.25 | Gen. Admin. | (625-05) Administrative work on AUSAC contract JL banking, 990 review, financials | 98.62 | 123.28 |
| 0.75 | MTG Minutes | (605-10) Draft, Review, Revise & Finalize Minutes | 98.62 | 73.97 |
| 0.25 | Proc/Rmit B&C | (610-40) Processing Remittances & Distributions remit research and review with JL, DE training | 98.62 | 24.66 |
| 0.5 | Gen. Admin. | (625-05) Administrative work on AUSAC contract | 98.62 | 49.31 |
| 0.25 | Late Fee Invoice | (610-52) Preparation and Issuance of Late Fee Invoice | 98.62 | 24.66 |
| 0.25 | Compliance Audit | (625-60) Compliance Audit per U-98-168. | 98.62 | 24.66 |
| 0.5 | Dist. of Funds | (610-25) Distribution of Funds | 98.62 | 49.31 |
| 1.25 | Board Meeting | (605-05) Prepare for and attend Board of Directors meetings. | 98.62 | 123.28 |
| 1 | Gen. Admin. | (625-05) Administrative work on AUSAC contract financials | 98.62 | 98.62 |
| Total | | | | |

Alaska Exchange Carriers Association

810 N Street, Suite 204
Anchorage, AK 99501

Invoice

| Date | Invoice # |
|-----------|-----------|
| 7/31/2022 | 326 |

| |
|--|
| Bill To |
| AUSAC 810 N Street 204 Anchorage, AK 99501 |

| Quantity | Item Code | Description | Price Each | Amount |
|----------|-----------------|--|--------------|--------|
| 0.5 | MonitorRpt | (620-01) Preparation of Monitoring Reports - Quarterly Report | 98.62 | 49.31 |
| 0.5 | Dist. of Funds | (610-25) Distribution of Funds | 98.62 | 49.31 |
| 0.75 | Tariffsupport | (630-10) Charges related to the preparation, filing and support of Tariff 998 by AECA staff. Does NOT include consulting fees. late fee tariff work | 98.62 | 73.97 |
| 1.25 | Post Remit. | (610-40) Post remittance forms and prepare monthly reports. R&D review | 98.62 | 123.28 |
| 1 | Tariff | (630-10) Prepare Tariff and Forms late fee workgroup | 98.62 | 98.62 |
| 1.75 | Proc/Rmit B&C | (610-40) Processing Remittances & Distributions remit research and review with JL, DE training | 98.62 | 172.59 |
| 0.75 | Post Remit. | (610-40) Post remittance forms and prepare monthly reports. data entry xcheck | 98.62 | 73.97 |
| 5.75 | Tariff | (630-10) Prepare Tariff and Forms late fee workgroup | 98.62 | 567.07 |
| 2.75 | Proc/Rmit B&C | (610-40) Processing Remittances & Distributions remit research and review with JL, DE training | 98.62 | 271.21 |
| 2.75 | Tariff | (630-10) Prepare Tariff and Forms late fee workgroup | 98.62 | 271.21 |
| 6.75 | R&D Report Prep | (610-70) Prepare Remittance & Distribution Report | 47.91 | 323.39 |
| 0.75 | Proc/Rmit B&C | (610-40) Processing Remittances & Distributions Data Entry, report prep, cross check | 47.91 | 35.93 |
| 0.25 | Bank Dep. | (610-56) Prepare and made deposits at the bank. | 47.91 | 11.98 |
| 7.5 | Proc/Rmit B&C | (610-40) Processing Remittances & Distributions Data Entry, report prep, cross check | 47.91 | 359.33 |
| 1 | Mail | (610-26) Open mail, download and print files. Prep & emailed Remittances | 47.91 | 47.91 |
| 1.5 | Bank Dep. | (610-56) Prepare and made deposits at the bank. | 47.91 | 71.87 |
| 1.75 | Bill & Coll. | (610-10) Reconcile Bank report to remittances, to data entry, audit reports and analyze reports . Cash spreadsheet & discussion | 47.91 | 83.84 |
| 0.5 | Gen. Admin. | (625-05) Administrative work on AUSAC contract Instructions | 47.91 | 23.96 |
| 2.25 | Bank Dep. | (610-56) Prepare and made deposits at the bank. | 47.91 | 107.80 |
| 1.5 | Mail | (610-26) Open mail, download and print files. Prep & emailed Remittances | 47.91 | 71.87 |
| 0.5 | Bank Dep. | (610-56) Prepare and made deposits at the bank. | 47.91 | 23.96 |
| | | | Total | |

Alaska Exchange Carriers Association

810 N Street, Suite 204
Anchorage, AK 99501

Invoice

| Date | Invoice # |
|-----------|-----------|
| 7/31/2022 | 326 |

| |
|--|
| Bill To |
| AUSAC 810 N Street 204 Anchorage, AK 99501 |

| Quantity | Item Code | Description | Price Each | Amount |
|----------|-----------------|--|--------------|-------------------|
| 1.25 | Gen. Admin. | (625-05) Administrative work on AUSAC contract instructions | 47.91 | 59.89 |
| 6.75 | R&D Report Prep | (610-70) Prepare Remittance & Distribution Report | 47.91 | 323.39 |
| 1 | Bank Dep. | (610-56) Prepare and made deposits at the bank. | 47.91 | 47.91 |
| 0.25 | Dist. of Funds | (610-25) Distribution of Funds bank instructions, distribution, notifications | 47.91 | 11.98 |
| 0.75 | Dist. of Funds | (610-25) Distribution of Funds bank instructions, distribution, notifications | 47.91 | 35.93 |
| 0.5 | Dist. of Funds | (610-25) Distribution of Funds bank instructions, distribution, notifications | 47.91 | 23.96 |
| 3 | R&D Report Prep | (610-70) Prepare Remittance & Distribution Report | 47.91 | 143.73 |
| 0.75 | R&D Report Prep | (610-70) Prepare Remittance & Distribution Report | 47.91 | 35.93 |
| 2.25 | MonitorRpt | (620-01) Preparation of Monitoring Reports - Quarterly Report quarterly | 47.91 | 107.80 |
| 0.25 | Bank Dep. | (610-56) Prepare and made deposits at the bank. | 47.91 | 11.98 |
| 1.25 | Gen. Admin. | (625-05) Administrative work on AUSAC contract instructions | 47.91 | 59.89 |
| 0.25 | Bank Dep. | (610-56) Prepare and made deposits at the bank. | 47.91 | 11.98 |
| | | | Total | \$5,515.39 |



Shawn Uschmann
Director
External Affairs

AT&T Services, Inc.
505 E Bluff Drive
Anchorage, AK 99501

907-264-7141 Phone
907-360-5093 Cell
su2487@att.com

August 11, 2022

Keegan Bernier
Alaska Universal Service Administrative Company
12350 Industry Way, Suite 200
Anchorage, AK 99515

Re: AUSAC Board position

Dear Keegan:

I have accepted a new position with AT&T and so I am stepping down from my position from the Alaska Universal Service Administrative Company ("AUSAC") Board of Directors. effective at the end of August 2022. I have truly enjoyed working with the entire AUSAC team, and hope to still work with you in the future on other issues.

I therefore resign my seat on the AUSAC Board of Directors, effective August 31, 2022. I will be putting forth David Collier ("Dave") as a nominee to replace me on the Board at the upcoming Special Membership Group Meeting on August 25. Dave is the Regulatory Area Manager for AT&T Alaska and is very knowledgeable about regulatory matters and served on this board prior to my serving in 2017. You'll be in great hands with Dave on the board.

My best wishes to you and the Board.

Sincerely,

A handwritten signature in blue ink, appearing to read "Shawn Uschmann", with a long horizontal flourish extending to the right.

Shawn Uschmann
Director – External Affairs



Board of Directors

Andilea Weaver
President
Wireless Telecom Provider
aweaver@adaktu.net

Larry Snipes
Vice President
ILEC
lsnipes@mtasolutions.com

Juhana Wayman
Secretary/Treasurer
CLEC
jwayman@uui-alaska.com

Robert Dunn
Other Telecom Providers
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Steve Kramer
ILEC
Steve.k@aptalaska.com

Lisa Phillips
IXC
lphillip@acsalaska.com

Shawn Uschmann
Facility-based IXC with
Wholesale Tariff
su2487@att.com

Alaska Universal Service Administrative Company
810 N Street
Suite 204
Anchorage, Alaska 99501

August XX, 2022

Keith Kurber II, Chairman
Regulatory Commission of Alaska
701 W. 8th Avenue, Suite 300
Anchorage, AK 99501

Re: Tariff Advice Letter 39-998
AUSF Tariff Number 998 and Monthly Carrier Remittance Worksheet Instructions Update

Dear Chairman Kurber,

Alaska Universal Service Administrative Company (AUSAC) submits the attached tariff sheet and revised Monthly Carrier Remittance Worksheet instructions in compliance with the Regulatory Commission of Alaska Act, 3 AAC 48.200 – 3 AAC 48.430.

This filing updates AUSAC's tariff 998 and Monthly Carrier Remittance Worksheet Instructions to: 1) simplify and modernize how payments and reports are submitted, and 2) encourage companies to report and pay on time by updating the late fees charged.

Simplifying and modernizing the submittal process for the Monthly Carrier Remittance Worksheets (reports) and payments

AUSAC seeks to simplify and modernize the AUSAC remittance submission process by requiring all companies to pay remittances and submit reports electronically. This shift to electronic submission will: 1) eliminate processing delays of reports and payments due to the lag of the U.S. Postal Service delivery, 2) provide better communication between AUSAC and the reporting companies, 3) eliminate the disparity of requirements for companies paying into the fund, 4) reduce AUSAC's costs by eliminating the manual processing of paper checks and 5) reduce AUSAC's costs of producing late fee invoices.

- 1) Requiring all companies to submit reports via email eliminates the mail travel time and provides virtually instantaneous report submission. Reports or payments from habitual late submitters are currently received in the mail approximately six days after the due date.

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www.ausac.org

- 2) Many of the companies rely on a third-party consultant to submit their monthly reports and frequently the person AUSAC needs to contact regarding follow-up questions is not listed on the Monthly Remittance Worksheets. Requiring reports to be sent via email provides a direct contact to the company to expedite the resolution of payment and reporting issues.

For example, a company emailed their report on July 19, 2022 and submitted payment electronically. AUSAC reviewed the report on July 20, 2022 and noticed that the company did not submit the correct report but the email indicated that the report was for the Alaska Universal Service Fund. Additionally, the report did not contain company contact information but listed a payment of \$14,850. Despite the report not having contact information, AUSAC was able to reply directly to the email notifying the company of the submission error. The company corrected their error immediately.

If this erroneous report was submitted via mail and payment made electronically, AUSAC would not be able to process the report and the payment would not be allocated to the funds available for support disbursement. The payment would be held until the appropriate report was received and the amount available for support distribution would be \$14,850 lower.

- 3) Currently, the AUSAC tariff requires payments greater than \$500 to be paid electronically and payments of \$500 or less may be paid via check. Between May 1, 2022 and May 19, 2022, AUSAC received 82 payments, of those payments 43 were paper checks, nine of which were checks that exceeded \$500. While sending paper checks over \$500 is technically not allowed by the current language of AUSAC's tariff, AUSAC realizes that having different payment requirements for the different levels of remittances may be confusing. Requiring all companies to pay electronically into the fund provides equal treatment for all contributors and should reduce confusion. AUSAC notes that similar agencies such as USAC require all payments to be paid online.¹
- 4) AUSAC staff spends an average of 56 hours or \$2,501 per year processing payments submitted via mail. Late submitted paper reports and payments incur additional time. Receiving submissions after the 20th of the month causes these reports and payments to not be fully processed in the proper (current) month, they but must be held until the following month for processing.
- 5) Under the current tariff language, the late fees charged to a company do not cover the cost to produce late fee invoices, as evident in Attachment C and discussed below. Therefore, eliminating mail delivery delays reduces the probability that reports and payments will be received late and reduces the administrative time needed to produce and issue late payment invoices.

Encourage companies to report and pay on time by updating late fee charges

AUSAC seeks to encourage companies to report and pay on time by: 1) setting a minimum late fee penalty charge while retaining the current maximum late fee penalty charge, and 2) creating a one-time charge for the late submission of the Monthly Carrier Remittance Worksheet.

¹ <https://www.usac.org/service-providers/making-payments/how-to-pay/>

August XX, 2022

Keith Kurber II, Chairman
Regulatory Commission of Alaska
Tariff Advice Letter 39-998
Page 3

Late fee penalty charges are in place to encourage companies to submit reports and payments on time. AUSAC has a limited timeframe to complete the monthly remittance and distribution process and does not allow for additional time to process the late submitted reports or payments for inclusion in the current period.

Currently, reports and payments are due by the 20th of each month. AUSAC processes and deposits the checks received in the mail and waits until the 21st of the month, to allow all funds to settle, to determine the available balance. AUSAC then has an average of five business days to review and process over one-hundred and eleven (111) remittance reports, prepare the Remittance & Distribution Report, present the Remittance & Distribution Report to the AUSAC Board for review and approval and then setup the ACH distribution by the 29th of each month.

Under the current tariff language, a one-time liquidated damages sum equal to one percent (1%) of the total amount due is charged if payment is not received within two working days of the due date. This one percent (1%) penalty is effective in deterring large remitting companies from paying late. However, AUSAC's cost of producing the late fee invoice far exceeds the revenue that can be generated from late fees charged to a smaller company. Though it is not expressed in AUSAC's tariff, AUSAC's policy has set a minimum late fee threshold of ten dollars (\$10) before it will issue a late fee invoice.

Attachment C, Intrastate End User Revenues: Late Fee Analysis, demonstrates this disparity in late fee invoicing. In Attachment C, Company Number 21 reported a remittance amount of \$435.09 (column b) that was 37 days late (column a), which would result in a 1% penalty charge of \$4.35 (column d), combined with the interest charge of \$4.62 (column c) Company Number 21 would be charged total late fees of \$8.97. Company Number 21 was not issued a late fee invoice due to the late penalty charge being below the \$10 threshold. Contrast with Company Number 4, which reported a remittance amount of \$7,290.62 that was only eight days late, resulting in a 1% penalty charge of \$72.91. Company Number 4 was issued a late fee invoice.

Updating the one-time liquidated damages charge to include a minimum amount of thirty-five dollars (\$35) would enable AUSAC to produce and issue late fee invoices at a reduced cost which would result in more late fee invoices issued to the offending companies. By design, late fee penalties are meant to discourage companies from paying late. In theory, over time, after receiving late fee invoices the habitual late reporters will correct their behavior and submit reports and payments on time.

The updated tariff language for the one-time liquidated damages charge sets a minimum charge amount to effectively encourage the smaller reporting companies to submit on time and retains a maximum of 1% of the total amount due charge to incentivize larger reporting companies to submit on time.

The AUSAC Board created a workgroup to research and prepare a recommendation for the changes to the late fee charges. The workgroup met several times and researched late fees other entities charged and found a broad range. The Universal Service Administrative Company charges a minimum late filing fee of \$100 per month for the late submission of forms² and imposes an interest charge of the U.S. Prime Rate as of the date of delinquency plus 3.5 percent and an additional 6% when the debt ages over 90 days³. The Code of Federal Regulations (5 CFR § 1315.11) requires certain

² <https://www.usac.org/service-providers/making-payments/invoices/late-filing-sanction/>

³ <https://www.usac.org/service-providers/making-payments/invoices/interest-and-penalties/>

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August XX, 2022

Keith Kurber II, Chairman
Regulatory Commission of Alaska
Tariff Advice Letter 39-998
Page 4

agencies to pay a minimum of \$25 for late payment penalties and a maximum of \$5,000, in addition to interest⁴. The workgroup also reviewed the safe harbor limit credit card companies are allowed to charge consumers for violating the terms or other requirements of an account for an amount of \$30⁵.

AUSAC's one-time liquidated damages minimum charge of \$35 was derived based on the actual administrative time AUSAC spends producing and issuing late fee invoices. The cost to produce a late fee invoice varies as the invoice preparation may require additional research time or may include several late submissions received at the same time. Due to the current \$10 late fee invoice threshold, the issuance of monthly late fee invoices is not consistent, which prevents AUSAC from having significant monthly late fee administrative time data. AUSAC staff examined data for administrative time spent analyzing, preparing, issuing and following-up on late fee invoices for the last 24 months and concluded that the months of October 2021 and February 2022 accurately represent time directly related to the preparation and issuance of late fee invoices. Attachment D, Late Fee Expense Analysis, shows the actual administrative time AUSAC spent on producing and issuing late fee invoices during the months of October 2021 and February 2022. Normal monthly late fee analysis time and time spent on outstanding late fee invoices was not included in the average cost calculation. The average cost of producing an invoice in October 2021 was approximately \$35 and the average cost of producing an invoice in February 2022 was approximately \$43.

In addition to setting a minimum one-time liquidated damages charge for non-payment, AUSAC also seeks to reduce issues with companies not submitting reports on time by charging a one-time fee of \$35 per report submitted late. It is not uncommon for AUSAC to receive deposits in error that should be directed to other state or federal agencies. If AUSAC cannot identify the company that deposited fund or appropriately assign the funds to a report, the deposit is reversed. AUSAC does not include unknown funds in the balance available for support distribution. The timely submission of reports ensure deposited funds are correctly accounted for and reduces AUSAC's time spent researching unknown deposits. The time spent researching unknown deposits and contacting the potential report non-submitter and eventually processing the late report is similar to the time spent preparing and issuing a late fee invoice, therefore the one-time minimum charge of \$35 for non-payment was used to determine the charge for non-submission of the report. AUSAC does not believe a \$35 fee for filing a late monthly report is unreasonable. As mentioned above, USAC assesses a \$100 late fee for filing a late quarterly report.

AUSAC's late fee charges are designed to be straightforward and simple to implement. They are intended to encourage companies to report and pay on time without excessively charging late fees, while additionally, reducing the administrative cost of noticing and charging non-compliant companies.

Revisions to AUSAC's Tariff 998 and worksheet instructions include: 1) the update to language requiring electronic reporting and payments, 2) the update to language to include a minimum late fee penalty charge, 3) new a late report submission charge, 4) the update to text locations on tariff sheets related to the tariff language changes, 5) the effective date for the Appendix I Monthly Carrier Remittance Worksheet Instructions on Tariff Sheet 29, and 6) the change in language to require electronic reporting and payment on pages 2 and 11 of the worksheet instructions.

⁴ <https://www.ecfr.gov/current/title-5/chapter-III/subchapter-B/part-1315/section-1315.11>

⁵ 12 CFR § 1026.52(b)(1)(ii)(A)

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August XX, 2022

Keith Kurber II, Chairman
Regulatory Commission of Alaska
Tariff Advice Letter 39-998
Page 5

| Tariff Sheet Number | | Cancels Sheet Number | |
|---------------------|--------------|----------------------|--------------|
| Revision Number | Sheet Number | Revision Number | Sheet Number |
| 18th Revised | 29 | 17th Revised | 29 |

To assist the Commission in its review, Attachment A contains the revised tariff sheet and revised remittance worksheet instructions. Attachment B contains the marked-up version of the remittance worksheet instructions. Attachment C shows the late fee assessment using the proposed minimum late fee penalty charge. Attachment D calculates the average cost to prepare and issue late fee invoices.

AUSAC requests an effective date for TA39-998 of October XX, 2022.

The proposed changes will not adversely affect customers in compliance with the AUSAC tariff or the public. The proposed changes will increase the late fee charge for customers whose calculated late fee charges currently fall under \$35 and will impose new charges on customers who are in violation of the tariff by submitting reports late. This is not a new service and it will not result in the termination of an existing service or conflict with any other schedule or rate.

If there are any questions regarding the tariff revisions, please contact me at 907-561-6300 or Andilea Weaver at 907-222-0844.

Sincerely,

Keegan Bernier
Agent

Attachments

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Fax (907) 561-6303
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www.ausac.org

ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

TABLE OF CONTENTS

| | <u>Sheet</u> | |
|--|------------------|---|
| Table of Contents | 3 | |
| Location of Tariff | 5 | |
| Concurring Carriers | 6 | |
| Explanation of Symbols | 7 | |
| Explanation of Abbreviations | 8 | |
| Definition of Terms | 9 | |
| PART I - GENERAL RULES AND REGULATIONS | | |
| A. Applications and Authority | 11 | |
| B. Purpose of Alaska Universal Service Fund | 12 | |
| C. Duty, Limitation, and Liability | 13 | |
| PART II - ALASKA UNIVERSAL SERVICE FUND SURCHARGE | | |
| A. General | 14 | |
| B. Carriers Subject to Payment of Surcharge | 15 | |
| C. Exemptions from Payment of Surcharge | 16 | |
| D. Approval by Commission | 16 | |
| E. Calculation and Approval of Annual Surcharge | 17 | |
| F. Periodic Updates to Surcharge Rate | 18 | |
| PART III - PAYMENTS TO THE ALASKA UNIVERSAL SERVICE FUND | | |
| A. Who Must Pay Into the AUSF | 19 | |
| B. Notification of Surcharge | 19 | |
| C. Calculations of Payments to AUSF | 19 | |
| D. When and Where to File | 19 20 | T |
| E. Interest and Damages on Late Payments | 20 | T |
| F. Filing Revisions | 20 21 | I |
| G. Payment Disputes | 21 | |
| H. Compliance Issues | 21 | |
| I. Disputes and Complaints | 22 | |
| J. Payment Required Regardless of Collections | 22 | |

Tariff Advice No. 1-998 R-97-5(10)/R-97-6(11)/U-98168(4) TA39-998
 Effective: March 1, 1999

Date Issued: February 1, 1999

Issued By: **ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**

By: _____

~~Ted Moninski~~ Andilea Weaver

Title: President

ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

PAYMENTS TO THE ALASKA UNIVERSAL SERVICE FUND

A. Who Must Pay into the AUSF

The AUSF is funded by Intrastate Telecommunications Carriers that provide the telecommunications services within the State of Alaska listed on Tariff Sheet No. 15. Such Intrastate Telecommunications Carriers whose payments would exceed \$100 per year and/or who have received AUSF support during the calendar year shall make monthly payments to the AUSF at the approved surcharge rate. An Intrastate Telecommunications Carrier may recover the amount of its payment to the AUSF from its intrastate retail telecommunications service customers.

B. Notification of Surcharge

AUSAC will notify carriers subject to payment of the surcharge of the amount and effective date of the initial surcharge, and all subsequent adjustments of the surcharge, by mail, by email or facsimile delivery to each subject company's principal place of business in Alaska as identified in the records of the Commission.

C. Calculation of Payments to AUSF

All carriers subject to payment of the surcharge shall make monthly payments to the AUSF, calculated by applying the approved amount of the surcharge to the gross amount of End User Revenues for which bills were rendered in the preceding calendar month. The calculation shall be shown on a form prescribed by the Alaska Universal Service Administrative Company and approved by the Commission, known as the "Carrier Remittance Worksheet" and signed by a responsible agent of the company submitting the payments.

~~D. When and Where to File~~

(L)

(L) Text relocated to Sheet 20

- ~~1. Monthly Carrier Remittance Worksheets and remittances for the previous calendar month must be received by AUSAC on the 20th calendar day of each month. Payment shall be delinquent after the 20th calendar day.~~

Tariff Advice No. 2939-998Effective: January 1, 2019Date Issued: January 3, 2019Issued By: **ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**

By: _____

~~Wanda Tankersley~~ Andilea WeaverTitle: President

ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

PAYMENTS TO THE ALASKA UNIVERSAL SERVICE FUND

D. When and Where to File ~~(Continued)~~ T

1. Monthly Carrier Remittance Worksheets and remittances for the previous calendar month must be received by AUSAC on the 20th calendar day of each month. Monthly Carrier Remittance Worksheets shall be delinquent after the 20th calendar day. Payment shall be delinquent after the 20th calendar day. (L) (T)
2. Monthly Carrier Remittance Worksheets shall be emailed to AUSAC on or before the 20th calendar day of each month.
3. Payments due ~~of sums greater than \$500.00~~ shall be made by wire transfer or Electronic Fund Transfer (EFT) directly to AUSAC's AUSF bank account on or before the 20th calendar day of each month. If this due date is a local bank holiday, funds shall be wire transferred or EFT on the prior workday. ~~Payments of \$500.00 or less may be paid via check made payable to "Alaska Universal Service Fund", and mailed in time to arrive at AUSAC's office no later than the 20th calendar day of each month.~~ AUSF Monthly Carrier Remittance Worksheets and payments are due on or before the 20th calendar day of each month. (D)
- ~~3. If EFT is technically not feasible, payment will be made by check mailed in time to be received prior to the 20th calendar day of the month with immediately available funds on the due date.~~ (D)

E. Interest and Damages ~~on Late Payments~~

1. Late Submission of Monthly Carrier Remittance Worksheet (N)
If the Monthly Carrier Remittance Worksheet is not received by the due date, a one-time penalty charge of \$XX will be charged.
2. If payment is not received in immediately available funds by the due date, interest at the rate of .000287 per day, calculated on the total amount due, will be charged until the date paid. In addition to interest, if payment is not received in immediately available funds within two working (2) days of the due date, a one-time liquidated damages sum equal to the greater of one percent (1%) of the total amount due, or \$XX - will be charged. (L) (D) (N)
4. Carriers Subject to Penalty and Interest Charges
Intrastate Telecommunications Carriers with remittance payments that would exceed \$100 per year and/or who have received AUSF support during the calendar year are subject to penalty and interest charges. (N)

~~F. Filing Revisions~~

~~Revisions may be made to the Carrier Remittance Worksheet to correct revenue amounts or payment amounts previously reported. When filing a revision, actual revised revenue amounts, not differences must be provided. If any additional payment is due, payment should be submitted when the revision is filed with AUSAC.~~

(L) Text relocated from Sheet 19

Tariff Advice No. 1-39-998 R-97-5(10)/R-97-6(11)/U-98168(4)
Effective: ---: June 10, 2022 March 1, 1999

Date Issued: February 1, 1999

Issued By: **ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**

By: Ted Moninski Andilea Weaver

Title: President

ED

ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

PAYMENTS TO THE ALASKA UNIVERSAL SERVICE FUND

F. Filing Revisions

(FL)

Revisions may be made to the Carrier Remittance Worksheet to correct revenue amounts or payment amounts previously reported. When filing a revision, actual revised revenue amounts, not differences must be provided. If any additional payment is due, payment should be submitted when the revision is filed with AUSAC.

G. Payment Disputes

In the event that a dispute occurs concerning surcharge payments by, or billing of late payment fees and/or collection charges to, a Subject Carrier, the Subject Carrier is required to pay both the disputed and the undisputed amounts by the due date. If the dispute is resolved in favor of the Subject Carrier, the AUSAC will refund the disputed amount in question plus interest at the rate of .000287 per day within ten (10) calendar days of resolution of the dispute.

H. Compliance Issues

In the event of a failure to comply with the terms or conditions of this tariff, AUSAC may, in its discretion, bring any legal action necessary or appropriate to enforce the terms or conditions of this tariff, including, without limitation, a legal action before the RCA or a court of competent jurisdiction to collect sums owing under this tariff or to enforce compliance with the terms and conditions of this tariff. In the event of a failure to comply with the terms or conditions of this tariff, AUSAC shall be entitled to recover from the defaulting party AUSAC's actual, reasonable attorneys' fees and costs associated with its enforcement efforts and actions.

(L) Text relocated from Sheet 20

Tariff Advice No. ~~17~~39-998
2014

Effective: ~~February 28,~~

Date Issued: _____

Issued By: **ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY**

By: _____
~~Lisa Phillips~~ Andilea Weaver

Title: President

ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

APPENDIX I

This Appendix contains samples of current Forms and Reports for the administration of the AUSF that have been approved by the Commission. The Forms and Reports are not numbered as tariff sheets. Forms and Reports included in Appendix I are:

| <u>Name of Form</u> | <u>Effective Date</u> | <u>No. of Pages</u> | |
|---|-----------------------------|---------------------|-----|
| Monthly Carrier Remittance Worksheet | January 1, 2019 | 1 | |
| Monthly Carrier Remittance Worksheet Instructions | January 14, 2022 | 11 | (T) |

Tariff Advice No. ~~38~~39-998

Effective:

Date Issued:

Issued By: ALASKA UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

By: _____
Andilea Weaver

Title: President

ALASKA UNIVERSAL SERVICE FUND

Monthly Carrier Remittance Worksheet Instructions

I. Filing Requirements and General Instruction

A. Introduction

On December 30, 1998, the Regulatory Commission of Alaska (RCA) (formerly known as the Alaska Public Utilities Commission or APUC) issued Order R-97-6(8) to create the Alaska Universal Service Fund (AUSF) and designating the Alaska Universal Service Administrative Company (AUSAC) to administer the collection and distribution of the monies for the Alaska Universal Service Fund (AUSF). The Alaska Universal Service Fund (AUSF) is established to promote the efficiency, availability and affordability of universal telephone service in Alaska. These instructions explain how to complete the Monthly Carrier Remittance Worksheet, which is used to calculate and provide underlying support for monthly payments by intrastate telecommunications carriers to the Alaska Universal Service Fund (AUSF). The monthly payments due are computed as a specified percentage of revenues billed to end-users.

B. Who Must File

With certain exceptions, the AUSF is to be funded by all intrastate telecommunications carriers that operate or provide telecommunications services within the State of Alaska. An intrastate telecommunications transmission is one that originates and terminates in Alaska, irrespective of actual routing.

C. When and Where to File

Monthly Carrier Remittance Worksheets and remittances must be received by AUSAC on or before the 20th calendar day of each month. Payment shall be delinquent on the 21st calendar day.

Effective:

Monthly Carrier Remittance Worksheet Instructions

Payments due ~~of sums greater than \$500.00~~ shall be made by wire transfer or Electronic Fund Transfer (EFT) directly to AUSAC's AUSF bank account on or before the 20th calendar day ~~from the date the bill was rendered~~ of each month. If this due date is a local bank holiday, funds shall be wire transferred or EFT on the prior workday. ~~Payments of \$500.00 or less may be paid via check mailed in time to arrive at AUSAC's office no later than the 20th calendar day from the date the bill was rendered.~~

| | |
|---|--|
| <u>Send Email</u> completed worksheet <u>to:</u> and <u>payment to:</u> | <u>Alaska Universal Service</u> <u>Administrative Company</u> <u>810 N Street, Suite 204</u> <u>Anchorage, Alaska 99501</u> <u>Fax (907) 561-6303</u> <u>Email info@ausac.org</u> |
|---|--|

D. Interest and Damages on Late Payments

Late Payment

If payment is not received in immediately available funds by the due date, interest at the rate of .000287 per day, calculated on the total amount due, will be charged until the date paid. In addition to interest, if payment is not received in immediately available funds within two (2) working days of the due date, a one-time liquidated damages sum equal to the greater of one percent (1%) of the total amount due or \$XX will be charged.

Late submission of AUSF Monthly Carrier Remittance Worksheet

AUSF Monthly Carrier Remittance Worksheets are due on or before the 20th calendar of each month.

If the AUSF Monthly Carrier Remittance Worksheet is not received by the due date, a one-time penalty charge of \$XX will be charged.

II. Line-by-Line Instructions for Completion of the Monthly Carrier Remittance Worksheet

All information provided must be legible and printed in black ink, typed, or electronically reproduced.

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Monthly Carrier Remittance Worksheet Instructions

Filing Identification Information

The following blocks are located in the top margin of the Monthly Carrier Remittance Worksheet. Fill in the information as follows:

Block A - Company Code

The company code, supplied by AUSAC, starts with AK followed by four digits. For existing companies, this code is located in the top right corner of the packet cover letter. If this is the first filing for this company, and you have not been assigned a code, indicate NEW in this block.

Block B - Submission Date

The Submission Date is the date the Monthly Carrier Remittance Worksheet is being forwarded to AUSAC. AUSAC should receive the worksheet by the 20th day of each month.

Block C - Revenue Data Month and Year

The Revenue Data Month and Year indicates the month and year that corresponds to the revenue data being reported.

Block D - Original or Revision

Carriers should indicate if this is the initial (original) submission of a revenue data month or if the Monthly Carrier Remittance Worksheet contains a revenue data month revision. Revisions should be indicated only when filing a correction or adjustment to a previously filed data month.

Filing Revisions

Revisions may be used for correction of revenues previously reported. Revision period is the most recent 6 months. When filing a revision, follow these same instructions, making certain that the correct Revenue Data Month has been entered in Block C and revision is indicated in Block D. Attach a copy of the original filing for the Revenue Data Month being revised. Provide actual revised revenue amounts, not differences.

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Monthly Carrier Remittance Worksheet Instructions

Section 1: Carrier Identification

Line 1 - Company Name

Enter the carrier name that identifies the filing entity and/or any doing business as (d/b/a) names if applicable.

Line 1a - Mailing Address

Enter the complete mailing address of the corporate headquarters of the carrier including street address, city, state, zip, suite numbers, floor, etc.

Line 1b - Telephone

Enter telephone number for the company headquarters.

Line 1c – Email Address

Enter email address for the company headquarters.

Monthly Carrier Remittance Worksheet Instructions

Section 2 - Monthly Intrastate End User Revenue Data

Enter numbers to the nearest whole dollar; for example, enter \$1,258.67 as \$1,259; enter \$1,258.34 as \$1,258.

Revenues entered here should be for the revenue data month indicated in Block C of this form. These revenues should correspond to the official accounting records of the company except if using estimated numbers to be reconciled to actuals at the end of the filing company's accounting period.

End-User Revenues: General Instructions

As a general rule, the AUSF surcharge is charged to a company as a percentage of end-user revenues billed for intrastate telecommunications services. Intrastate telecommunications carriers may recover the surcharge from end-users through a line item charge on their bills, identified as "Alaska Universal Service Fund Surcharge."

End-user revenues are revenues billed to end-users. An end-user is any customer of an intrastate telecommunications service who is not a telecommunications carrier, (hereinafter referred to as a "carrier") except that a carrier shall be deemed to be an "end-user" to the extent that such carrier uses a telecommunication service for administrative purposes, without making such services available to others, directly or indirectly. Telecommunications carriers offer telecommunications services for a fee directly to the public or to such classes of users as to be effectively available to the public. Telecommunications carriers subject to the AUSF surcharge are those carriers offering one or more of the following services:

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Monthly Carrier Remittance Worksheet Instructions

Section 2 - Monthly Intrastate End User Revenue Data (Continued)

1. Cellular telephone and paging services;
2. Mobile radio services;
3. Operator services;
4. Personal communications services (PCS);
5. Local exchange service;
6. Special access service;
7. WATS;
8. Toll-free service;
9. 900 service;
10. Message telephone service (MTS);
11. Private line service;
12. Telex;
13. Telegraph;
14. Video services;
15. Satellite service;
16. Resale of intrastate services; and
17. Pay phone services.
18. Network Access Fee
19. Interconnected Voice over Internet Protocol (VoIP)

In order to ensure that the surcharge is charged equitably and fairly on end-user revenues once but not twice, when a carrier receives revenues from sale of telecommunications service to another carrier, most generally as a wholesale transaction, the selling carrier's revenues are exempt from the AUSF surcharge. In such cases the purchasing carrier is charged the AUSF surcharge when it converts the purchased service into a service sold to the public or to an end-user. However, if the carrier purchasing the service uses the service for its own administrative purposes, then that revenue is considered an end-user revenue and is treated for surcharge purposes like any other end user revenue. For example, if a long distance company purchases from another long distance company, whether retail or wholesale, to the extent that it resells the service to end-users, the purchasing company is responsible for paying the AUSF surcharge. To the extent that the purchasing company uses the service for its own administrative purposes, and does not resell it, then the company selling the service should pay the AUSF surcharge. Specific examples and illustrations are given later in these instructions.

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Monthly Carrier Remittance Worksheet Instructions

Section 2 - Monthly Intrastate End User Revenue Data (Continued)

Exemptions

There are several categories of exemptions from the AUSF surcharge. They are described below with illustrative examples. The examples are meant as illustrations and do not necessarily limit the possible exemptions.

1. Wholesale transactions between carriers, including access charges, interconnection charges, and billing and collection charges are exempt from the AUSF surcharge because they are not end-user revenues. The exception is when the purchasing company uses the service for its own administrative means. For example, carriers purchasing interexchange service from a facilities based carrier's wholesale tariff are normally exempt from the AUSF surcharge. In addition, if a reselling company purchases from the retail tariff of an interexchange carrier with the intent of reselling the service, the AUSF surcharge is not charged to the selling carrier. As another example, if an interexchange carrier purchases an intrastate special access or private line link from a local exchange carrier and repackages it to an end-user, the interexchange carrier who receives the end-user revenues directly should pay the AUSF surcharge.
2. All interstate revenues and international revenues are exempt from the AUSF surcharge by definition. If carriers are not able to directly segregate intrastate revenues from interstate and international revenues, they may use accepted, rational and systematic methods to allocate such revenues. Such allocation methods are subject to verification and audit.
3. Services offered by telecommunications carriers but which are not considered telecommunications services are also exempt from the AUSF surcharge. Examples of such services are sales and rentals of telephone equipment, inside wire and maintenance services sold to customers, and yellow pages ("directory") advertising. Also exempt are other surcharges imposed by the RCA; for example the regulatory cost surcharge, E911 surcharges, and the TRS surcharge. Late payment fees are also exempted.
4. Also exempted are state, local and federal taxes, federal USF payments, and support payments from the AUSF. These are not end-user revenues.
5. Other exemptions include cable TV services, open video systems, cable leased access, and direct broadcast satellite services. These are exempted by the RCA's order establishing the AUSF. Refer to RCA Tariff 998, Part II.C. for Exemptions from Payment of Surcharge.

Effective:

Monthly Carrier Remittance Worksheet Instructions

Section 2 - Monthly Intrastate End User Revenue Data (Continued)

In summary, a company purchasing a service for resale to an end-user will assess the AUSF assessment on revenues collected from its end-users. The wholesale company will not include service that it sells to resellers in its retail revenues. Services purchased for internal use and not resold to end-users will be considered end user revenues to the wholesale company, which should calculate and make AUSF payments on such revenues. They will not be included in the reseller's retail revenues.

Line 2 - Local Service Revenues

Includes basic monthly charges, customer charges, installation fees, service order charges, vertical features, extended area service charges, location charges for mileage bands, and all other local exchange service revenues, such as would be found in the Company's tariff. (Do not include the federal subscriber line charge.) Also includes revenues from providing local services that involve dedicated circuits, private switching arrangements and/or predefined transmission paths.

Line 3 - Wireless/PCS/Mobile/Paging Revenues

Includes intrastate charges such as basic wireless monthly charges, usage charges, activation fees, service restoration, service order processing charges, end user prepaid wireless charges, administration fees, and all other wireless telecommunications revenues. Also includes airtime charges and roaming usage in Alaska. Airtime should include revenues billed to wireless customers for actual airtime usage.

Line 4 - Interexchange Switched Toll and Private Line Revenues

Includes intrastate toll message revenues including operator services, cellular intrastate long distance revenues and intrastate 800 revenues. For purposes of determining intrastate 800 revenues, carriers may use the Percent Interstate Usage (PIU) factor used for reporting interstate access minutes to allocate revenues between interstate and intrastate. Also includes revenues from providing dedicated circuits, private switching arrangements and/or predefined transmission paths that extend beyond the basic service area.

Line 5 - Pay Telephone Revenues

Includes intrastate revenues derived from public and semi-public telephone services.

Effective:

Monthly Carrier Remittance Worksheet Instructions

Section 2 - Monthly Intrastate End User Revenue Data (Continued)

Line 6 - VoIP Revenues

Includes interconnected Voice over Internet Protocol (VoIP) intrastate end user revenues.

Line 7 - Other Revenues

Includes miscellaneous intrastate end user revenues that would not reasonably be included with one of the other service categories.

Line 7 a. Less Uncollectible Revenue

Intrastate uncollectible Revenue is required to be listed here.

Report intrastate uncollectible revenues to the period the uncollectible revenue is recognized (written off). Represented by a negative amount in Line 7a.

Report recovered intrastate uncollectible revenue (uncollectible revenue that was previously reported) to the period the uncollectible revenue is received. Represented by a positive amount in Line 7a.

Line 8 - Total Intrastate End-User Revenues

Total the figures for Line 2 through Line 7 a. and enter this amount on Line 8. This represents the total monthly intrastate retail revenues.

Section 3 - Remittance Calculation

Line 9 - AUSF Rate

The current AUSF effective date and percentage rate appears on this line.

Line 10 - AUSF Amount Due

Multiply the amount on Line 8 by Line 9 as indicated on the worksheet and enter the result on Line 10.

Section 4 - Change in Company Status

Line 11 - Date

If there is a carrier name change, enter the effective date.

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Monthly Carrier Remittance Worksheet Instructions

Line 12 - Business Status Change

If business status has changed in Alaska, enter the date that the business was sold, merged, or discontinued.

Line 12 a. - Survivor Company Name

If business has been sold or merged, provide the survivor company name. If the business has recently started in Alaska, enter the date the business began.

Section 5 - Certification

Line 13 - Signature Information

Enter date, name, signature, and title of the person signing the report. The signature attests to the accuracy of all information on this remittance worksheet.

Line 14 - Contact Information

Provide name, title, and telephone number of a person to contact if there are questions regarding this report. If contact person is same as authorized signature, indicate "same as line 14." Mailings will be sent to the contact person address unless other arrangements are made with AUSAC.

Line 15 - Signer's Mailing Address

Enter the complete mailing address of the person signing the report.

Line 16 - Signer's Email Address

Enter the complete Email address of the person signing the report.

Monthly Carrier Remittance Worksheet Instructions

Worksheet Submission and Payment Method

~~For payments by check mail completed forms and checks to AUSAC at address indicated~~
~~Email the completed AUSF Monthly Carrier Remittance Worksheet to info@ausac.org. For electronic transfer payments, you may send the Monthly Carrier Remittance Worksheet to AUSAC via fax or e-mail.~~

Contact AUSAC for EFT payment account information

In the bottom right margin of the AUSF Monthly Carrier Remittance Worksheet, please check applicable payment method.

Worksheet Record and Retention Period

Contributors to the AUSF shall maintain records and documentation to justify information reported in the Monthly Carrier Remittance Worksheet Instructions including the methodology used to determine projections, for five years and shall provide such records and documentation to the Commission or AUSAC upon request.

Effective:

Alaska Universal Service Administrative Company

Intrastate End User Revenues: Late Fee Analysis

Late Fee Assessment Using the Proposed Minimum Late Fee Penalty Charge

Attachment C

| Late Fee Assessment Using the Proposed Minimum Late Fee Penalty Charge | | | | | | |
|--|---------------------|----------------|--------------------|-------------|-----------------------|-----------------------------|
| Company Number | Number of Days Late | Remittance Due | Interest(0.000287) | Penalty(1%) | Min Penalty (\$35.00) | Total Late Fees* |
| | a | b | c=a*(b*0.000287) | d=b*0.01 | e=35 | f=c+(the greater of d or e) |
| 1 | 217 | 135.87 | 8.46 | 1.36 | 35.00 | 43.46 |
| 2 | 6 | 1,430.38 | 2.46 | 14.30 | 35.00 | 37.46 |
| 3 | 6 | 28.59 | 0.05 | 0.29 | 35.00 | 35.05 |
| 4 | 8 | 7,290.62 | 16.74 | 72.91 | 35.00 | 89.65 |
| 5 | 6 | 81.22 | 0.14 | 0.81 | 35.00 | 35.14 |
| 6 | 8 | 352.24 | 0.81 | 3.52 | 35.00 | 35.81 |
| 7 | 6 | 2,235.30 | 3.85 | 22.35 | 35.00 | 38.85 |
| 8 | 6 | 22.25 | 0.04 | 0.22 | 35.00 | 35.04 |
| 9 | 6 | 426.61 | 0.73 | 4.27 | 35.00 | 35.73 |
| 10 | 6 | 22.89 | 0.04 | 0.23 | 35.00 | 35.04 |
| 11 | 6 | 60.31 | 0.10 | 0.60 | 35.00 | 35.10 |
| 12 | 18 | 99.06 | 0.51 | 0.99 | 35.00 | 35.51 |
| 13 | 6 | 71.33 | 0.12 | 0.71 | 35.00 | 35.12 |
| 14 | 6 | 15.48 | 0.03 | 0.15 | 35.00 | 35.03 |
| 15 | 6 | 27.75 | 0.05 | 0.28 | 35.00 | 35.05 |
| 16 | 6 | 226.61 | 0.39 | 2.27 | 35.00 | 35.39 |
| 17 | 6 | 8.39 | 0.01 | 0.08 | 35.00 | 35.01 |
| 18 | 6 | 565.31 | 0.97 | 5.65 | 35.00 | 35.97 |
| 19 | 6 | 658.03 | 1.13 | 6.58 | 35.00 | 36.13 |
| 20 | 6 | 105.94 | 0.18 | 1.06 | 35.00 | 35.18 |
| 21 | 37 | 435.09 | 4.62 | 4.35 | 35.00 | 39.62 |
| 22 | 6 | 1,181.61 | 2.03 | 11.82 | 35.00 | 37.03 |
| 23 | 6 | 34.89 | 0.06 | 0.35 | 35.00 | 35.06 |
| 24 | 6 | 486.54 | 0.84 | 4.87 | 35.00 | 35.84 |
| | | | \$44.36 | \$160.02 | \$840.00 | \$922.27 |

*Total Late Fees are calculated using the GREATER of the Penalty (1%) or Min Penalty (\$35.00) plus the Interest.

Late remittances data is based on the late Fee Analysis for Date Entered: 02/22/2022

Alaska Universal Service Administrative Company

Late Fee Expense Analysis

Average Cost to Prepare and Issue Late Fee Invoices

Attachment D

| Average Cost to Prepare and Issue Late Fee Invoices | | | | | |
|--|---------------|---------|------------------|---------------------------|--------------------------|
| Description | Monthly Hours | Rate* | Late Fee Expense | Number of Invoices Issued | Average Cost Per Invoice |
| October 2021 | | | | | |
| Prepare Late Fee Invoices: Create late fee invoices. | 0.25 | \$87.39 | \$21.85 | | |
| Issuance of Late Fee Invoices: Issue late fee invoices via email or mail and internal filing of copy of issuance. | 1.00 | \$48.23 | \$48.23 | | |
| Subtotal October 2021 Late Fee Invoices | | | \$70.08 | 2 | \$35.04 |
| February 2022 | | | | | |
| Prepare Late Fee Invoices: Create late fee invoices. | 2.25 | \$87.54 | \$196.97 | | |
| Issuance of Late Fee Invoices: Issue late fee invoices via email or mail and internal filing of copy of issuance. | 4.00 | \$36.80 | \$147.20 | | |
| Subtotal February 2022 Late Fee Invoices | | | \$344.17 | 8 | \$43.02 |

*Rate is based on salary, taxes, benefits and calculated percentage of overhead costs