

Oklahoma Universal Service Fund (OUSF)

Fiscal Year 2020/2021 Remittance Worksheet Instructions

I. Filing Requirements and General Instructions

A. Introduction

The Oklahoma Telecommunications Act of 1997 (House Bill 1815), signed into law on June 13, 1997, established the Oklahoma Universal Service Fund (OUSF). The purpose of the OUSF is to ensure the availability of universal services at rates that are reasonable and affordable. The OUSF shall provide funding to eligible providers that meet the State eligibility criteria.

OUSF funds may be used as necessary to maintain reasonable rates and to support Primary Universal Services, Special Universal Services, Lifeline Service, designated payments to the State Attorney General, and administrative costs.

On May 8, 2019, the Oklahoma Corporation Commission (OCC or Commission) issued Order No. 695781, in Cause No. OSF 201900036, establishing the contribution factor on an interim basis for all providers of intrastate retail telecommunications services in Oklahoma at an initial rate of 6.28%, effective for the fiscal year beginning July 1, 2019.

On December 12, 2019, the Commission established Cause No. 2019000316, *Application of Brandy L. Wreath, Administrator of the Oklahoma Universal Service Fund, Seeking to Establish an Assessment Factor for the Oklahoma Universal Service Fund and Determine a New Assessment Methodology*. This is an ongoing proceeding. The Commission has determined that the OUSF contribution factor for FY 2020/2021 will remain at 6.28% until an Order is issued in Cause No. 2019000316. Contributing Providers will be notified of any changes to the contribution factor and/or contribution methodology pursuant to the Oklahoma Statutes and Commission Rules.

B. Who Must File

The Oklahoma Telecommunications Act of 1997 states that OUSF shall be funded in a competitively neutral manner by all contributing providers, as that term is defined at 17 O.S. § 139.102(8). All local exchange carriers, interexchange carriers, interconnected VoIP providers, wireless companies, paging companies, competitive access providers, operator service providers, resellers, payphone service providers, and providers of intrastate telecommunications service for a fee on a non-common carrier basis are required to contribute to the OUSF.

The OUSF assessment collected from each contributing provider shall be calculated as a percentage of total intrastate retail Oklahoma VoIP revenues and total intrastate retail telecommunications revenues from both regulated and unregulated services. Telecommunications carriers may, at their option, recover from their retail customers the OUSF charges paid by the carrier.

The Oklahoma Corporation Commission rules can be found on the OCC website:

1. <http://www.occeweb.com/>
2. Click on the "Conducting Business" tab, "Rules" sub-tab, "OCC Rules" link.
3. Oklahoma Universal Service and Lifeline Rules are under Chapter 59.

Oklahoma Universal Service Fund (OUSF)

Fiscal Year 2020/2021 Remittance Worksheet Instructions

C. When and Where to File

The current OUSF assessment period includes the July 1, 2020, through June 30, 2021, data months. Monthly or Annual worksheets and remittances must be received by the **OUSF Fund Manager, GVNW Consulting, Inc.**, in accordance with the reporting schedule included in **Attachment A for the 2020/2021 OUSF assessment period.**

Contributing Providers (Provider) with \$50,000 or more in annual Oklahoma intrastate retail revenue are required to report on a Monthly basis to the OUSF and pay the related assessment. Providers with \$49,999 or less in annual Oklahoma intrastate retail revenue qualify to report on an Annual basis or may choose to report on a Monthly basis. Providers that have historically reported \$0.00 revenue for FY 2019/2020 and/or providers reporting \$0.00 revenue for FY 2020/2021 are required to report on an Annual basis for FY 2020/2021.

Contributing Provider Remittance Worksheets must be submitted online only, via GVNW's Online Worksheet Submission E-File feature on the website at <https://www.gvnwusf.com/ok>. Please complete the Attachment D – Registration Form to request online access and obtain an assigned User I.D. and password.

D. Compliance

Providers failing to submit OUSF worksheets and payments in a timely manner are subject to a one and one-half percent (1.5%) per month interest fee (18% APR) on any payment not received by the reporting due date. **If the Provider underestimates its annual contribution by 15% or greater, the Provider shall be required to make its contributions monthly for the next fiscal reporting year and underpayments will be subject to interest at one and one-half percent (1.5%) per month.** Payments are to be remitted directly to First Fidelity Bank in Oklahoma City, Oklahoma.

II. Line-by-Line Instructions for Completion of the OUSF Worksheet

Filing Identification Information

The following blocks are located in the top margin of the worksheet. Most of this information will be prefilled in the online worksheet template in the OUSF E-File feature located at <https://www.gvnwusf.com/ok> based upon the information currently on file. Complete the appropriate information as follows:

Block A – Company Code

The Company Code, supplied by the OUSF Manager, starts with “OK” and is followed by six digits. If this is the first filing for your company and you have not been assigned a Code, please submit the OUSF Registration and Online Access Request (Attachment D) form to register with the OUSF. An OUSF Company Code will be assigned at that time. Once assigned, this information will be prefilled in the online worksheet template.

Block B – Submission Date

The Submission Date is the date the remittance worksheet is submitted to GVNW. GVNW should receive the worksheet in accordance with the reporting schedule included in **Attachment A for the 2020/2021 OUSF assessment period.**

Oklahoma Universal Service Fund (OUSF)

Fiscal Year 2020/2021 Remittance Worksheet Instructions

Block C – Revenue Data Reporting Period

Indicate the Revenue Data reporting period (the month(s) and year(s)) that corresponds to the revenue data being reported. Contributing Providers with \$50,000 or more in annual Oklahoma intrastate retail revenue are required to report and pay on a Monthly basis. Contributing Providers that report and pay on a Monthly basis shall report the prior calendar month's revenues, and pay the related assessment, by the end of the month. For example, the August 2020 submission will be based upon July 2020 revenues and must be reported by August 31, 2020. Please indicate the appropriate period (see Attachment A for "2020/2021 OUSF Reporting Schedule").

Contributing Providers with \$49,999 or less in annual Oklahoma intrastate retail revenue qualify to report on an Annual basis. Contributing Providers that reported \$0.00 for the FY 2018/2019 year and/or report \$0.00 annual revenue for FY 2020/2021 are required to report on an Annual basis for FY 2020/2021. For Contributing Providers that qualify to report to the OUSF on an Annual basis, payment must be submitted at the **beginning** of the reporting period based upon an estimate for the period. The FY 2020/2021 Annual worksheet and assessment payment is due by August 31, 2020. If the company underestimates its annual contribution by 15% or greater, the company will be required to report and pay on a Monthly basis for the next fiscal reporting year and underpayments will be subject to interest.

****Note 1: If this is the initial submission for your company, the OUSF assessment obligation applies to Oklahoma retail revenues beginning with the start of service. The company may need to complete multiple monthly remittance worksheets to bring their reporting requirement into compliance. For example, if your company began providing service in Oklahoma in August 2019, but does not register with the OUSF until July 2020, it is required to report its intrastate revenues to the OUSF from August 2019 forward and pay the related past due assessments and related interest charges.**

Block D – Original or Revision

Monthly Original/Revised:

Indicate whether this is the original or a revised submission for the data month(s) being reported. **Revisions should be submitted as soon as possible to correct or adjust previously reported revenue data.** Revisions will be processed in the monthly cycle when they are received so companies will not be required to wait until the end of the fiscal year to correct a reporting error. Report actual revised revenue amounts, *not* the difference between the original filing and the Revision.

Annual Revision/True-up: *Required for Annual Filers*

Company-specific true-ups should be reported as Revisions to the worksheet. **All Annual filers are required to submit an Annual revised worksheet, to report actual revenues for the July 2019 – June 2020 period, by August 31, 2020.**

Section 1 – Carrier Identification

Most of this information will be prefilled in the online worksheet template in the OUSF E-File feature located at www.gvnw.com/ousf.aspx, based upon the information currently on file. To update company and/or contact information, please send an email to ousf@gvnw.com.

Line 1 – Company Name

The company name that identifies the entity for which data is being reported and any "doing business as" (d/b/a) names, if applicable.

Oklahoma Universal Service Fund (OUSF)

Fiscal Year 2020/2021 Remittance Worksheet Instructions

Line 2 – Primary Communications Business

Displays the communications business type that best describes the principal carrier activity.

- **ILEC** – Incumbent Local Exchange Carrier – authorized incumbent provider of local exchange telecommunications service.
- **IXC** – Interexchange Carrier – Facilities-based provider of interexchange services.
- **RES** – Reseller – Leases underlying transmission facilities from facilities-based carrier for purposes of providing interexchange service.
- **CLEC** – Competitive Local Exchange Carrier- Competes with incumbent local exchange carrier to provide local exchange telecommunications services.
- **CAP** – Competitive Access Provider – Competes with incumbent local exchange carrier to provide services that link customers with interexchange facilities, local exchange networks or other customers.
- **WIRELESS** – includes Cellular, CMRS (Commercial Mobile Radio Service), SMR/ESMR (Enhanced Specialized Mobile Radio), PCS (Personalized Communications Services) and Paging. Any wireless or paging services, including airphone revenues that interface into the public switched network are included in the assessment.
- **OSP** – Operator Service Provider – Companies other than LECs that provide services to customers needing the assistance of an operator such as to complete away-from-home calls or calls using alternative billing arrangements. These companies typically employ operators, as well as credit and cash card technologies, to complete calls.
- **PSP** – Payphone Service Provider – Provides customers access to telephone networks through pay telephone equipment.
- **SAT** – Satellite telephone, satellite phone, or satphone connects using orbiting satellites instead of terrestrial cell sites.
- **VoIP** – Interconnected Voice over Internet Protocol includes both fixed and nomadic versions of the service, with fixed VoIP service able to be used at only one location, and nomadic VoIP service able to be used at multiple locations. Interconnected Voice over Internet Protocol means a service that:
 - (A) enables real-time, two-way voice communications;
 - (B) requires a broadband connection from the user’s location;
 - (C) requires Internet protocol-compatible customer premises equipment; and
 - (D) permits users generally to receive calls that originate on the public switched telephone network and to terminate calls to the public switched telephone network.

Line 3 – Agent Company Name

The name of the third party filer, if applicable

Line 3b – Agent Contact Information

The name, phone number, and email address of the primary contact person at the Agent Company responsible for OUSF issues.

Section 2 – Revenue Data

Revenues entered here should be for the revenue data period indicated in Block C of this form. These revenues should correspond to the official books and records of the company except if the company is using estimated amounts to be reconciled to actual amounts at the end of the reporting period.

Oklahoma Universal Service Fund (OUSF)

Fiscal Year 2020/2021 Remittance Worksheet Instructions

Revenue may only be reduced for actual bad debts (write-offs), not estimated bad debts.

Retail telecommunications revenues from both regulated and unregulated services *include*, but are not limited to, revenues from the following types of services and charges:

- Local Service, including basic monthly charges, extended area service charges, local measured service usage, any non-recurring charges associated with the establishment of local service, and any directory-related charges such as for additional listings or for non-publication or non-listing of a telephone number.
- Enhanced services and vertical features provided through the local switch such as call forwarding, caller identification, and voice mail.
- Intrastate toll service.
- Directory Assistance service, both voice and electronic.
- CMRS (including pre-paid), to include cellular, PCS, and SMR/ESMR wireless telecommunications services, and paging services. For Traditional and Prepaid Wireless, Contributing Providers shall, consistent with the methodology of the Federal Communications Commission, identify intrastate retail revenue subject to the OUSF/OLF assessment using the Primary Place of Usage (PPU) methodology. Allocate revenue to the Oklahoma intrastate jurisdiction by applying: (1) the 62.9% intrastate Safe Harbor (inverse of the FCC's Wireless Safe Harbor percent); (2) a company-specific traffic study; or (3) direct assignment of intrastate revenue. Prepaid wireless providers shall report prepaid service revenues when earned or as the service is used. A Contributing Provider must file an application with the Commission and receive approval to utilize any methodology other than the safe harbor calculation.
- Interconnected VoIP services. For Interconnected VoIP services, Contributing Providers shall, consistent with the methodology of the Federal Communications Commission, identify revenues related to Oklahoma based upon the customer's primary place of use and allocate retail revenue to the intrastate jurisdiction, with such revenues being subject to the OUSF/OLF assessment, through (1) direct assignment; (2) a company-specific traffic study; or (3) the inverse of the FCC safe harbor, currently 35.1% for intrastate allocation purposes. A Contributing Provider must file an application with the Commission and receive approval to utilize any methodology other than the safe harbor calculation.

Retail telecommunications revenues *do not include* revenues derived from the following types of services and charges:

- Wholesale transactions, including access charges paid by or to a local exchange carrier and interconnection charges paid by or to a cellular provider.
- Services consisting primarily of the creation of artistic material or other information that is later transmitted over telecommunications equipment, including information services.
- Mobile radio and one-way paging services that do not have an electronic interface into the public switched network. Typically these services require the paged person to go to a telephone to respond to the page. Telecommunications services provided inside a company's proprietary network.
- Sales and rentals subject to the sales and use tax, including sales and rental of telephone equipment.
- Inside wire installation, billing and collection, or maintenance services sold to customers.
- "Yellow pages" advertising.
- Payments between aggregators and operator service providers.
Video Services.

Oklahoma Universal Service Fund (OUSF)

Fiscal Year 2020/2021 Remittance Worksheet Instructions

Revenues from Bundled Offerings

If a Contributing Provider with revenues from offerings that bundle intrastate telecommunications services with non-telecommunications services, such as information services and consumer premises equipment (CPE), cannot determine the intrastate revenues using information from their books of account and other internal reporting, such revenues should be allocated based on good-faith estimates. To the extent good-faith estimates are utilized, the methodology and all supporting documentation must be made available to the OUSF Administrator upon reasonable request. Further, such methodology should be compatible with the methodology the Contributing Provider utilizes for the Federal USF.

Line 4 – Local Exchange Service

Includes revenue from retail charges for basic monthly service, extended area service, and local measured service usage. Also includes revenue from any directory-related retail charges such as for additional listings or for non-publication or non-listing of a telephone number (do not include the Federal Subscriber Line Charge). For Lifeline subscribers, the reported revenue is to include the total gross intrastate retail charges for services provided to Lifeline subscribers prior to the application of any Federal or State Lifeline discounts. For instance, if the retail rate for a telecommunications service provided to a Lifeline subscriber is \$20.00 per month and, because it is provided to a Lifeline subscriber, a \$9.25 discount (from the federal USF program) applies, the reportable revenue would be \$20.00, not the post-discount \$10.75 amount.

Line 5 – Local Private Line

Includes revenues from providing local services that involve dedicated circuits, private switching arrangements, and/or predefined transmission paths.

Line 6 – Wireless Monthly Charges

Includes revenue generated from monthly retail charges for CMRS/cellular/PCS/SMR/ESMR mobile wireless telecommunications services. Identification of reportable revenue and assignment to the Oklahoma intrastate jurisdiction is to be based upon the customer's Primary Place of Use, as that term is defined in 4 U.S.C. § 124(8) and one of the allocation methodologies described above (e.g., FCC's Wireless Safe Harbor calculation). For Lifeline subscribers, the reported revenue is to include the total gross intrastate retail charges for services provided to Lifeline subscribers prior to the application of any Federal or State Lifeline discounts. For instance, if the retail rate for a service provided to a Lifeline subscriber is \$40.00 per month (assuming no usage or roaming charges) and, because it is provided to a Lifeline subscriber, a \$34.25 discount (from the Federal USF program) applies, the reportable revenue would be \$40.00, not the post-discount \$5.75 amount. Allocation of the reportable revenue to the intrastate jurisdiction would be based upon the allocation methodologies described above.

Line 7 – Wireless Usage Charges

Includes CMRS/cellular/PCS/SMR/ESMR mobile wireless airtime, roaming and similar usage charges are reportable revenues. Airtime should include revenue received from charges to wireless customers on a usage-sensitive basis. For Lifeline subscribers, the reported revenue is to include the total gross intrastate retail charges for airtime and roaming usage charges for services provided to Lifeline subscribers prior to the application of any Federal or State Lifeline discounts. Allocation of the reportable revenue to the Oklahoma intrastate jurisdiction would be based upon the allocation methodologies described above.

Oklahoma Universal Service Fund (OUSF)

Fiscal Year 2020/2021 Remittance Worksheet Instructions

Line 8 – Intrastate Switched Toll

Includes revenue from the provision of intrastate toll message services including, but not limited to, operator services, wireless intrastate long distance service, and intrastate 800 services. For purposes of determining intrastate jurisdiction for 800 services, carriers may use Percent Interstate Usage (PIU) factor to calculate the intrastate usage.

Line 9 – Toll Private Line

Includes revenue from the provision of intrastate toll services involving dedicated circuits, private switching arrangements and/or predefined transmission paths, whether virtual or physical, providing communications between specific locations beyond the basic service area.

Line 10 – Alternative Access, Prepaid Calling Cards, Prepaid Wireless and Directory

This includes revenue associated with intrastate services such as

- Services with alternative billing arrangements including, calling card, credit card, operator assisted, third-party, collect, and person-to-person call types.
- All other local services including competitive access services, directory listing and directory assistance services.
- Services provided via prepaid calling cards, is to be reported by the Contributing Provider issuing the card. Oklahoma prepaid calling card revenue is recognized at the point of sale.
- Prepaid wireless services and the related revenue is recognized at the point of sale when Oklahoma is the Primary Place of Use, as that term is defined in 4 U.S.C. § 124(8) Allocation of revenues to the intrastate jurisdiction would be based upon one of the allocation methodologies (e.g., FCC's Wireless Safe Harbor calculation) discussed above. The provider is ultimately responsible for determining the intrastate revenues derived from intrastate usage and should be able to support and document such methodology.

Line 11 – Pay Telephone

Includes revenues received from customers and derived from the provision of public and semi-public pay telephone services, including all coin-in-the-box revenues for intrastate services. Commission payments or location rental fees to premises owners should not be deducted from such revenues.

Line 12 – Interconnected VoIP

Includes all intrastate monthly revenue received from charges for VoIP services provided to end-user customers allocated to Oklahoma based upon the customer's Primary Place of Use, as that term is defined in 4 U.S.C. § 124(8). In the event a customer's Primary Place of Use cannot be determined, an acceptable proxy would be the customer's registered E-911 address in the State of Oklahoma. Allocation of revenues to the intrastate jurisdiction would be based upon the allocation methodologies (e.g., FCC's VoIP Safe Harbor calculation) discussed above.

Line 13 – Miscellaneous Charges

Includes miscellaneous intrastate retail revenues that would not reasonably be included with one of the other service categories such as late payment charges, customer fees, etc.

Line 14 – Total Intrastate Retail Revenues

The amount on Line 14 will be the sum of Lines 4 through Line 13. This represents the total intrastate retail revenues.

Oklahoma Universal Service Fund (OUSF)

Fiscal Year 2020/2021 Remittance Worksheet Instructions

Section 3 – Payment Calculation

Line 15 – 2020/2021 Interim OUSF Contribution Factor

The 2020/2021 Interim OUSF Contribution Factor is set at an initial rate of 6.28% (.0628) for the plan year beginning July 1, 2020 through June 30, 2021, as approved by Commission Order in Cause No. OSF 201900036.

Line 16 – Gross OUSF Assessment

The amount on Line 14 will be multiplied by the OUSF assessment rate as indicated on the worksheet on Line 15 and the result will be displayed on Line 16.

Section 4 – Change in Company Status

Line 17– New Business Start Date

If new business, enter the date that operations started in Oklahoma.

****Note:** OUSF assessments are due beginning with the date that operations started in Oklahoma, or with the January 1998 data month, whichever is later.

Line 18 – Business Status Change

If business has changed in Oklahoma, enter the date that the business was sold, merged, or discontinued. Provide a letter on company letterhead explaining the business status change.

Section 5 – Certification

Line 19 – Officer Name Information

Enter the date, officer name, officer signature, and officer title. The officer's signature attests to the accuracy of all information submitted on the remittance worksheet.

Worksheets may not be submitted without a signature.

Line 20 – Contact Name Information

Enter the date, contact name, phone, and title of the person that should be contacted for questions or variance information regarding the submission.

Line 21 – Contact Mailing Address

Enter the complete mailing address of the person that should be contacted for questions or variance information regarding the submission.

Line 22 – Contact Email Address

Enter the email address of the person that should be contacted for questions or variance information regarding the submission.

Worksheet Submission and Payment Method

Please see Attachment B “OUSF Payment and Worksheet Submission Information” for additional details on submitting payments to the OUSF.

Oklahoma Universal Service Fund (OUSF) Fiscal Year 2020/2021 Remittance Worksheet Instructions

Additional OUSF Information and Filing Considerations

- **Contributing Provider Remittance Worksheets must be submitted online only, via GVNW's Online Worksheet Submission (E-File) located at <https://www.gynwusf.com/ok>. Payments must be remitted directly to First Fidelity Bank in Oklahoma City, Oklahoma.**
- **Worksheet and Payment Submission Schedule: Worksheets and payments are due by the last day of month following the data month (regardless if the last day of the month falls on a weekend or holiday). For example, the July 2020 worksheet and assessment payment is due by August 31, 2020. Please refer to Attachment A – OUSF Reporting and Payment Schedule, for the full schedule of worksheet and payment due dates.**
- **Contributing Providers should be aware that an interest fee of one and one half percent (1.5%) per month (18% APR) will be applied for on any payment not received by the reporting due date. Please refer to Attachment A – FY 2020/2021 OUSF Reporting Schedule, for a list of due dates.**
- **The OUSF instructions provide descriptions of revenues and the Contributing Provider Remittance Worksheet lines to be used. **Correct Completion of Section 2** of the worksheet will avoid edit errors, revisions, and additional requests for information.**
- **Contributing Providers requiring corrections to information previously submitted on an OUSF worksheet(s) should submit a **revised worksheet**, in accordance with II Block D above.**