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November 5, 2012

Subject: South Carolina State Universal Service Fund (USF) Docket No. 1997-239-C
Effective December 1, 2012 - Revision to State USF
USF Factor Change for Fund Year 2012-2013

Dear Regulatory Manager:

As administrator of the State USF, ORS is required to annually determine the level of contributions required and assess the contributing carriers to meet the needs of the State USF.

The State USF support amount for the fund year 2012-2013 is $30,766,364. For the year ending December 31, 2011, reported retail end users revenues of $1,183,679,704 were used to calculate a new USF contribution factor.

The contribution factor for the fund year 2012-2013 will be **2.5992%.**

The Public Service Commission of South Carolina's guidelines allow a carrier contributing to the State USF to flow through its obligations to retail end users at a rate not to exceed the contribution factor.

The new factor should become effective and may be assessed on retail end user billings rendered on or after December 1, 2012.

Should you have any questions concerning the State USF, please contact Jim McDaniel at (803) 738-0812 or me at (803)737-0814.

Sincerely,

Dawn M. Hipp
Director