

Before the  
Federal Communications Commission  
Washington, D.C. 20554

In the Matter of )  
 )  
Waiver of CAM Revision Filing Requirements for ) ASD File No. 01-48  
2001 for Mid-Sized Carriers )  
 )

ORDER

Adopted: December 20, 2001 Released: December 21, 2001

By the Chief, Accounting Safeguards Division, Common Carrier Bureau:

1. Under section 64.903 of our current rules, all local exchange carriers (LECs) with annual operating revenues that equal or exceed the indexed revenue threshold must file cost allocation manuals (CAMs) setting forth the cost allocation procedures that they use to allocate costs between regulated and nonregulated activities.<sup>1</sup> On November 5, 2001, the Commission released the *Phase 2 Report and Order*,<sup>2</sup> which, among other things, eliminated this annual CAM filing for mid-sized LECs.<sup>3</sup> This rule change in the *Phase 2 Report and Order* will not go into effect before the December 31, 2001 filing deadline.<sup>4</sup>

2. We now waive, on our own motion, the CAM annual filing requirements for the mid-sized carriers, due December 31, 2001. The Commission may grant a waiver of its rules for good cause shown.<sup>5</sup> Waiver of the Commission's rules is appropriate only if special circumstances warrant a deviation from the

<sup>1</sup> 47 C.F.R. § 64.903.

<sup>2</sup> 2000 Biennial Regulatory Review – Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers: Phase 2, *Report and Order in CC Docket Nos. 00-199, 97-212, and 80-286, Further Notice of Proposed Rulemaking in CC Docket Nos. 00-199, 99-301, and 80-286*, FCC 01-305 (rel. Nov. 5, 2001) (*Phase 2 Report and Order*).

<sup>3</sup> A mid-sized carrier is defined as a carrier whose operating revenue equals or exceeds the indexed revenue threshold, and whose revenue when aggregated with the revenues of any LEC that it controls, is controlled by, or with which it is under common control is less than \$7 billion.

<sup>4</sup> Annual cost allocation manual updates shall be filed on or before the last working day of each calendar year. 47 C.F.R. § 64.903(b).

<sup>5</sup> 47 C.F.R. § 1.3.

general rule and such deviation will serve the public interest.<sup>6</sup> The rule eliminating the annual CAM filing was adopted on October 11, 2001, but is not yet in effect. We find that this particular situation, where our new rule has been adopted, but is not yet in effect, before the party has complied under old rules, is a special circumstance that warrants a deviation of the general rule and the deviation will serve the public interest.

3. Accordingly, IT IS ORDERED that, pursuant to section 4(i) of the Communications Act of 1934, as amended, 47 U.S.C. § 154(i), and the authority delegated under sections 0.91, 0.291, 1.3 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, the annual CAM filing requirement, due December 31, 2001, is hereby waived for all mid-sized incumbent LECs.

FEDERAL COMMUNICATIONS COMMISSION

Kenneth P. Moran  
Chief, Accounting Safeguards Division

---

<sup>6</sup> See United States Telephone Association Petition for Waiver of Part 32 of the Commission's Rules, *Order*, 13 FCC Rcd 214 (Com. Car. Bur. 1997) (citing *Northeast Cellular Tel. Co. v. FCC*, 897 F.2d 1164 (D.C.Cir. 1990) (*Northeast Cellular*); *WAIT Radio v. FCC*, 418 F.2d 1153 (D.C.Cir. 1969), *cert. denied* 409 U.S. 1027 (1972) (*WAIT Radio*)).