



PUBLIC NOTICE

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WIRELINER COMPETITION BUREAU ANNOUNCES COMMENCEMENT OF CONNECT AMERICA PHASE II COST MODEL VIRTUAL WORKSHOP

WC Docket Nos. 10-90, 05-337

On September 12, 2012, the Wireline Competition Bureau (Bureau) announced that it would hold a Connect America Phase II cost model virtual workshop.¹ Today, the Bureau announces the virtual workshop will begin on Tuesday, October 9, 2012. Parties can participate in the virtual workshop by visiting the Connect America Fund webpage, <http://www.fcc.gov/encyclopedia/connecting-america>, and following the link to the virtual workshop.

The virtual workshop is the next step in implementing Phase II of the Connect America Fund established in the *USF/ICC Transformation Order*.² The virtual workshop will solicit input on a variety of topics related to the development and adoption of the forward-looking cost model, starting with:

- Determining Customer Locations
- Clustering
- Routing
- Capturing Variation by Geography
- Inter-Office Transport Cost
- Voice Capability
- Wire Center Facilities
- Sizing of Network Facilities

¹ *Wireline Competition Bureau Announces Connect America Phase II Cost Model Virtual Workshop*, WC Docket Nos. 10-90 and 05-337, Public Notice, DA 12-1487 (Wireline Comp. Bur. rel. Sept. 12, 2012).

² The *USF/ICC Transformation Order* adopted a framework for providing ongoing support to areas served by price cap carriers, including areas where broadband service is not currently provided, known as Connect America Phase II. *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (*USF/ICC Transformation Order* or *Order*), *pets. for review pending sub nom. In re: FCC*, No. 11-9900 (10th Cir. filed Dec. 18, 2011). The Commission will provide ongoing support to these areas through “a combination of a forward-looking cost model and competitive bidding.” *USF/ICC Transformation Order*, 26 FCC Rcd at 17673, para. 23. In June 2012, the Wireline Competition Bureau sought comment on a number of cost model threshold issues. *Wireline Competition Bureau Seeks Comment on Model Design and Data Inputs for Phase II of the Connect America Fund*, WC Docket Nos. 10-90, 05-337, Public Notice, 27 FCC Rcd 6147 (Wireline Comp. Bur. rel. June 8, 2012). In September 2012, the Wireline Competition Bureau held a two-day in-person workshop discussing the design and mechanics of the models submitted into the record by the ABC Coalition and Alaska Communications Systems. *Wireline Competition Bureau Announces Agenda for Connect America Phase II Cost Model Workshop*, WC Docket Nos. 10-90, 05-337, Public Notice, DA 12-1463 (Wireline Comp. Bur. rel. Sept. 10, 2012). A recorded webcast of the first day of the workshop is available on the Commission’s website at <http://www.fcc.gov/events/connect-america-phase-ii-cost-model-workshop> and the Commission’s YouTube page at <http://www.youtube.com/watch?v=zfd2eSa3Yqs>. Workshop materials are available at <http://www.staging.fcc.gov/events/connect-america-phase-ii-cost-model-workshop>.

- The Use of Company-Specific Values
- Calculating Opex
- Determining the Annualized Cost of Capital Investments

The Bureau anticipates adding additional discussion topics as the virtual workshop progresses, which will be announced by Public Notice.

Discussions on these topics will be facilitated through various subject-matter-specific online discussion forums hosted on the Commission website where members of the public can share information and ideas with Bureau staff in near real-time, while weighing the advantages and disadvantages of different approaches for meeting the goals established in the *USF/ICC Transformation Order*.

The virtual workshop will take place over a period of weeks sufficient to allow public input on all material issues. Discussion of particular topics may start and end at specific times that will be announced in advance.

Comments from the virtual workshop will be included in the official public record of this proceeding. The Bureau will not rely on anonymous comments posted during the workshop in reaching decisions regarding the model. Participants should be aware that identifying information from parties that post material in the virtual workshop will be publicly available for inspection upon request, even though such information may not be posted in the workshop forums.

Reasonable accommodations, including materials in accessible formats (Braille, large print, electronic files, and audio format) for people with disabilities are available upon request. Please include a description of the accommodation you will need, and tell us how to contact you if we need more information. Please make your request as early as possible. Last minute requests will be accepted but may be impossible to fill. Accommodation requests should be sent to Kelly Jones, Kelly.Jones@fcc.gov, at 202-418-7078 (voice), 202-418-1169 (TTY), or 845-474-0054 (video).

For further information, please contact Katie King, 202-418-7491, Katie.King@fcc.gov or Ted Burmeister, 202-418-7389, Theodore.Burmeister@fcc.gov.

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