WIRELINE COMPETITION BUREAU ANNOUNCES ACCESS
TO CONNECT AMERICA FUND COST MODELS FILED IN THE RECORD

WC Docket Nos. 10-90, 05-337

On November 18, 2011, the Federal Communications Commission (Commission) released the USF/ICC Transformation Order. In that Order, the Commission adopted a methodology for distributing universal service support under the Connect America Fund (CAF) Phase II in areas served by price cap carriers. The methodology will use a forward-looking cost model to estimate the costs of deployment of broadband-capable networks in high-cost areas and identify at a granular level the areas where support will be made available. The Commission delegated to the Wireline Competition Bureau (Bureau) “the task of selecting a specific engineering cost model and associated inputs” that meet criteria specified in the USF/ICC Transformation Order. To begin the selection process, the Bureau released a Public Notice on December 15, 2011, inviting parties to submit forward-looking cost models with certain specific capabilities by February 1, 2012.

The Bureau has received two models in response to that request, one from Alaska Communications Systems (ACS) and one from the United States Telecom Association. Interested parties may access the models and all underlying data, formulae, computations, and associated software to evaluate their suitability for use in determining support levels for CAF Phase II in price cap areas, subject to protective orders.

---


2 For purposes of CAF Phase II, the Commission concluded that it would treat as price cap carriers the rate-of-return operating companies that are affiliated with holding companies for which the majority of access lines are regulated under price caps. A “price cap territory” therefore includes a study area served by a rate-of-return operating company affiliated with price cap companies. See USF/ICC Transformation Order at para. 158, n.253.

3 Id. para. 157.


5 See USF/ICC Transformation Order at 74, para. 192; December Public Notice at 1, para. 4.
Directions for accessing the models filed into the record of this proceeding may be obtained at: http://www.fcc.gov/encyclopedia/access-caf-phase-ii-models. The Bureau expects to release a subsequent Public Notice later this month providing additional information on the next steps for development of the CAF Phase II cost model.

For further information, please contact Katie King, 202-418-7491, Katie.King@fcc.gov, or Wesley Platt, 202-418-2821, Wesley.Platt@fcc.gov.

- FCC -