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WIRELINER COMPETITION BUREAU PUBLISHES LIST OF EXTREMELY HIGH-COST CENSUS BLOCKS IN PRICE CAP AREAS

WC Docket No. 10-90

Today, the Wireline Competition Bureau (Bureau) is releasing a list of census blocks in price cap service areas that are deemed “extremely high-cost.”¹ While these census blocks are not eligible for the offer of Connect America Phase II model-based support to price cap carriers, price cap carriers accepting model-based support may substitute locations in these blocks in lieu of those in census blocks subject to the offer of support to meet their deployment obligations in a state.² The list of blocks includes the number of locations in the block, the state where the offer of support is made, and the price cap carrier.³

In the *USF/ICC Transformation Order*, the Commission determined that a price cap carrier that elects to accept model-based support may choose to serve some census blocks with costs above the extremely high-cost threshold instead of eligible census blocks, provided that the total number of locations covered is greater than or equal to the number of locations in the eligible census blocks required to meet its deployment obligations.⁴ In addition, the Commission has determined that extremely high-

¹ On April 29, 2015, the Bureau adopted the final version of the Connect America Cost Model (CAM 4.3) to be used for the offer of model-based support and set the extremely high-cost threshold at \$198.60 per location per month. *Wireline Competition Bureau Announces Connect America Phase II Support Amounts Offered to Price Cap Carriers to Expand Rural Broadband*, WC Docket No. 10-90, Public Notice, 30 FCC Rcd 3905 (Wireline Comp. Bur. 2015). In these extremely high-cost census blocks, the average cost per location exceeds the extremely high-cost threshold of \$198.60.

² The list of extremely high-cost census blocks is available at https://transition.fcc.gov/wcb/CAM43_EHCT_CBs.zip. A list of census blocks eligible for the offer of model-based support is available at http://www.fcc.gov/wcb/CAM43_Supported_Locations.zip. See also Letter from Robert Mayer, Vice President, Industry & State Affairs, USTelecom, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90 (filed May 28, 2015) (requesting the Bureau to provide a list of extremely high-cost census blocks).

³ Only census blocks in which all locations are above the extremely high-cost threshold are included in the list. In some cases, a carrier’s service territory crosses a state boundary and the offer of support was made in the adjacent state.

⁴ See *Connect America Fund et al.*, WC Docket Nos. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 17729, para. 171 n.279 (2011) (*USF/ICC Transformation Order*), *aff’d sub nom.*, *In re: FCC 11-161*, 753 F.3d 1015 (10th Cir. 2014) (“In meeting its obligation to serve a particular number of locations in a state, an incumbent that has accepted the state-level commitment may choose to serve some

cost census blocks in price cap territories will be included in the Phase II auction that will occur after price cap carriers accept or decline the offer of Phase II model-based support.⁵

For additional information on this proceeding, contact Katie King (Katie.King@fcc.gov) of the Wireline Competition Bureau, Telecommunications Access Policy Division, (202) 418-7400.

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census blocks with costs above the highest cost threshold instead of eligible census blocks (i.e., census blocks with lower costs), provided that it meets the public interest obligations in those census blocks, and provided that the total number of unserved locations and the total number of locations covered is greater than or equal to the number of locations in the eligible census blocks.”). *See also Connect America Fund et al.*, WC Docket Nos. 10-90 et al., Report and Order, 29 FCC Rcd 15644, 15659-60, paras. 45-49 (2014) (*December 2014 Connect America Order*) (requiring deployment to at least 95 percent of funded locations).

⁵ *Connect America Fund et al.*, WC Docket Nos. 10-90 et al., Report and Order, 29 FCC Rcd 7051, 7060, para. 30 (2014) (*April 2014 Connect America Order*).