



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU ANNOUNCES POSTING OF ADJUSTMENTS TO INFORMATION REGARDING STUDY AREA DENSITY, DEPLOYMENT PERCENTAGES, OPERATING EXPENSE LIMITATIONS, AND DEPLOYMENT OBLIGATIONS FOR A LIMITED NUMBER OF INCUMBENT RATE-OF-RETURN CARRIERS

WC Docket No. 10-90

The Wireline Competition Bureau (Bureau) announces the posting of revised information regarding the application of the operating expense limits and deployment obligations for certain rate-of-return carriers under the high-cost universal service support legacy funding mechanisms. A number of carriers have brought issues to the attention of the Bureau and/or submitted revised Form 477 deployment information.¹ The Bureau has made corrections to those carriers' data where the issue raised was caused by an error or omission made by the Bureau.²

The revised density information for these carriers is as follows:

| Revised Density Values | | | |
|------------------------|-------------------------|---------------|---------|
| SAC | Study Area | Housing Units | Density |
| 230491 | N. ST. d/b/a N. ST.COMM | 86,900.86 | 284.03 |
| 371540 | DILLER TEL CO | 852.49 | 3.12 |
| 411764 | ELKHART TEL CO INC | 1,132.27 | 5.00 |
| 411833 | SOUTHERN KANSAS TEL | 4,591.40 | 3.18 |
| 442130 | PEOPLES TEL CO-OP – TX | 13,882.71 | 17.26 |
| 442151 | TAYLOR TEL CO-OP INC | 7,623.68 | 3.86 |
| 512251 | RANGE TEL COOP – WY | 17,167.25 | 1.33 |
| 522404 | ASOTIN TEL – WA | 1,221.40 | 3.90 |
| 552356 | RIO VIRGIN TEL CO | 11,455.04 | 17.43 |
| 613015 | MATANUSKA TEL ASSOC | 54,046.97 | 6.20 |

The previously released spreadsheet containing deployment obligation information for all rate-of-

¹ In a Public Notice announcing the posting of each rate-of-return carrier's deployment obligation, the Bureau stated that it would consider corrections submitted by October 7, 2016. *Wireline Competition Bureau Announces Posting of Census Blocks In Rate-of-Return Study Areas with Deployment by an Unsubsidized Competitor; Revises Individual Carrier Broadband Deployment Percentages for Rate-of-Return Carriers Reporting Updates; and Sets Deadline for Submission of Further Corrections for Use in 2017 Program Year*, WC Docket No. 10-90, Public Notice, DA 16-1123 (WCB 2016).

² Only ten (10) out of more than 1,000 study areas are impacted by these adjustments. For example, the Bureau determined that for those carriers whose study area straddles the border of two states, if one state filed study area boundaries on behalf of the carriers in its state, the portion of the study area in the other state may have been inadvertently overridden by the state filing.

return carriers will be replaced with a corrected version.³ In addition, the revised information can be used by these carriers to calculate their Operating Expense Limitation and Capital Investment Allowance with the resources available on the Universal Service Administrative Company's (USAC) website.⁴

In contrast, no correction will be made to a carrier's Connect America Fund Broadband Loop Support deployment obligations or operating expense limitation for 2017 in situations where the carrier has submitted revised December 2015 FCC Form 477 data. The December 2015 Form 477 data was due to be filed by March 1, 2016. The image of the data set used in the calculation of the broadband deployment obligations was taken on August 29, 2016; thus, carriers had six (6) months to revise their data. It is necessary to impose administrative closure on the data set used to perform required calculations under these rules so that implementation can proceed efficiently, and with transparency for all parties regarding the impact of these reforms. The calculations for the methodologies for determining the operating expense limitation and the mandatory deployment obligations for rate-of-return carriers utilize carrier data for all rate-of-return carriers. Allowing additional carriers to change their deployment information now would result in a need to recalculate carrier operating expense limitations and deployment obligations for all rate-of-return carriers, which would be detrimental to the overall objective of providing all carriers advance notice of their obligations under the legacy mechanisms prior to implementation of these reforms in 2017.⁵

For additional information about this Public Notice, please contact Suzanne Yelen at (202) 418-0626 or Suzanne.Yelen@fcc.gov.

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³ See Federal Communications Commission, Information Regarding Deployment Obligations for Incumbent Rate-of-Return Carriers, <https://transition.fcc.gov/web/SacBuildoutSheetDisplay.xlsx> (last visited Nov. 15, 2016).

⁴ The illustrative results, the template, and the documentation of the methodology for calculation of the operating expense limitation and the capital investment allowance are available at <http://www.usac.org/hc/tools/default.aspx> (last visited Nov. 15, 2016).

⁵ In contrast, because there are only a small number of cases in which the Bureau made an error or omission regarding the calculation of density information or deployment percentages for certain carriers, making corrections to these carriers' data has minimal if any effect on the overall calculations so no changes to other carrier data are required.