



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

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WIRELINE COMPETITION BUREAU ANNOUNCES PUBLICATION OF CAPITAL INVESTMENT ALLOWANCE FOR 2017

WC Docket No. 10-90

The Wireline Competition Bureau (Bureau) announces that the Universal Service Administrative Company (USAC) has published final Capital Investment Allowance (CIA) amounts for each rate-of-return carrier in 2017.¹ The CIA is the maximum amount of capital investment expenses that a rate-of-return carrier may include for purposes of calculating High-Cost Loop Support (HCLS) and Connect America Fund Broadband Loop Support (CAF BLS). As adopted in the *Rate-of-Return Reform Order*, the CIA will first apply to investment made in 2017.²

The final results replace the previously published illustrative results.³ The final results reflect final 2015 data, including deployment obligations published by USAC.⁴ The allowances shown in the final results will be applicable to 2017 capital investment, absent special circumstances as provided by section 54.303(k) of the Commission's rules.⁵ As previously noted, USAC has published a worksheet that allows a carrier to calculate the CIA based on its own inputs.⁶ Using this worksheet, a carrier may replicate the 2015 results and test alternate investment plans. USAC has also published documentation of the CIA methodology to accompany the final results and template. The final results, the template, and the documentation of the methodology are available at <http://www.usac.org/hc/tools/default.aspx>.

For more information, please contact Ted Burmeister, Telecommunications Access Policy Division, Wireline Competition Bureau, at (202) 418-7389 or Theodore.burmeister@fcc.gov.

¹ *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order, Order and Order on Reconsideration and Further Notice of Proposed Rulemaking, 31 FCC Rcd 3087, 3129-31, paras. 110-115 (2016) (*Rate-of-Return Reform Order*).

² *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, 31 FCC Rcd 6856, 6859, para. 15 (WCB 2016).

³ *Wireline Competition Bureau Announces Publication of Resources for Rate-of-Return Carriers to Calculate Capital Investment Allowance for 2017*, WC Docket No. 10-90, Public Notice, DA 16-1115 (WCB rel. Sept. 30, 2016) (*CIA Resource PN*).

⁴ *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, Public Notice, DA 16-1279 (WCB rel. Nov. 15, 2016).

⁵ 47 C.F.R. § 54.303(k). The Bureau expects that carriers will first report the existence of special circumstances concurrently with the submission of actual cost data for 2017, subject to procedures to be announced at a later date.

⁶ *CIA Resources PN*.

