

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
Connect America Fund) WC Docket No. 10-90
Developing a Unified Intercarrier Compensation) CC Docket No. 01-92
Regime)
Petition for Waiver of Section 51.917(c) and (d) of)
the Commission's Rules)

ORDER

Adopted: May 24, 2017

Released: May 24, 2017

By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, consistent with precedent, the Wireline Competition Bureau (Bureau) grants in part a petition seeking waiver of the intercarrier compensation recovery rules to allow Windstream Services, LLC (Windstream), to include in its recovery calculations certain funds that it was unable to collect from Halo Wireless, Inc. (Halo) due to an access charge avoidance scheme and subsequent bankruptcy. Windstream demonstrates good cause to include in its recovery calculations revenue associated with traffic eligible for compensation that was terminated during Fiscal Year 2011 (FY 2011) and that otherwise meets the criteria spelled out in our revenue recovery rules. Including such revenue in Windstream's revenue calculations, subject to the conditions we set forth below, conforms to the policies underlying the recovery mechanism adopted in the USF/ICC Transformation Order.

1 See generally Connect America Fund; Developing a Unified Intercarrier Compensation Regime; Petitions for Waiver of Section 51.917(b)(7) of the Commission's Rules, Order, 29 FCC Rcd 9958 (2014) (Halo Order); Connect America Fund; Developing a Unified Intercarrier Compensation Regime; Petitions for Waiver of Section 51.917(b)(7) of the Commission's Rules, Order, 30 FCC Rcd 6430 (WCB 2014) (Halo II Order); Connect America Fund; Developing a Unified Intercarrier Compensation Regime; Petitions for Waiver of Section 51.917(b)(7) of the Commission's Rules, Order, 31 FCC Rcd 13303 (WCB 2016) (Halo III Order) (collectively Halo Orders).

2 Windstream filed its petition on behalf of 24 incumbent local exchange carrier (LEC) subsidiaries. See Petition of Windstream Services, LLC for Limited Waiver of Section 51.917(c) and (d), WC Docket No. 10-90 et al., at 1 n.1 (filed Sept. 1, 2015) (Petition). Windstream mistakenly titled its petition as seeking waiver of section 51.917(c) and (d) of the Commission's rules. To obtain the requested relief, Windstream requires a waiver of section 51.915(c) and (d). Accordingly, we will consider the request as if Windstream had requested a waiver of the correct rules, as is clear from the substance of its petition, and will hereinafter characterize its request as a request for waiver of section 51.915(c) and (d).

3 For the purposes of the recovery mechanism, FY 2011 is defined as Oct. 1, 2010 to Sept. 30, 2011. See 47 CFR § 51.903(e).

4 See 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, 17956-87, paras. 847-904 (2011) (USF/ICC Transformation Order), pets. for review denied sub nom. In re: FCC 11-161, 753 F.3d 1015 (10th Cir. 2014).

II. BACKGROUND

A. Recovery Calculations Under the *USF/ICC Transformation Order*

2. In the *USF/ICC Transformation Order*, the Commission adopted bill-and-keep as the default methodology for all intercarrier compensation (ICC) charges, established a transition path requiring scheduled reductions to ICC charges, and capped all terminating ICC rates in effect as of the effective date of the new rules.⁵ The Commission also adopted a recovery mechanism to partially mitigate revenue reductions that incumbent LECs would experience as a result of these ICC reductions.⁶ The Commission designed the recovery mechanism and associated rules to recognize carrier reliance on ICC revenues, but limit recovery in a reasonable manner consistent with the Commission's goals.

3. For price cap incumbent LECs, the calculation of the Eligible Recovery changes each year of the transition to reflect specific reductions to access charges and reciprocal compensation revenues, as well as fixed demand changes.⁷ Eligible Recovery is recoverable through the Access Recovery Charge (ARC)⁸ assessed on end-users, and, to the extent not recoverable through ARCs, through Connect America Fund ICC support (CAF ICC support).⁹ Because Windstream's petition only concerns the amount of the Transitional Intrastate Access Service (TIAS) revenue portion of the Eligible Recovery formula, we focus our discussion on that specific calculation.¹⁰ The TIAS revenue calculation is determined by first calculating the difference between (1) the total revenue from TIAS at the carrier's intrastate access rates in effect on December 29, 2011, using collected FY 2011 intrastate access demand for each rate element, and (2) the total revenue from TIAS at the carrier's intrastate access rates in effect for the upcoming tariff period, using collected FY 2011 intrastate switched access demand for each rate element.¹¹ The difference is then multiplied by a demand factor for the year and a specific study area base factor to determine an amount for this component of Eligible Recovery.¹² Because the calculation occurs

⁵ See *USF/ICC Transformation Order*, 26 FCC Rcd at 17904, para. 740, 17932, para. 798, 17934, para. 801, 18026-28, paras. 970-71; see also 47 CFR § 51.713.

⁶ See *id.* at 17956-87, paras. 847-904.

⁷ See 47 CFR § 51.915(d)(i)-(viii).

⁸ The ARC is the end-user charge component of the ICC recovery mechanism adopted in the *USF/ICC Transformation Order*. Incumbent LECs are authorized to charge ARCs, subject to annual caps and to an overall rate ceiling, in order to partially mitigate the effect of reduced intercarrier revenues on carriers. See *USF/ICC Transformation Order*, 26 FCC Rcd at 17677, para. 36, 17957, para. 849; see also 47 CFR §§ 51.915(e), 51.917(e).

⁹ See *USF/ICC Transformation Order*, 26 FCC Rcd at 17981, para. 896.

¹⁰ See 47 CFR § 51.915(d)(i)-(viii). Transitional Access Service is defined as "terminating End Office Access Service that was subject to intrastate access rates as of December 31, 2011; terminating Tandem-Switched Transport Access Service that was subject to intrastate access rates as of December 31, 2011; and originating and terminating Dedicated Transport Access Service that was subject to intrastate access rates as of December 31, 2011." 47 CFR § 51.903(j).

¹¹ *Id.* § 51.907(b)(2)(i)-(ii).

¹² The rules require that each component of the Eligible Recovery calculation be multiplied by the Price Cap Carrier Traffic Demand Factor, which was 90 percent for the one-year period beginning July 1, 2012, and is reduced by ten percent of its previous value in each subsequent annual access tariff filing. *Id.* § 51.915(b)(10). Once all of the components are calculated and multiplied individually by the Price Cap Carrier Traffic Demand Factor, the sum is multiplied by a base factor that varies depending on whether the price cap carrier participated in the *CALLS* access reform plan. See *id.* § 51.915(b)(1), (2), (8), and (9).

in every year of the rate transition, any inaccuracies in the 2011 TIAS revenue calculation affects Windstream's Eligible Recovery in each year that recovery amounts are calculated.¹³

4. In the *USF/ICC Transformation Order*, the Commission specified that the baseline for price cap carrier recovery would be total switched access revenues that: “(1) are being reduced as part of reform adopted today; (2) are billed for service provided in FY2011; and (3) for which payment has been received by March 31, 2012.”¹⁴ It further stated, however, that such baseline shall not include “disputed revenues or revenues otherwise not recovered, for whatever reason, or the MOU associated with such revenues.”¹⁵ Constraining the recovery baseline in this manner is one of several methods the Commission adopted to prevent excessive recovery from end users and the federal universal service fund. The price cap carrier recovery mechanism was designed to provide more certainty and predictability, so that price cap carriers could better manage the transition to bill-and-keep.¹⁶ Such an approach gave predictability not only to price cap carriers, but also to consumers and universal service contributors.¹⁷

B. The Halo Petitions and Orders

5. It is undisputed that Halo, a Commercial Mobile Radio Service (CMRS) provider, perpetrated a scheme that involved taking calls originated by other carriers, routing them through Halo as the intermediary carrier, and then claiming that such calls were originated by a CMRS provider and subject to the intraMTA rule.¹⁸ In the *USF/ICC Transformation Order* the Commission made clear that the routing of a call over a wireless link in the middle of the call path did not convert a wireline-originated call into a CMRS-originated call for purposes of reciprocal compensation.¹⁹ By characterizing the traffic as CMRS-originated traffic, Halo attempted to avoid paying the requisite compensation to terminating LECs.²⁰ When the affected carriers attempted to collect compensation for this traffic, Halo responded with a federal lawsuit and then promptly filed for bankruptcy protection.²¹

6. In 2014, the Commission released an order that granted in part, subject to identified conditions, two petitions seeking waiver of section 51.917(b)(7) of the Commission's rules.²² These waivers allowed the requesting carriers to include in their recovery calculations funds they were unable to collect from Halo due to the access charge avoidance scheme and subsequent bankruptcy.²³ In the *Halo Order*, the Commission found “that incumbent LECs, upon a showing of good cause, should be permitted to include in their recovery calculations revenues associated with traffic eligible for compensation that

¹³ Although this amount is reduced each year by operation of the demand factor, it continues to impact the overall Eligible Recovery calculation. *See id.* § 51.915(d).

¹⁴ *See USF/ICC Transformation Order*, 26 FCC Rcd at 17971, para. 880.

¹⁵ *See id.* at 17971-72, para. 880.

¹⁶ *See generally id.* at 17971-77, paras. 879-90 (describing the recovery mechanism for price cap LECs).

¹⁷ *Id.* at 17977, para. 890.

¹⁸ *See* 47 CFR § 51.701(b).

¹⁹ *See USF/ICC Transformation Order*, 26 FCC Rcd at 18042, para. 1006.

²⁰ By doing so, Halo not only attempted to disguise traffic otherwise subject to access charges as subject to reciprocal compensation, but also attempted to avoid paying compensation for traffic terminated by the LECs. *See* Petition at 6 (stating that Halo made only “very limited partial payments” for ICC charges).

²¹ *Id.* at 6-7. The Halo bankruptcy case was converted to a Chapter 7 (liquidation) case, was fully administered, and was terminated by Order of the Bankruptcy Court on January 4, 2016. *See* “Order Discharging Chapter 7 Trustee and Closing Chapter 7 Case,” filed on Jan. 4, 2016 (In re Halo Wireless, Inc., Case No. 11-42464-BTR, Bankr. E.D. Tex.).

²² *See Halo Order*, 29 FCC Rcd at 9958, para. 2; 47 CFR § 51.917(b)(7).

²³ *See Halo Order*, 29 FCC Rcd at 9958, para. 2.

was terminated during FY 2011 and that otherwise meets the criteria spelled out in our revenue recovery rules.”²⁴ Subsequently, the Bureau released two similar orders granting in part, subject to identified conditions, additional petitions seeking waiver of section 51.917(b)(7) of the Commission’s rules under conditions similar to those described in the *Halo Order*.²⁵

7. Like the carriers covered in previous Halo orders, Windstream terminated interstate and intrastate access sent by Halo during FY 2011, billed Halo for this service, and received “very limited partial payments” based on Halo’s theory that the traffic was not subject to access or other ICC charges.²⁶ Windstream unsuccessfully attempted to negotiate an interconnection agreement with Halo pursuant to Sections 251 and 252 of the Communications Act.²⁷ Windstream seeks waiver of the rules implementing the recovery mechanism so it can include uncollected revenues from Halo in its recovery calculations.²⁸ The Bureau sought comment on the petition²⁹ and USTelecom filed comments supporting grant of the petition.³⁰

III. DISCUSSION

8. In this Order we grant in part, subject to identified conditions, Windstream’s petition seeking waiver of section 51.915(c) and (d) of the Commission’s rules under conditions substantially similar to those described in the prior orders.³¹ Because Windstream is a price cap-regulated LEC, rather than a rate-of-return-regulated LEC, its petition seeks a waiver of the rules governing the recovery mechanism for price cap carriers.³² Although Windstream necessarily seeks a waiver of the recovery rules applicable to price cap LECs, the circumstances supporting the request are essentially identical to the prior waiver grants in that they involve a request to include in its recovery calculations funds it was unable to collect from Halo due to its intercarrier compensation avoidance scheme and subsequent bankruptcy. As the Commission found in the *Halo Order*, “including such revenue in the recovery calculations conforms to the policies underlying the recovery mechanism, and excluding them would undermine those policies.”³³ Thus, we believe Windstream has demonstrated good cause for waiver to allow it to include revenues in its recovery calculations for intrastate access for services provided to Halo during FY 2011 and billed, but not collected, from Halo.

9. Generally, the Commission’s rules may be waived under section 1.3 of our rules for “good cause shown.”³⁴ The Commission may exercise its discretion to waive a rule where: (a) the particular facts make strict compliance inconsistent with the public interest; (b) special circumstances warrant a deviation from the general rule; and (c) such deviation will serve the public interest.³⁵ In

²⁴ *Id.*

²⁵ See generally *Halo II Order*; *Halo III Order*.

²⁶ See Petition at 5-7.

²⁷ *Id.* at 4-5, 10.

²⁸ See *id.* at 1-4.

²⁹ *Wireline Competition Bureau Seeks Comment on Windstream Petition for Limited Waiver of the Commission’s Intercarrier Compensation Revenue Recovery Rules for Price Cap Carriers*, CC Docket No. 01-92, WC Docket No. 10-90, Public Notice, 30 FCC Rcd 10145 (WCB 2015).

³⁰ See USTelecom Comments.

³¹ See generally *Halo Order*; *Halo II Order*; *Halo III Order*.

³² See Petition at 1-5; 47 CFR § 51.915(c), (d).

³³ *Halo Order*, 29 FCC Rcd at 9958, para. 2.

³⁴ 47 CFR § 1.3; *Ne. Cellular Tel. Co. v. Fed. Comm’n Comm’n*, 897 F.2d 1164, 1166 (D.C. Cir. 1990).

³⁵ *Ne. Cellular*, 897 F.2d at 1166.

making these determinations, the Commission may consider evidence of hardship, equity, and more effective implementation of overall policy on an individual basis.³⁶

10. In the *USF/ICC Transformation Order*, the Commission explicitly contemplated that certain circumstances could justify adjustments to recovery baseline amounts, and described some situations where adjustments may be appropriate.³⁷ The Commission recognized that carriers could file requests for “waiver of our rules defining the Baseline to account for revenues billed for terminating switched access service or reciprocal compensation provided in FY2011 but recovered after the March 31, 2012 cut-off as the result of the decision of a court or regulatory agency of competent jurisdiction.”³⁸

11. In the *Halo Order*, the Commission considered the guidance provided in the *USF/ICC Transformation Order* as applied to the circumstances surrounding Halo.³⁹ It determined that the *Halo Order* petitioners “have not recovered the revenues that they seek to include in their Base Period Revenue (BPR) and, as a result of Halo’s bankruptcy protection, it is unlikely that they will. Accordingly, Petitioners’ ability to fall within the four corners of that guidance is at best delayed, and is ultimately uncertain.”⁴⁰ The Commission further reasoned that “it would be contrary to, and would impede effective implementation of these policies if Halo’s non-payment due to bankruptcy for services that were provided locked providers harmed by Halo’s non-compliance into a lower BPR for the duration of the ICC rate transition.”⁴¹ The Commission thus granted conditional waivers, thereby allowing petitioners to include in their Eligible Recovery calculations unpaid amounts that had been billed to Halo for intrastate access service provided during FY 2011.

12. Given the similarity in circumstances here, we find that inclusion of the revenues associated with unpaid amounts billed to Halo in the recovery calculations, coupled with sufficient safeguards as defined herein, would produce appropriate recovery calculations for Windstream. In particular, Windstream claims that it was unable to include revenues from intrastate access charges billed to Halo for service provided during FY 2011 because Halo made only “very limited partial payments” for the services provided.⁴² Windstream was unable to collect any additional access payments from Halo, and Halo’s assets were liquidated pursuant to a bankruptcy proceeding in 2016.⁴³

13. Because Windstream is a price cap carrier, the waiver request under consideration here necessarily involves different recovery rules than those conditionally granted in the three prior *Halo Orders*. There is nothing about the nature of price cap carriers’ recovery that would warrant a different

³⁶ *WAIT Radio v. Fed. Comm’n Comm’n*, 418 F.2d 1153, 1159 (D.C. Cir. 1969); *Ne. Cellular*, 897 F.2d at 1166.

³⁷ *See USF/ICC Transformation Order*, 26 FCC Rcd at 17982, para. 898 n.1745.

³⁸ *Id.*

³⁹ The “ICC recovery mechanism adopted in the [*USF/ICC Transformation Order*] was designed, among other things, to provide predictability to incumbent LECs that had been receiving implicit ICC subsidies and to mitigate marketplace disruption during the ICC reform transition.” *Halo Order*, 29 FCC Rcd at 9963-64, para. 17 (citing *USF/ICC Transformation Order*, 26 FCC Rcd at 17962, para. 858).

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *See* Petition at 5-7.

⁴³ *See* Order Discharging Chapter 7 Trustee and Closing Chapter 7 Case, *In re Halo Wireless, Inc.*, No. 11-42464 (Bankr. E.D. Tex. Jan. 4, 2016), ECF No. 1139. According to the final report of the bankruptcy trustee, the Windstream entities received payment on a portion of their claims for administrative expenses, but no further amounts for claims filed as unsecured creditors. *See* Final Account, Certification that the Estate has been Fully Administered and Application of Trustee to be Discharged, *In re Halo Wireless, Inc.*, No. 11-42464 (Bankr. E.D. Tex. Dec. 22, 2015), ECF No. 1138.

decision, however. Both price cap and rate-of-return carriers rely on underlying revenue calculations to determine Eligible Recovery. The rationale offered in support of the conditional grant with respect to uncollected intrastate access revenues for rate-of-return carriers in the *Halo Orders* applies equally to price cap carriers such as Windstream.⁴⁴ The uncollected TIAS revenues here are comparable to the uncollected TIAS revenues of rate-of-return carriers and should similarly be included in establishing the initial baseline from which Eligible Recovery is determined.

14. To ensure that Windstream's adjustments to its calculations include only uncollected revenues billed to Halo for eligible traffic terminated during FY 2011, we grant the waiver request subject to the following conditions, which are identical in substance to the conditions adopted in previous *Halo Orders*. Prior to the implementation of the relief granted in this Order, Windstream must, as a condition of receiving such relief, certify under penalty of perjury the following:

- First, that it terminated all of the intrastate access (compensable traffic) sent to it by Halo for termination during FY 2011 that it seeks to add to its recovery calculations. This condition will limit adjustments to reflect traffic for compensable services that were actually provided.
- Second, that it billed Halo for such compensable traffic during FY 2011 or before the close of the next regular billing cycle in Fiscal Year 2012 for the amounts to be added to the Eligible Recovery calculations. This condition is designed to limit adjustments to those relating to revenue that Petitioners attempted to collect from Halo for the provision of compensable traffic during FY 2011.
- Third, that a court or state regulatory agency of competent jurisdiction (e.g., a state commission) has made a finding of liability against Halo regarding the requested compensation for such traffic.⁴⁵
- Fourth, that it filed a timely claim in the Halo bankruptcy case that requests compensation for such traffic, and any adjustment for a study area resulting from this Order does not exceed the terminating portion of such petitioner's bankruptcy claim for that study area. These requirements are intended to prevent Windstream from taking actions now to increase its adjustments beyond the amounts of their claims in the Halo bankruptcy case.
- Fifth, that its adjustment amounts do not include any interest, late payment fees, collection fees, or attorney fees, in order to ensure that the requested adjustments are limited to revenue associated with compensable traffic, and do not include other types of revenue. In addition, such certification must confirm that the revenues supporting the requested adjustments are not already included in the Eligible Recovery calculations.

15. It is important to note that Windstream recovered the maximum amount possible from ARCs and received CAF ICC support in tariff years 2012, 2013, 2014, 2015, and 2016. Therefore, any additional recovery mechanism revenue that Windstream receives as a result of this Order for 2012, 2013,

⁴⁴ USTelecom, the sole commenter, argues that, at least in the context of the Halo scheme, rate-of-return and price cap carriers are similarly situated and both should be able to include amounts billed to Halo in the baseline revenue calculations. USTelecom notes that it would be inequitable to disallow Windstream from including the uncollected amounts in light of the Commission's and Bureau's prior orders. See USTelecom Comments at 4-6 ("Carriers should not suffer ongoing revenue losses due to Halo's malfeasance, nor should unforeseen and unique circumstances due to Halo's bankruptcy and liquidation prevent carriers from including these amounts in their Base Period Revenues.").

⁴⁵ Thus, Windstream shall cite to a finding of liability against Halo for intrastate access revenues for its requested study areas.

2014, 2015, 2016, and potentially for future tariff years, will come from CAF ICC support and not from ARCs.⁴⁶

IV. ADMINISTRATIVE IMPLEMENTATION OF RELIEF GRANTED

16. This section addresses how the amount of relief granted in this Order is to be determined and the process for payment by the Universal Service Administrative Company (USAC).⁴⁷ For the purpose of adding the relevant Halo revenues to its recovery calculations, Windstream shall determine for each affected study area the amount of unpaid terminating intrastate revenues that were billed to Halo during FY 2011 for which a court or state regulatory agency of competent jurisdiction has determined liability against Halo and that are associated with the waiver requests. This number represents the amount billed to Halo that was uncollected by Windstream for each affected study area for terminating services rendered during FY 2011 and it is the starting point for determining the amount recoverable pursuant to these waivers. To derive a representative collected revenue amount for the amounts billed to Halo, Windstream shall adjust the billed amount by the uncollectible factor used for the initial Eligible Recovery determination for each relevant study area to determine the FY 2011 demand. For each affected study area, Windstream may increase its Eligible Recovery by the lesser of Windstream's claim amount in the Halo bankruptcy case or state commission award.⁴⁸

17. In addition, Windstream is required to file with the Commission – and certify to the accuracy of – the different categories of charges (e.g., intrastate access, interstate access, net reciprocal compensation, interest, late payment fees, collection fees, attorney's fees) and amounts for each category included in its Halo bankruptcy or state commission claims.⁴⁹ For the specific purpose of implementing the relief granted in this Order, Windstream shall submit to USAC and the relevant state commission revised data that was filed pursuant to section 54.304(d) of the Commission's rules.⁵⁰ Windstream should note the DA number of this Order as authority for the request and include supporting documentation for the calculations. An officer of the company must certify, under penalty of perjury, that the requested amount is calculated in a manner consistent with the requirements of this Order.

18. To effectuate the relief granted by this waiver, Windstream shall file with the Commission in the Electronic Tariff Filing System corrected Tariff Review Plan (TRP) worksheets with amended Eligible Recovery amounts, as well as the required certifications. Each petitioner shall also file a notice of its corrected TRP filing in the Electronic Comment Filing System (ECFS) in WC Docket No. 10-90, and must e-mail a copy of the notice to Richard Kwiatkowski, Pricing Policy Division, Wireline Competition Bureau, at Richard.Kwiatkowski@fcc.gov. If a state commission or other interested person objects to the revised data, it shall file its objection in WC Docket No. 10-90 within 21 days of the filing of the notice in ECFS. The Wireline Competition Bureau (Bureau) will release a Public Notice in WC

⁴⁶ See 47 CFR § 51.915(e); see also Petition at 10 (“[T]he increase in eligible recovery resulting from such increase in Intrastate Access Reduction would not affect pertinent ARCs but, rather, only CAF ICC Support receipts.”); cf. *Halo III Order*, 31 FCC Rcd at 13310-11, paras. 19-23 (discussing waiver of the imputation requirement), *Connect America Fund; Developing a Unified Intercarrier Compensation Regime; Petitions for Waiver of Section 51.917 of the Commission's Rules*, Order, 31 FCC Rcd 12021, 12030-31, paras. 24-27 (WCB 2016) (same).

⁴⁷ USAC plays a critical role in the day-to-day administration of universal service support mechanisms. See, e.g., *Connect America Fund et al.*, WC Docket No. 10-90 et al., Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, 26 FCC Rcd 4554, 4595, para. 116 n.192 (2011).

⁴⁸ If there is a subsequent court or state regulatory agency decision regarding the amount of damages for which Halo is liable, Windstream must notify the Commission and provide a copy of such decision within 30 days. If appropriate, Windstream would need to adjust its recovery calculations accordingly within the requirements found in paragraphs 16-18 of this Order.

⁴⁹ Windstream is prohibited from including interest, late payment fees, collection fees, or attorney fees in its claims under this condition. See *supra* para. 6.

⁵⁰ 47 CFR § 54.304(d).

Docket No. 10-90 directing USAC to withhold payment while the Bureau resolves objections.⁵¹ If such a Public Notice is not released in the relevant docket within 45 days of a petitioner's request, USAC shall proceed to process the petitioner's request and issue payment. The Commission has delegated authority to the Bureau to determine and carry out appropriate procedures to resolve objections.⁵²

V. ORDERING CLAUSES

19. Accordingly, IT IS ORDERED that, pursuant to sections 1, 4(i) and (j), 201-202, 251, and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i) and (j), 201-202, 251, and 254, and sections 0.91, 0.201(d), 0.291 and 1.3 of the Commission's rules, 47 CFR §§ 0.91, 0.201(d), 0.291 and 1.3, the Petition for Limited Waiver filed by Windstream Services, LLC on September 1, 2015, IS GRANTED to the extent specified herein, and IS OTHERWISE DENIED.

20. IT IS FURTHER ORDERED that the Universal Service Administrative Company SHALL MAKE PAYMENTS in accordance with the requirements of paragraphs 16 through 18 of this Order.

21. IT IS FURTHER ORDERED that pursuant to section 1.102(b)(1) of the Commission's rules, 47 CFR § 1.102(b)(1), this Order SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Kris Anne Monteith
Chief
Wireline Competition Bureau

⁵¹ See *Halo Order*, 29 FCC Rcd at 9967, para. 27.

⁵² *Id.*