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DA 18-1091

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WIRELINE COMPETITION BUREAU AUTHORIZES MECHANICSVILLE TELEPHONE COMPANY TO RECEIVE ADDITIONAL ALTERNATIVE CONNECT AMERICA COST MODEL SUPPORT TO EXPAND RURAL BROADBAND

WC Docket No. 10-90

On July 20, 2018, the Wireline Competition Bureau (Bureau) released a Public Notice authorizing 175 rate-of-return companies to receive an additional \$36 million annually in Alternative Connect America Cost Model (A-CAM) support. Although it submitted a timely acceptance letter which was acknowledged by the Bureau, Mechanicsville Telephone Company (Mechanicsville) was inadvertently omitted from the July 20 authorization Public Notice. To correct this error, the Bureau now authorizes Mechanicsville to receive A-CAM support pursuant to the second revised offer. The appendix to this Public Notice shows the revised authorization amount and deployment obligations for Mechanicsville. In addition, we update the summary report released on July 20, showing the state-level amounts of model-based support and associated deployment obligations for all carriers that have been authorized to receive model-based support, to reflect Mechanicsville's revised authorization.²

We authorize and direct the Universal Service Administrative Company (USAC) to obligate and disburse the annual support amounts over a 10-year term Mechanicsville as shown in the appendix. Mechanicsville will be subject to defined deployment obligations that must be met over the 10-year period, with annual reporting of its progress.³

The net increase in annualized support compared to Mechanicsville's previously-elected A-CAM amounts is \$94,305.00. The Commission previously directed USAC to make a one-time lump sum payment from excess cash in its high-cost account to true-up support that would have been disbursed in 2017 and 2018 at the \$146.10 per-location support amounts.⁴ We direct USAC to calculate the necessary

¹ Wireline Competition Bureau Authorizes 175 Rate-of-Return Companies to Receive an Additional \$36 Million Annually in Alternative Connect America Cost Model Support to Expand Rural Broadband, WC Docket No. 10-90, Public Notice, DA 18-750 (WCB rel. July 20, 2018).

² The summary report for all carriers authorized to receive A-CAM support, including those subject to prior authorizations in December 2016, January 2017, and July 2018 is available at https://docs.fcc.gov/public/attachments/DOC-352788A1.xslx. The summary report includes a list of funded census blocks, but we note that there are no changes to that list from prior authorizations.

³ Mechanicsville must satisfy deployment obligations associated with the support amount it accepted as set forth in the Public Notice announcing the revised offers of support. *Wireline Competition Bureau Announces Offers of Revised A-CAM Support Amounts to 217 Authorized A-CAM Companies to Expand Rural Broadband,* WC Docket No. 10-90, Public Notice, DA 18-465 (WCB rel. May 7, 2018). We note that the interim milestones did not change, only the number of locations or required speed tiers.

⁴ Connect America Fund; ETC Annual Reports and Certifications; Establishing Just and Reasonable Rates for Local Exchange Carriers; Developing a Unified Intercarrier Compensation Regime; WC Docket Nos. 10-90, 14-58,

true-up for Mechanicsville. We also direct USAC to adjust the amount of cash it retains in the high-cost account to fund A-CAM recipients to reflect today's revised authorization.

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

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APPENDIX

Federal Communications Commission
CAF - A-CAM 2.3.2 - Authorization Report Version 4.0
Authorized A-CAM Support & Obligations
October 24, 2018

				Total Number of	Number of	Number of	Number of	
				Rate-of-Return	Locations in	Locations in	Locations in	Number of
				Locations in	Eligible Census	Eligible Census	Eligible Census	Locations
	Rate-of-			Census Blocks	Blocks with	Blocks with	Blocks with	Remaining on
	Return		Annual A-CAM	Receiving Model-	Obligation to Offer	Obligation to Offer	Obligation to Offer	Reasonable
State	Carrier	Holding Company	Support	Based Funding	25/3 M bps	10/1 M bps	4/1 Mbps	Request Standard
~	~	,T						
		Mechanicsville						
IA	MCHN	Telephone Company	471,525	349	95	96	39	119