



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU ANNOUNCES BEGINNING OF PHASE DOWN OF LEGACY SUPPORT FOR PRICE CAP CARRIERS AND FIXED COMPETITIVE ELIGIBLE TELECOMMUNICATIONS CARRIERS AFTER AUTHORIZATION OF CONNECT AMERICA FUND PHASE II AUCTION SUPPORT

WC Docket No. 10-90

With this Public Notice, the Wireline Competition Bureau (Bureau) announces the beginning of the phase down of legacy high-cost universal service support for price cap carriers and fixed competitive eligible telecommunications carriers (competitive ETCs), now that the Bureau has authorized Connect America Fund (CAF) Phase II auction support.¹ The commencement of the phase down marks an important step in the Commission's efforts towards closing the digital divide by initiating the process for phasing down legacy support for voice services to make greater funding available for voice and broadband services.

First, the Bureau has updated the report showing price cap carriers' legacy CAF Phase I frozen support amounts associated with each census block, available at <https://docs.fcc.gov/public/attachments/DOC-356505A1.xlsx>.² This report identifies the census blocks for which CAF Phase II auction support was awarded and may ultimately be authorized, after which legacy support for those blocks will cease for price cap carriers that did not decline phase-down support. As CAF Phase II auction support is authorized, the Bureau will update the report accordingly. In non-awarded, auction-eligible census blocks, a price cap carrier that did not decline phase-down support will continue receiving legacy phase-down support—in the amounts shown in the report—until further Commission action.³

Second, the Bureau also has updated the report showing the legacy support amounts associated with competitive ETCs offering service to fixed locations, available at

¹ See *Connect America Fund Phase II Auction Support Authorized for 459 Winning Bids*, AU Docket No. 17-182, WC Docket No. 10-90, Public Notice, DA 19-414 (WCB May 14, 2019) (*First CAF II Auction Authorization PN*).

² The Bureau released the initial versions of these reports for price cap carriers and fixed competitive eligible telecommunications carriers on March 12, 2019. See *Wireline Competition Bureau Announces Universal Service Support Amounts Offered to Price Cap Carriers and Fixed Competitive Eligible Telecommunications Carriers After Authorization of Connect America Phase II Auction Support*, Public Notice, DA 19-174 (Mar. 12, 2019) (*Transitions Public Notice*); see also *Connect America Fund*, Report and Order, FCC 19-8, at 3-4, para. 9 (Feb. 15, 2019) (*Phase II Transitions Order*). This updated version of the report identifies the only price cap carrier that declined legacy support – Verizon South Inc. in North Carolina. See *Transitions Public Notice* at 2 (“Any price cap carrier or fixed competitive ETC that wishes to decline this phase-down support must notify the Bureau at ConnectAmerica@fcc.gov.”).

³ *Phase II Transitions Order* at 5-6, paras. 13-15.

<https://docs.fcc.gov/public/attachments/DOC-357433A1.xlsx>.⁴ Fixed competitive ETCs will begin receiving legacy support at a reduced level (i.e., initially, two-thirds of the current legacy support amounts) beginning the first day of June, the month after the first authorization of any CAF Phase II auction support nationwide.⁵

For further information, please contact Stephen Wang, Telecommunications Access Policy Division, Wireline Competition Bureau, at (202) 418-7400 or via email at Stephen.Wang@fcc.gov.

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⁴ This updated version of the report corrects the list of fixed competitive ETCs to exclude those carriers that notified the Bureau that they were erroneously identified as such in the previous version. *See Transitions Public Notice* at 2 (“Any competitive ETC providing mobile service that believes that it has been erroneously identified on this list as a competitive ETC offering service to fixed locations should notify the Bureau at ConnectAmerica@fcc.gov”). Any competitive ETC not listed in this report shall continue receiving support pending further Commission action.

⁵ *Phase II Transitions Order* at 6, para. 17; *First CAF II Auction Authorization PN*.