

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 )
Regime ) CC Docket No. 01-92
TrioTel Communications, Inc. Petition for Waiver ) WC Docket No. 19-283
of Sections 51.917(b)(1) and 51.917(b)(7) of the )
Commission's Rules to modify the 2011 Base )
Period Revenue in connection with the merger of )
affiliated study areas in South Dakota )
Farmers Mutual Telephone Company of Stanton, ) WC Docket No. 19-324
Iowa, Inc. Petition for Waiver of Sections )
51.917(b)(1) and 51.917(b)(7) of the )
Commission's Rules to modify the 2011 Base )
Period Revenue in connection with the merger of )
affiliated study areas in Iowa )
Inter-Community Telephone Company, L.L.C. ) WC Docket No. 19-332
Petition for Waiver of Sections 51.909(a), )
51.917(b)(1) and 51.917(b)(7) of the )
Commission's Rules to modify access rate bands )
and charges, and 2011 Base Period Revenue in )
connection with merger of affiliated study areas in )
North Dakota )

ORDER

Adopted: March 3, 2020

Released: March 3, 2020

By the Chief, Pricing Policy Division, Wireline Competition Bureau:

I. INTRODUCTION

1. By this Order, consistent with precedent,<sup>1</sup> we grant petitions for waiver of the Commission's rules filed by TrioTel Communications, Inc. (TrioTel),<sup>2</sup> Farmers Mutual Telephone

1 See e.g., Connect America Fund et al., WC Docket No. 10-90 et al., Order, 33 FCC Rcd 1152, 1157-58, paras. 15-16 (WCB 2018) (Butler-Panora Order) (outlining and applying relevant Commission precedent to approve the merger of two rate-of-return study area waiver petitions); Joint Petition of Price Cap Holding Companies for Conversion of Average Schedule Affiliates to Price Cap Regulation and for Limited Waiver Relief et al., WC Docket No. 12-63, Order, 27 FCC Rcd 15753 (2012) (2012 Average Schedule Conversion Order) (approving a methodology for establishing initial interstate switched and special access rates for the study areas in new tariff filings in order to allow the requesting carriers to operate more efficiently post waiver); CenturyLink Petition for Conversion of Average Schedule Affiliates to Price Cap Regulation and for Limited Waiver Relief, WC Docket No. 14-23, Order, 29 FCC Rcd 5140, 5146, para. 15 (WCB 2014) (allowing CenturyLink to establish a single interstate

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Company of Stanton, Iowa, Inc. (Farmers Mutual),<sup>3</sup> and Inter-Community Telephone Company, L.L.C. (ICTC)<sup>4</sup> (collectively, Petitioners) to allow them to merge affiliated rate-of-return study areas. Based on the record before us, we find that granting the unopposed petitions will serve the public interest by promoting increased efficiencies that result in cost savings for Petitioners, thus encouraging network investment that ultimately benefits consumers.

## II. BACKGROUND

### A. Intercarrier Compensation Reform

2. In the *USF/ICC Transformation Order*, the Commission capped reciprocal compensation and interstate switched access rates and most intrastate switched access rates at the rates in effect on December 29, 2011.<sup>5</sup> The Commission adopted a multi-year transition for reducing most terminating switched access rates to bill-and-keep.<sup>6</sup> The Commission adopted a transitional revenue recovery mechanism that allows incumbent local exchange carriers (LECs) to recover a portion of the intercarrier compensation revenues lost due to the Commission's reforms, up to a defined amount (Eligible Recovery) for each year of the transition.<sup>7</sup> An incumbent LEC may recover its Eligible Recovery each year from its end users through an Access Recovery Charge, subject to an annual cap.<sup>8</sup> If the projected Access Recovery Charge revenues are not sufficient to cover the entire Eligible Recovery amount, rate-of-return carriers may elect to collect the remainder in Connect America Fund–Intercarrier Compensation (CAF ICC) support.<sup>9</sup>

3. The Petitioners are rate-of-return LECs that participate in the National Exchange Carrier Association (NECA) Tariff F.C.C. No. 5 (NECA Tariff).<sup>10</sup> The calculation of a rate-of-return LEC's Eligible Recovery begins with its Base Period Revenue.<sup>11</sup> A rate-of-return carrier's Base Period Revenue is the sum of certain intrastate switched access revenues and net reciprocal compensation revenues received by March 31, 2012, for services provided during Fiscal Year (FY) 2011,<sup>12</sup> and the projected

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access tariff with blended switched and special access rates for three consolidating study areas and simultaneously allowing the three affiliates requesting the waiver to withdraw from the NECA pool).

<sup>2</sup> TrioTel Communications, Inc. Petition for Waiver of Sections 51.917(b)(1) and 51.917(b)(7) of the Commission's Rules to modify the 2011 Base Period Revenue in connection with the merger of affiliated study areas in South Dakota, WC Docket No. 19-283 (dated Sept. 18, 2019) (TrioTel Petition).

<sup>3</sup> Farmers Mutual Telephone Company of Stanton, Iowa, Inc. Petition for Waiver of Sections 51.917(b)(1) and 51.917(b)(7) of the Commission's Rules to modify the 2011 Base Period Revenue in connection with the merger of affiliated study areas in Iowa, WC Docket No. 19-324 (dated Oct. 8, 2019) (Farmers Mutual Petition).

<sup>4</sup> Inter-Community Telephone Company, L.L.C. Petition for Waiver of Sections 51.909(a), 51.917(b)(1) and 51.917(b)(7) of the Commission's Rules to modify access rate bands and charges, and 2011 Base Period Revenue in connection with merger of affiliated study areas in North Dakota, WC Docket No. 19-332 (filed Nov. 1, 2019) (ICTC Petition).

<sup>5</sup> 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 (2011) (*USF/ICC Transformation Order*) *aff'd*, *In re FCC 11-161*, 753 F.3d 1015 (10th Cir. 2014); 47 CFR § 51.909(a). Originating intrastate switched access rates for rate-of-return carriers were exempt from the rate cap.

<sup>6</sup> *USF/ICC Transformation Order*, 26 FCC Rcd at 17934-36, para. 801 & fig. 9.

<sup>7</sup> See *id.* at 17956-57, paras. 847 & 850.

<sup>8</sup> *Id.* at 17958-61, para. 852; 47 CFR §§ 51.917(d)-(e).

<sup>9</sup> *USF/ICC Transformation Order*, 26 FCC Rcd at 17994-95, para. 918; 47 CFR § 51.917(f). CAF ICC support for price cap carriers ended July 1, 2019. *Id.* § 51.915(f)(5).

revenue requirement for interstate switched access services for the 2011-2012 tariff period.<sup>13</sup> The Base Period Revenue for rate-of-return carriers was reduced by 5% initially and is reduced by an additional 5% in each year of the transition.<sup>14</sup> A rate-of-return LEC's Eligible Recovery is equal to the adjusted Base Period Revenue for the year in question, less, for each relevant year of the transition, the sum of: (1) projected intrastate switched access revenue;<sup>15</sup> (2) projected interstate switched access revenue; and (3) projected net reciprocal compensation revenue.<sup>16</sup> A rate-of-return LEC's Base Period Revenue is calculated only once, but is used during each step of the intercarrier compensation recovery mechanism calculations for each year of the transition.<sup>17</sup>

4. The Commission's rules for calculating Eligible Recovery are based on study-area-specific data, and do not address what adjustments may be necessary when study areas are merged after one company acquires another. Because a carrier's Base Period Revenue and interstate revenue requirement are study-area-specific, combining two study areas requires a decision about how best to combine two different Base Period Revenues and interstate revenue requirements, and a waiver of the Commission's rules governing Base Period Revenue calculation and interstate revenue requirements.

### **B. Petitioners' Requests**

5. TrioTel seeks a waiver of the Commission's rules, as necessary, to merge affiliated rate-of-return study areas in South Dakota.<sup>18</sup> TrioTel plans to merge affiliated rate-of-return study areas of McCook Cooperative Telephone Company, a cost company, and Tri-County Telecommunications, an average schedule company,<sup>19</sup> and to administer the merged study area as a cost company.<sup>20</sup> TrioTel elected to receive model-based Alternative Connect America Cost Model (ACAM) II universal service support in 2019.<sup>21</sup> TrioTel seeks a waiver to recalculate for the merged study areas the interstate switched access revenue requirement and Base Period Revenue.<sup>22</sup> TrioTel argues that the "public interest is served by the increased administrative and operational efficiencies gained by consolidating these study areas . . .

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<sup>10</sup> ICTC also participates in the John Staurulakis, Inc. (JSI) Tariff F.C.C. No. 1 for its common line and business data services. *See* ICTC Petition at 2.

<sup>11</sup> *See* 47 CFR § 51.917(b)(7).

<sup>12</sup> For purposes of the recovery mechanism, FY 2011 is defined as October 1, 2010 through September 30, 2011. *See* 47 CFR § 51.903(e).

<sup>13</sup> *See* 47 CFR § 51.917(b)(7). The 2011-2012 tariff period was July 1, 2011 through June 30, 2012.

<sup>14</sup> *See* 47 CFR § 51.917(b)(3).

<sup>15</sup> The carrier would reflect forward any required true-ups resulting from the operation of the pre-merger study areas in the proper year for the merged study area. *See e.g.*, 47 CFR §§ 51.915(b)(13), 51.917(b)(6).

<sup>16</sup> *See* 47 CFR § 51.917(d).

<sup>17</sup> *Id.*

<sup>18</sup> TrioTel Petition at 4. The rules at issue can be found at 47 CFR §§ 51.917(b)(1), 51.917(b)(7).

<sup>19</sup> TrioTel Petition at 4-5. An average schedule company is a rate-of-return company that determines its costs based on formulas approved by the Commission that are designed to produce disbursements that would be received based on the costs of a company that is representative of average schedule companies. By contrast, a cost company is a rate-of-return carrier that determines its rates based on its own costs. *See* 47 CFR § 69.606; *Windstream Petition for Conversion to Price Cap Regulation and Limited Waiver Relief*, WC Docket No. 07-171, Order, 23 FCC Rcd 5294, 5298, para. 5 n.16 (2008).

<sup>20</sup> *See* Letter from Marlene Bennett, Consortia Consulting, on behalf of TrioTel, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 19-283 (filed Feb. 26, 2020) (TrioTel *Ex Parte* Letter).

which will ultimately benefit Petitioner's customers."<sup>23</sup> We sought comment on the TrioTel Petition, which was unopposed.<sup>24</sup>

6. Similarly, Farmers Mutual seeks a waiver of the Commission's rules, as necessary, to merge affiliated rate-of-return study areas in Iowa.<sup>25</sup> Farmers Mutual plans to merge its rate-of-return study area with affiliated rate-of-return study area Villisca Farmers Telephone (Villisca). Farmers Mutual and Villisca are both administered as cost companies and receive legacy universal service support.<sup>26</sup> Farmers Mutual seeks a waiver to recalculate for the merged study areas the interstate switched access revenue requirement and Base Period Revenue.<sup>27</sup> Farmers Mutual argues that the "public interest is served by the increased administrative and operational efficiencies gained by consolidating these study areas . . . which will ultimately benefit Petitioner's customers."<sup>28</sup> We sought comment on the Farmers Mutual Petition, which was unopposed.<sup>29</sup>

7. ICTC seeks a waiver of the Commission's rules, as necessary, to merge affiliated rate-of-return study areas in North Dakota.<sup>30</sup> On September 4, 2019, the Wireline Competition Bureau (Bureau) granted an application to transfer local exchange assets from Absaraka Cooperative Telephone Company, Inc. (Absaraka) to ICTC, a wholly-owned subsidiary of BEK Communications Cooperative (BEK).<sup>31</sup> ICTC, a cost company, plans to merge its rate-of-return study area with the rate-of-return study area of its affiliate, Absaraka, an average schedule company,<sup>32</sup> and to administer the merged study area as a cost company.<sup>33</sup> ICTC and Absaraka receive model-based ACAM support.<sup>34</sup> ICTC tariffs rates for local switching services in Rate Band 5 while Absaraka tariffs rates for these services in Rate Band 8.<sup>35</sup> Therefore, unlike the other Petitioners, ICTC also seeks a waiver of section 51.909(a) to tariff rates for the merged study areas in Rate Band 8 for local switching services.<sup>36</sup> ICTC argues that "the public interest is served by the increased administrative and operational efficiencies gained by consolidating these study areas."<sup>37</sup> We sought comment on the ICTC Petition, which was unopposed.<sup>38</sup>

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<sup>21</sup> *Id.*; TrioTel Petition at 4-5; *Wireline Competition Bureau Authorizes 171 Rate-of-Return Companies to Receive \$491 Million Annually in Alternative Connect America Cost Model II Support to Expand Rural Broadband*, WC Docket No. 10-90, Public Notice, 34 FCC Rcd 7271, 7271 n.2 (WCB 2019) (*ACAM II Public Notice*).

<sup>22</sup> TrioTel Petition at 4.

<sup>23</sup> *Id.* at 7.

<sup>24</sup> See *Wireline Competition Bureau Seeks Comment on TrioTel Communications, Inc. Petition for Waiver of Commission Rules in Order to Merge Rate-of-Return Study Areas and Modify 2011 Revenue Requirement and 2011 Base Period Revenue*, WC Docket No. 19-283, Public Notice, 34 FCC Rcd 8530 (WCB 2019).

<sup>25</sup> Farmers Mutual Petition at 1. The rules at issue can be found at 47 CFR §§ 51.917(b)(1), 51.917(b)(7).

<sup>26</sup> Farmers Mutual Petition at 2.

<sup>27</sup> *Id.* at 2-3.

<sup>28</sup> *Id.* at 4.

<sup>29</sup> See *Wireline Competition Bureau Seeks Comment on Farmers Mutual Telephone's Petition for Waiver of Commission Rules in Order to Merge Rate-of-Return Study Areas in Iowa and Modify 2011 Revenue Requirement and 2011 Base Period Revenue*, WC Docket No. 19-324, Public Notice, 34 FCC Rcd 9868 (WCB 2019).

<sup>30</sup> ICTC Petition at 1. The rules at issue can be found at 47 CFR §§ 51.909(a), 51.917(b)(1), and 51.917(b)(7).

<sup>31</sup> *Domestic Section 214 Application for the Acquisition of Certain Assets of Absaraka Cooperative Telephone Company, Inc. by Inter-Community Telephone Company, L.L.C.*, WC Docket No. 19-164, Public Notice, 34 FCC Rcd 7896 (WCB 2019); see ICTC Petition at 2.

<sup>32</sup> ICTC Petition at 1-2; Letter from John Kuykendall, Vice President, JSI, on behalf of ICTC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 19-332 (filed Feb. 21, 2020) (ICTC 2020 *Ex Parte* Letter).

### III. COMMISSION PRECEDENT RELATED TO MERGING STUDY AREA WAIVERS

8. Generally, the Commission's rules may be waived for good cause shown.<sup>39</sup> The Commission may exercise its discretion to waive a rule where the specific facts make strict compliance inconsistent with the public interest.<sup>40</sup> Waiver of the Commission's rules is therefore appropriate only if special circumstances warrant a deviation from the general rule and such deviation will serve the public interest.<sup>41</sup>

9. In the interest of efficiency, and where warranted based on the specific record in each case, the Bureau has facilitated the merging of study areas by granting waivers of sections 51.917(b)(1) and 51.917(b)(7) of the Commission's rules to allow carriers to add together the relevant interstate revenues from FY 2011 of the merging study areas and the 2011-2012 interstate revenue requirement of the merging study areas.<sup>42</sup> This calculation creates a combined Base Period Revenue which serves as the baseline for calculating the Eligible Recovery of the company serving the combined study area going forward.<sup>43</sup>

10. The Commission has also used the waiver process to adjust the interstate switched access rate(s) that companies requesting to merge study areas may assess. To facilitate such mergers for entities that do not participate in the NECA Tariff, the Commission has waived the rate cap requirement to allow the requesting carriers to develop a weighted composite rate.<sup>44</sup> Such a waiver allows some previously capped rates to increase, while other rates are reduced.<sup>45</sup> The new, weighted composite rate then becomes the rate cap for the rate element(s) in question.<sup>46</sup> To facilitate mergers for entities that participate in the NECA Tariff, the Bureau has granted waivers of section 51.909(a) of the rules to allow NECA to place the consolidated study area in the rate band that most closely approximates the merged entities' cost

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<sup>33</sup> See ICTC 2020 *Ex Parte* Letter ("ICTC clarifies that Absaraka will become a cost company upon grant of the Petition, and that it does not seek a waiver of Section 69.605(c) of the Commission's rules to change from a cost company to an average schedule company.").

<sup>34</sup> See ICTC Petition at 2; Letter from John Kuykendall, Vice President, JSI, on behalf of ICTC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 19-332, at 2 (filed Nov. 25, 2019) (ICTC 2019 *Ex Parte* Letter); *ACAM II Public Notice*, 34 FCC Rcd 7271, 7271 n.2 (BEK, ICTC's parent company, elected to receive ACAM II support in North Dakota); *Wireline Competition Bureau Authorizes 182 Rate-of-Return Companies to Receive \$454 Million Annually in Alternative Connect America Cost Model Support to Expand Rural Broadband*, WC Docket No. 10-90, Public Notice, 32 FCC Rcd 842, 849 (WCB 2017) (Absaraka and ICTC Group, Inc. elected to receive ACAM support in North Dakota).

<sup>35</sup> ICTC Petition at 3.

<sup>36</sup> *Id.* at 3 & Exh. A. ICTC and Absaraka each tariff their rates for local transport services in Rate Band 10 and tariff their rates for tandem switched transport services in Rate Band 2. *Id.* ICTC proposed maintaining the rates for these services in their respective rate bands following the study area merger. *Id.*, Exh. A.

<sup>37</sup> *Id.* at 5.

<sup>38</sup> See *Wireline Competition Bureau Seeks Comment on Inter-Community Telephone's Petition for Waiver of Commission Rules in Order to Merge Study Areas and Modify Rate Bands and 2011 Revenue Requirement and 2011 Base Period Revenue*, WC Docket No. 19-332, Public Notice, 34 FCC Rcd 10303 (WCB 2019).

<sup>39</sup> 47 CFR § 1.3.

<sup>40</sup> *Northeast Cellular Telephone Co. L.P. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (*Northeast Cellular*).

characteristics.<sup>47</sup> The rate for that rate band then becomes the rate cap for that rate element in the merged study area.<sup>48</sup>

#### IV. DISCUSSION

11. The Commission's precedent supports waiver of our rules to allow merging the study areas in question. We find that the efficiencies that arise from merging the study areas requested by Petitioners constitute special circumstances that warrant a deviation from the applicable rules, and good cause exists to grant Petitioners' requests for waiver.<sup>49</sup> We agree with Petitioners that the study area mergers will serve the public interest by producing significant administrative cost savings<sup>50</sup> and facilitating the Commission's goal of encouraging carriers to become more efficient and to increase productivity.<sup>51</sup>

12. Consistent with precedent, combining the merging carriers' interstate revenue requirements and separately combining the Base Period Revenues reflects the merging of the carriers' operations into a single operation and therefore is the appropriate baseline from which to calculate Eligible Recovery for the newly merged entities.<sup>52</sup> The use of the combined Base Period Revenues of the merging study areas and the projected switched access revenues of the merging entities that will be subtracted from the Base Period Revenue of the merged study area will maintain the appropriate relationship between the components (Base Period Revenue and projected revenues) used in calculating the Eligible Recovery of the merged entity.<sup>53</sup> Accordingly, we grant Petitioners' requests for waiver of sections 51.917(b)(1) and 51.917(b)(7) of the rules.

13. ICTC also seeks a waiver of section 51.909(a) of the rules to establish consolidated rate bands and the rate for local switching service in Rate Band 8 for the merged study area.<sup>54</sup> As participants in the NECA Tariff, ICTC's and Absaraka's rates in the merged study area must be included in rate bands reflecting comparable cost groupings per section 51.909(a).<sup>55</sup> ICTC and Absaraka must charge a single

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<sup>41</sup> The Commission may, on an individual basis, take into account considerations of hardship, equity, or more effective implementation of overall policy. See *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969); *Northeast Cellular*, 897 F.2d at 1166.

<sup>42</sup> See e.g., *Butler-Panora Order*, 33 FCC Rcd at 1157, para. 15; *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, 34 FCC Rcd 4777 (WCB 2019) (*Titonka-ITC-Northeast Order*); see also *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, 31 FCC Rcd 10683, 10691, para. 27 (WCB 2016) (*Mutual Telephone-Winnebago Order*) (approving the allocation of Base Period Revenue amounts using a simple average of the access line count for FY 2011 when only a portion of a study area is involved).

<sup>43</sup> See *Butler-Panora Order*, 33 FCC Rcd at 1157, para. 15.

<sup>44</sup> *2012 Average Schedule Conversion Order*, 27 FCC Rcd at 15764, para. 32.

<sup>45</sup> See *Butler-Panora Order*, 33 FCC Rcd at 1157-58, para. 16.

<sup>46</sup> *Id.*; 47 CFR § 51.909(a).

<sup>47</sup> See, e.g., *Butler-Panora Order*, 33 FCC Rcd at 1157-58, para. 16; *Titonka-ITC-Northeast Order*, 34 FCC Rcd at 4781-82, para. 10.

<sup>48</sup> *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, 34 FCC Rcd 9617, 9621, para. 10 (WCB 2019) (*Sunflower-Lakeland Order*).

<sup>49</sup> See 47 CFR § 1.3.

<sup>50</sup> See TrioTel Petition at 4; Farmers Mutual Petition at 4; ICTC Petition at 5.

<sup>51</sup> See, e.g., *USF/ICC Transformation Order*, 26 FCC Rcd at 17984-85, para. 902.

tariffed rate for the local switching rate element which is determined by the rate band assignment.<sup>56</sup> According to ICTC, “[t]he assignment of Local Switching Rate Band 8... was confirmed by [NECA] as the appropriate assignment consistent with the methodology historically used for other rate band consolidations.”<sup>57</sup> We agree with ICTC that Rate Band 8 is the appropriate rate band for tariffing the local switching rate for the merged study areas.<sup>58</sup>

14. The banding process is the pooling equivalent of composite rate development approved in the *2012 Average Schedule Conversion Order*.<sup>59</sup> The new rate for ICTC and Absaraka will become the rate cap for the affected rate element. The rate band change resulting from the study area merger will result in ICTC’s local switching traffic being assessed at a higher rate, while Absaraka’s traffic will be assessed at the same rate it was prior to merger.<sup>60</sup> We recognize that, depending on the traffic mix, this may alter slightly ICTC’s relative recovery between access revenues and CAF ICC support. We find these minimal differences to be more than offset by the public interest benefits of efficiencies gained from merging study areas.<sup>61</sup> We agree with Petitioners that the mergers will serve the public interest<sup>62</sup> by producing significant administrative cost savings and facilitating the Commission’s goal of encouraging carriers to become more efficient and increase productivity,<sup>63</sup> which will facilitate increased investment in broadband deployment.

15. Grant of the Farmers Mutual Petition will be effective upon release of this Order.<sup>64</sup> Grant of the planned study area merger described in the TrioTel Petition will be effective July 1, 2020.<sup>65</sup> Grant of the ICTC Petition will be effective upon the date that the ICTC and Absaraka study areas merge.<sup>66</sup>

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<sup>52</sup> See e.g., *Sunflower-Lakeland Order*, 34 FCC Rcd at 9621-22, para. 11; *Butler-Panora Order*, 33 FCC Rcd at 1157, para. 15; see also *Mutual Telephone-Winnebago*, 31 FCC Rcd at 10691, para. 27.

<sup>53</sup> *Sunflower-Lakeland Order*, 34 FCC Rcd at 9621-22, para. 11.

<sup>54</sup> ICTC Petition at 3. TrioTel and Farmers Mutual did not seek waiver of rule 51.909(a) because they proposed maintaining their respective rate bands for switched access services in the NECA Tariff following the study area mergers. TrioTel Petition at 5-6; Farmers Mutual Petition at 1; see 47 CFR § 51.909(a).

<sup>55</sup> *2012 Average Schedule Conversion Order*, 27 FCC Rcd at 15765, para. 33; 47 CFR § 51.909(a).

<sup>56</sup> See *Sunflower-Lakeland Order*, 34 FCC Rcd at 9622, para. 13.

<sup>57</sup> ICTC 2019 *Ex Parte* Letter at 2.

<sup>58</sup> See *id.*; ICTC Petition at 3. ICTC does not need a waiver of section 51.909(a) because it is maintaining the tariffed rate bands for local transport services in Rate Band 10 and for tandem switched transport services in Rate Band 2 following the study area merger. See ICTC Petition at 3; 47 CFR § 51.909(a).

<sup>59</sup> *Butler-Panora Order*, 33 FCC Rcd at 1157-58, para. 16; *Titonka-ITC-Northeast Order*, 34 FCC Rcd at 4783, para. 13.

<sup>60</sup> For the merged study area ICTC proposed changing the NECA local switching rate band for ICTC from Rate Band 5 to Rate Band 8; Absaraka would remain in Rate Band 8. ICTC Petition at 7, Exh. A; ICTC 2019 *Ex Parte* Letter at 2.

<sup>61</sup> See *Butler-Panora Order*, 33 FCC Rcd at 1157-58, para. 16.

<sup>62</sup> See ICTC Petition at 3-5; Farmers Mutual Petition at 3-4; TrioTel Petition at 6-7.

<sup>63</sup> See *USF/ICC Transformation Order*, 26 FCC Rcd at 17984-85, para. 902.

<sup>64</sup> Farmers Mutual requested waiver in order for the planned study area merger to occur effective January 1, 2020. Farmers Mutual Petition at 2.

<sup>65</sup> TrioTel initially requested waiver in order for the planned study area merger to occur effective January 1, 2020 but, since that date had passed, subsequently requested for the study area merger to become effective July 1, 2020. TrioTel *Ex Parte* Letter; TrioTel Petition at 7.

**V. ORDERING CLAUSES**

16. Accordingly, IT IS ORDERED, pursuant to sections 4(i), 5, 201-203 and 254(g) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 155, 201-203, 254(g), and sections 0.91, 0.291 and 1.3 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 1.3, that the Petition for Waiver filed by TrioTel Communications, Inc., dated September 18, 2019, IS GRANTED AS PROVIDED HEREIN.

17. IT IS FURTHER ORDERED, pursuant to sections 4(i), 5, 201-203 and 254(g) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 155, 201-203, 254(g), and sections 0.91, 0.291 and 1.3 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 1.3, that the Petition for Waiver filed by Farmers Mutual Telephone Company of Stanton, Iowa, Inc., dated October 8, 2019, IS GRANTED AS PROVIDED HEREIN.

18. IT IS FURTHER ORDERED, pursuant to sections 4(i), 5, 201-203 and 254(g) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 155, 201-203, 254(g), and sections 0.91, 0.291 and 1.3 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 1.3, that the Petition for Waiver filed by Inter-Community Telephone Company, L.L.C. on November 1, 2019 IS GRANTED AS PROVIDED HEREIN.

19. 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

Gil M. Strobel  
Chief  
Pricing Policy Division  
Wireline Competition Bureau

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<sup>66</sup> ICTC requested waiver in order for the planned study area merger to occur effective August 1, 2020. ICTC Petition at 1-2.