

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

In the Matter of)	
)	
Connect America Fund: A National Broadband)	WC Docket No. 10-90
Plan for Our Future High-Cost Universal Service)	
Support)	
)	
ETC Annual Reports and Certifications)	WC Docket No. 14-58
)	
Telecommunications Carriers Eligible to)	WC Docket No. 09-197
Receive Universal Service Support)	
)	
Connect America Fund – Alaska Plan)	WC Docket No. 16-271
)	
Expanding Broadband Service Through the ACAM)	RM-11868
Program)	

ORDER

Adopted: December 8, 2025

Released: December 8, 2025

By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, the Wireline Competition Bureau (Bureau) resolves several outstanding issues relating to the Enhanced Alternative Connect America Cost Model (E-ACAM or Enhanced A-CAM) program.¹ More specifically, we detail how support recalculations will work for carriers whose total number of obligated locations has changed between the initial E-ACAM authorization² and the current updated location list, and we respond to several comments from interested parties proposing modifications to E-ACAM funding.³ We also set forth the timeline when the support recalculations will

¹ See generally *Connect America Fund; ETC Annual Reports and Certifications; Telecommunications Carriers Eligible to Receive Universal Service Support; Connect America fund – Alaska Plan; Expanding Broadband Service Through the ACAM Program*, WC Docket Nos. 10-90, 14-58, 09-197, and 16-271; RM-1168, Report and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, 38 FCC Rcd 7040 (2023) (*Enhanced A-CAM Order*).

² See *Wireline Competition Bureau Announces Enhanced Alternative Connect America Cost Model Support Amounts Offered to Rate-of-Return Carriers to Expand Rural Broadband*, WC Docket No. 10-90 et al., Public Notice, 38 FCC Rcd 7828 (WCB 2023) (*Enhanced A-CAM Offer Public Notice*); Wireline Competition Bureau Authorizes 368 Companies in 44 States to Receive Enhanced Alternative Connect America Cost Model Support to Expand Rural Broadband, WC Docket No. 10-90, Public Notice, 38 FCC Rcd 10304 (*Enhanced A-CAM Authorization Public Notice*).

³ See Letter from Genevieve Morelli, ACAM Broadband Coalition, et al., to Marlene H. Dortch, Federal Communications Commission, WC Docket Nos. 10-90 et al. (filed Nov. 10, 2025) (*Coalitions' E-ACAM Proposals*).

occur. Finally, in a Public Notice that we release concurrently with this Order,⁴ we release an updated eligible locations list and a tentative file showing updated support amounts that correspond to the updated eligible locations list.

II. BACKGROUND

2. In 2023, the Commission released the *Enhanced A-CAM Order* to promote the widespread deployment of 100/20 Mbps broadband across areas served by A-CAM recipients and by rate-of-return carriers still receiving legacy support.⁵ Carriers that elected to receive Enhanced A-CAM were required to provide qualifying service of at least 100/20 Mbps to locations within their service areas for which voice and terrestrial broadband services at speeds of 100/20 Mbps or faster were not yet available or that lacked an enforceable commitment for deployment.⁶ Based on available data, carriers were provided with a list of locations where they would be required to deploy or maintain service and the tentative support amounts they would receive in return.⁷ The tentative support amounts were determined by using an updated version of A-CAM to calculate support for each individual location within a carrier's service area.⁸ We emphasized, however, that we believed that carriers "typically understand where in their service areas there are, in fact, broadband serviceable locations, deployment by unsubsidized competitors, and enforceable commitments to deploy broadband," and that the final list of eligible locations was subject to change based on updated data.⁹

3. In order to determine which locations were already served by qualifying broadband of at least 100/20 Mbps or were subject to enforceable commitments to deploy that service, the Commission used broadband coverage data from the National Broadband Map and federal broadband funding data from the National Broadband Funding Map.¹⁰

4. Using that data, the Commission released its Enhanced A-CAM offers on August 30, 2023. Carriers had until September 29, 2023 to accept those offers.¹¹ On October 4, 2023 the Bureau announced the carriers that accepted their E-ACAM offers,¹² and on October 30, 2023, the Bureau published the first E-ACAM authorization report, listing each carrier's authorized support and the total number of locations where each carrier would be required to deploy or maintain support.¹³

5. In the *Enhanced A-CAM Order* the Commission recognized, however, that "improvements in information related to locations, broadband coverage, and federal and state funding"¹⁴

⁴ See Wireline Competition Bureau Announces Updated Interim Eligible Locations File and Support Amounts for Enhanced Alternative Connect America Model Mechanism, WC Docket No. 10-90 et al., Public Notice, DA 25-1024 (WCB Dec. 8, 2025).

⁵ See *Enhanced A-CAM Order*, 38 FCC Rcd at 7048, para. 19.

⁶ See *id.* at 7057, para. 37.

⁷ See *Enhanced A-CAM Offer Public Notice*.

⁸ See *Enhanced A-CAM Order*, 38 FCC Rcd at 7068, para. 67.

⁹ See *Enhanced A-CAM Order*, 38 FCC Rcd at 7073-74, para. 78.

¹⁰ *Enhanced A-CAM Order*, 38 FCC Rcd at 7059, para. 42.

¹¹ See *Enhanced A-CAM Offer Public Notice*.

¹² *Wireline Competition Bureau Announces Carriers That Have Accepted Enhanced Alternative Connect America Cost Model Support to Expand Rural Broadband*, Public Notice, WC Docket No. 10-90, Public Notice, 38 FCC Rcd 9241 (WCB 2023) (*Enhanced A-CAM Acceptance Public Notice*)

¹³ See *Enhanced A-CAM Authorization Public Notice*

¹⁴ *Enhanced A-CAM Order*, 38 FCC Rcd at 7072, para. 77.

would lead to updated lists of locations where E-ACAM recipients were obligated to deploy. To that end, Commission staff has been working collaboratively with state and Tribal leaders to ensure that locations that are already subject to enforceable commitments are properly considered “served” for E-ACAM purposes.¹⁵

6. The Commission also recognized that the deduplication process could result in corresponding changes to an E-ACAM carrier’s support.¹⁶ The Commission stated that if the total number of a carrier’s obligated locations decreased by less than 5%, then no further support adjustment would be required.¹⁷ The Commission directed the Bureau to devise a methodology for reducing support if a carrier’s total number of obligated locations decreased between 5% and 15% from the total number of obligated locations in the authorization.¹⁸ The Commission further stated that a carrier whose total number of obligated locations decreased by more than 15% would have its support recalculated.¹⁹ Finally, the Commission stated that if a carrier’s total number of obligated locations increased, additional funding would be provided “only to the extent that it would not cause the Enhanced A-CAM program to exceed the budget set forth above.”²⁰

7. In a subsequent Bureau-level Order, we stated that support recipients whose obligated locations decreased between 5% and 15% from the totals contained in the authorization would have their support amount recalculated, and the support would “gradually, over a period of two years, decrease to the recalculated amount, trued-up such that the total amount of support the carrier would be receiving over the Enhanced A-CAM term reflects the final adjusted set of locations.”²¹ That order did not directly address whether an E-ACAM recipient whose total number of obligated locations decreased by more than 15% would have its reduced support amount phased in over time, or whether and to what extent an E-ACAM carrier whose total number of obligated locations increased would have its support amount increase.

8. On November 10, 2025, the ACAM Broadband Coalition and WTA (Coalitions) filed an *ex parte* proposing several changes to the E-ACAM program.²² They proposed using a “proxy method” to update the per-location costs that determine the E-ACAM support that carriers receive, essentially “compar[ing] investments at the census block level in the model between Fabric v.2 and Fabric v.4” in an effort to derive amounts from fully re-running the model using Fabric v.4.²³ They also proposed a “smoothing” process to phase in any support reductions for carriers who see a decrease of greater than 5% of their obligated locations, and they proposed that any reduction in support should be phased down over a period of four years.

¹⁵ See, e.g., *Wireline Competition Bureau Announces Updated Interim Eligible Locations File for Enhanced Alternative Connect America Model Mechanism*, WC Docket No. 10-90, Public Notice, 40 FCC Rcd 5321 (WCB 2025) (*August 2025 Updated Eligible Locations PN*).

¹⁶ *Enhanced A-CAM Order*, 38 FCC Rcd at 7072-73, paras. 77-78.

¹⁷ *Id.* at 7073, para. 77.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.* at 7073, para. 78.

²¹ *Connect America Fund*; WC Docket Nos. 10-90 et al., Order, 38 FCC Rcd 7821, 7826-7, para. 16 (WCB 2023) (*Enhanced A-CAM Implementation Order*).

²² *Coalitions’ Proposals*

²³ *Id.* at 3.

III. DISCUSSION

9. *Coalitions' Proposals.* As a threshold matter, we decline to adopt the Coalitions' proxy method to update per-location costs. In its initial Order, the Commission made it clear that version 2.6.0 of the A-CAM model would be used to determine E-ACAM offers—not Fabric v.4²⁴—and we subsequently made it clear when we released E-ACAM offers that carriers would “need to evaluate on a state-level basis whether the support to be received is sufficient to serve all their required locations with 100/20 Mbps or faster broadband service.”²⁵ Carriers chose to accept or decline the offers with the understanding that the per-location support amounts would be generated by version 2.6.0 of the A-CAM model, and we believe that modifying, and in many cases increasing, the per-location support that E-ACAM carriers receive by using a proxy method to recalculate support amounts would not be fair to the carriers who declined to accept their E-ACAM offers because they did not believe the offered amounts were sufficient.²⁶ As we discuss in more detail below, we adopt a modified version of the Coalitions' proposed “smoothing” proposal, which we believe mitigates potentially significant discrepancies in support between E-ACAM carriers whose obligated locations decrease by slightly less and slightly more than 5%. Finally, we delay the start of the phase-down an additional year until 2027 but otherwise decline to adopt the Coalitions' proposal to phase-in any support reduction over 4 years.²⁷ While we see no reason to modify our previous timeline of phasing in a support reduction over 2 years,²⁸ we are mindful of the Coalitions' contention that it would be beneficial for providers to receive “a greater level of support” during the initial years of the program when the providers must meet their deployment obligation.²⁹ To that end, as we discuss in more detail below, we will begin the 2-year phase-down of support in 2027, instead of 2026, thereby allowing carriers subject to a reduction in support to receive increased support for an additional year.

10. In addition to responding to the Coalitions' proposals,³⁰ in this Order we set forth the support recalculations that will occur for E-ACAM carriers whose total number of obligated locations change. We also establish a “smoothing” process to ensure that carriers whose obligated locations decrease by a small percentage above 5% do not see a sharp drop in support compared to carriers whose total number of obligated locations do not drop by more than 5%.³¹ Finally, we clarify that all carriers who see a reduction in support will have that reduction phased in over 2 years, with that phase-down beginning in 2027.

11. *Support Recalculation.* The Commission made clear that if a carrier is obligated to deploy service to at least 95% of the number of locations listed in the authorization, “no further adjustment to support will be required.”³² There are several scenarios that have not previously been directly addressed, however. We examine each in turn.

²⁴ *Enhanced A-CAM Order*, 38 FCC Rcd at 7068, para. 68.

²⁵ *Enhanced A-CAM Offer Public Notice*, 38 FCC Rcd at 7830.

²⁶ See *WCB Addresses Petitions for Reconsideration of Enhanced A-CAM Order*, WC Docket No. 10-90, Order, 40 FCC Rcd 2378, 2390, para. 31 (noting that a funding re-allocation “would unfairly harm Enhanced A-CAM carriers that relied upon the promised amounts when they chose to accept Enhanced A-CAM support.”) (WCB 2025).

²⁷ Coalitions' Proposal at 6-7.

²⁸ *Enhanced A-CAM Implementation Order*, 38 FCC Rcd at 7827, para. 16.

²⁹ Coalitions' Proposal at 6.

³⁰ See *supra* para. 9.

³¹ We note that the two-year support phase-down does not apply to E-ACAM carriers whose support is being reduced on a “glide path.” *Enhanced A-CAM Offer Public Notice*, 38 FCC Rcd at 7832.

³² *Enhanced A-CAM Order*, 38 FCC Rcd at 7073, para. 77.

12. If a carrier's total number of obligated locations decreases, but its total recalculated support would *increase*, then the carrier will receive its recalculated increased support amount. We believe this result is fair to the carriers whose updated location totals may not have increased, but who are now obligated to serve more expensive locations as a result of updates to the Broadband Map or the deduplication process. If a carrier's total number of obligated locations *increases* but its recalculated support would *decrease*, then the carrier's original support amount will not change. While the carrier is still obligated to serve every unserved location within its service area,³³ we are mindful of the potential for economic challenges that could result from having to deploy or maintain service to an increased number of locations. Accordingly, we decline to reduce the support amount for carriers whose total number of obligated locations increases. Finally, if a carrier's total number of obligated locations increases and its recalculated support would also increase, then the carrier will receive its increased, recalculated support amount. The table below illustrates each scenario discussed in this paragraph.

Obligated Locations	Recalculated Support Would	Updated Support Amount Will
Decrease > 5%	Decrease	Decrease
Decrease > 5 %	Increase	Increase
Decrease < 5%	Decrease	Not Change
Decrease < 5%	Increase	Increase
Increase	Decrease	Not Change
Increase	Increase	Increase

13. *Smoothing.* In the *Enhanced A-CAM Order*, the Commission made it clear that carriers whose total number of obligated locations decreases by more than 15% will have their support recalculated.³⁴ We subsequently decided that carriers whose total number of obligated locations decreases between 5% and 15% will also have their support recalculated,³⁵ but we believe that a “smoothing” process to ensure a gradual reduction in support for those carriers whose total number of obligated locations decreases between 5% and 15% is appropriate. The smoothing process will work as follows: rather than completely recalculating support for a carrier whose total number of obligated locations decreases between 5% and 15%,³⁶ the following formula will be used:³⁷

³³ See, e.g. *Enhanced A-CAM Order*, 38 FCC Rcd at 7057, para. 37 & n. 130.

³⁴ *Enhanced A-CAM Order*, 38 FCC Rcd at 7073, para. 77.

³⁵ *Enhanced A-CAM Implementation Order*, 38 FCC Rcd at 7827, para. 16.

³⁶ And whose recalculated support would decrease.

$$\text{Support Reduction} = \text{Change in Recalculated Support} * \frac{(\text{Percent Change in Obligated Locations} + 5.0\%) * 1.5}{\text{Percent Change in Obligated Locations}}$$

14. This smoothing process is only appropriate for carriers who see the relatively small drop of between 5% and 15% of their total obligations, because the Commission's *Enhanced A-CAM Order* makes a clear delineation between (1) carriers whose obligated locations decrease between 5% and 15% and (2) carriers whose obligated locations decrease by more than 15%.³⁸

15. As we previously stated, support reductions will be phased in over the course of 2 years.³⁹ In order to give affected carriers time to prepare, and to allow carriers to make progress towards their deployment obligations, carriers that have reduced support will continue receiving their current support amounts in 2026. We will then begin the support reduction in 2027, with the second and final year of reduced support coming in 2028. The following formula will be used to determine the updated support amounts starting in 2028 for a carrier whose support is reduced, and the step-down year payment in 2027 will be half-way between the initial amount and the post-step-down amount. This formula ensures that an E-ACAM recipient's total support over the duration of the program will be fifteen times its final, updated annual support amount.⁴⁰

$$\text{Yearly Payment After Step Down} = \frac{\text{New Authorized Total} - \text{Total Paid} - (\text{Initial Yearly Payment} * 0.5)}{\text{Years after Step Down} + 0.5}$$

16. Because it is beneficial for carriers to receive increased support as they fulfill their deployment obligation, carriers who will receive increased support will not have their support phased in. Instead, carriers with increased support amounts will begin receiving increased support immediately starting in 2026—and their support will be increased using the following formula:

$$\text{Yearly Payment After Increase} = \frac{\text{New Authorized Total} - \text{Total Paid}}{\text{Years after Increase}}$$

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³⁷ As an example, if a carrier had (1) an initial support offer of \$11 million, (2) a recalculated support amount of \$10 million, and (3) an 8% drop in obligated locations, then, without smoothing, it would see a reduction of \$1 million of support (from \$11 million to \$10 million).

However, using the formula set forth above: \$1 million * ((-8% + 5%)*1.5) / -8% = \$1 million * (4.5%/8%) = \$1 million x 56.25% = **\$562,500** loss of support.

³⁸ *Enhanced A-CAM Order*, 38 FCC Rcd at 7073, para. 77 (“If the number of locations to which the Enhanced A-CAM carrier is required to deploy is less than 85% of the obligated locations in the authorization, the carrier’s support will be recalculated.”)

³⁹ *Enhanced A-CAM Implementation Order*, 38 FCC Rcd at 7827, para. 16.

⁴⁰ For example, a provider whose initial support was authorized at \$100 and whose recalculated support amount is \$90 will have a new authorized total of \$90*15 = \$1,350 and their payments will be laid out as follows. The first three years will be paid \$100 each for a total of \$300. The post-step-down amount is calculated according to the formula above (\$1,350-\$300-\$50)/11.5 = \$87. The step-down year payment will be half-way between the initial amount and the post-step-down amount: (\$100+\$87)/2 = \$93.5. The outlays will be 3 payments of \$100, 1 payment of \$93.5 and 11 payments of \$87, for a total of \$1,350.

IV. ORDERING CLAUSE

17. Accordingly, IT IS ORDERED that, pursuant to sections 1, 4(i), 5(c), 201(b), 214, and 254 of the Communications Act of 1934, as amended, and section 706 of the Telecommunications Act of 1996, 47 U.S.C. §§ 151, 154(i), 155(c), 201(b), 214, 254, 1302, sections 0.91 and 0.291 of the Commission's rules, 47 CFR §§ 0.91, 0.291, and the delegations of authority in paragraphs 51, 60, 64, 72, 74, 77, and 78 of the *Enhanced A-CAM Order*, FCC 23-60, this Order IS ADOPTED and SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Joseph S. Calascione
Chief
Wireline Competition Bureau