



PUBLIC NOTICE

Federal Communications Commission
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WIRELINE COMPETITION BUREAU SEEKS COMMENT ON NEW FLORENCE TELEPHONE, LLC'S PETITION FOR WAIVER OF PART 36 STUDY AREA BOUNDARY FREEZE AND SECTION 69.3(e)(11) OF THE COMMISSION'S RULES

CC Docket No. 96-45

Comment Date: January 8, 2026

Reply Comment Date: February 9, 2026

The Wireline Competition Bureau (Bureau) seeks comment from interested parties on a petition for waiver filed by New Florence Telephone Company (New Florence), Orchard Farm Telephone Company, New London Telephone Company, and Stoutland Telephone Company (collectively, Petitioners).¹ Petitioners state the purpose of the waiver is to allow the merger of four commonly owned study areas in Missouri.² The resulting merged study area will be the New Florence Telephone Company study area (SAC 421927). Petitioners thus seek a waiver of the definition of “study area” contained in the Appendix-Glossary of part 36 of the Commission’s rules to effectuate the proposed merger.³ Petitioners also relatedly seek a waiver of section 69.3(e)(11) of the Commission’s rules, concerning the annual access tariff filing requirements.⁴

Petitioners are incumbent rural local exchange carriers (LECs) serving 968 voice customers and 967 broadband customers in Missouri.⁵ The study areas that are being merged receive Revised Alternative Connect America Cost Model I (Revised A-CAM I) support.⁶ All four companies also receive Connect America Fund – Intercarrier Compensation (CAF ICC) support.⁷ Petitioners state that merging the study areas will provide more efficient operations, accounting, and regulatory compliance

¹ New Florence Telephone Company et al., Petition for Waiver of the Definition of “Study Area” of the Appendix - Glossary of Part 36 of the Commission’s Rules; Petition for Waiver of Section 69.3(e)(11) of the Commission’s Rules, CC Docket No. 96-45 (July 31, 2025) (Petition); Letter from Chris Barron, Senior Manager, Aldrich CPAs + Advisors LLP, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 96-45 (Sept. 12, 2025) (Supplement).

² Petition at 1-2. The merging study areas are New Florence Telephone Company study area (SAC 421927), New London Telephone Company study area (SAC 421928), Orchard Farm Telephone Company (SAC 421934), and Stoutland Telephone Company study area (SAC 421951). *Id.* Petitioners are subsidiaries of Oregon Telephone Corporation, which is a holding company that owns 13 companies across three states. *Id.* at 2.

³ 47 CFR § 36.4(c) (requiring the filing of a study area waiver petition for study area changes, including when a “holding company is consolidating existing study areas within the same state”).

⁴ Petition at 1-2, 5.

⁵ *Id.* at 1-2.

⁶ *Id.* at 4. New Florence receives the Revised A-CAM I support disbursements for the four Missouri study areas involved in this petition. *Id.* at 2.

⁷ *Id.*

and will result in more operating funds to provide high-quality service and better “continue the deployment, maintenance, and upgrading of their broadband networks.”⁸

The Commission froze all study area boundaries effective November 15, 1984 “to prevent incumbent LECs from establishing separate study areas made up only of high-cost exchanges to maximize their receipt of high-cost universal service support.”⁹ In the 2011 *USF/ICC Transformation Order*, the Commission established the rules governing part 36 study area waiver requests.¹⁰ The Commission’s standards for evaluating petitions for study area waiver are: (1) the state commission having regulatory authority over the transferred exchanges does not object to the transfer and (2) the transfer must be in the public interest.¹¹ The Commission’s evaluation of the public interest benefits of a proposed study area waiver include: (1) the number of lines at issue; (2) the projected universal service fund cost per line; and (3) whether such a grant would result in consolidation of study areas that facilitates reductions in cost by taking advantage of the economies of scale, *i.e.*, reduction in cost per line due to the increased number of lines.¹²

The rules also provide a streamlined process whereby “[u]pon determination by the [Bureau] that a petitioner has filed a complete petition for study area waiver and that the petition is appropriate for streamlined treatment, the [Bureau] will issue a public notice seeking comment on the petition.”¹³ Unless otherwise notified by the Bureau, the petition will be deemed granted 60 days after the reply comment due date absent further action by the Bureau.¹⁴ A waiver of section 69.3(e)(11), as requested by Petitioners, is also subject to this streamlined process.¹⁵

In the *High-Cost Improvements Order*, the Commission amended its rules to “provide a simpler process for rate-of-return LECs seeking to merge . . . study areas to calculate the new entity’s Access Recovery Charge, CAF ICC support, and reciprocal compensation and switched access rate caps.”¹⁶ The

⁸ Petition at 4.

⁹ 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 17661, 17763, paras. 260 (2011), *aff’d sub nom.* In re FCC, 753 F.3d 1015 (10th Cir. 2014) (*USF/ICC Transformation Order*).

¹⁰ *Id.* at 17763, paras. 266-67.

¹¹ *Id.* at 17762, para. 265.

¹² *Id.*

¹³ 47 CFR § 36.4; *USF/ICC Transformation Order*, 26 FCC Rcd at 17763, para. 267.

¹⁴ *Id.*

¹⁵ *USF/ICC Transformation Order*, 26 FCC Rcd at 17763, paras. 266-67 (“Additionally, any study area waiver related waiver requests that petitioners routinely include in petitions for study area waiver and we routinely grant – such as requests for waiver of sections 69.3(e)(11) (to include any acquired lines in the NECA pool) and 69.605(c) (to remain an average schedule company after an acquisition of exchanges) – will also be deemed granted on the 60th day after the reply comment due date absent any further action by the Bureau.”); 47 CFR § 69.3(e)(11) (“A telephone company or group of telephone companies may file a tariff that is not an association tariff. Such a tariff may cross-reference the association tariff for some access elements and include separately computed charges of such company or companies for other elements. Any such tariff must comply with the requirements hereinafter provided: . . . (11) Any changes in Association common line tariff participation and Long Term and Transitional Support resulting from the merger or acquisition of telephone properties are to be made effective on the next annual access tariff filing effective date following consummation of the merger or acquisition transaction, in accordance with the provisions of § 69.3(e)(9).”).

¹⁶ See *Connect America Fund Alaska Connect Fund Universal Service Reform et al.*, WC Docket No. 10-90, Notice of Proposed Rulemaking and Report and Order, 38 FCC Rcd 9982, 10053, para. 162 (2023) (*High-Cost Improvements Order*).

Commission noted inefficiencies in its prior intercarrier compensation rules, which had not contemplated merging study areas.¹⁷ The Commission therefore adopted amendments to the intercarrier compensation rules in sections 51.917(c) and 51.909(a) to address study area changes resulting from transactions involving rate-of-return carriers.¹⁸ Section 51.917 was modified to allow rate-of-return carriers merging study areas to calculate Base Period Revenues affected by the transaction “without the need for a waiver.”¹⁹ Section 51.909 was amended to “eliminate the need for a waiver in circumstances where the CAF ICC increase is at or below two percent.”²⁰ In their Petition, the Petitioners confirm that “the merger will not result in an increase in CAF ICC support of greater than 2%.”²¹ Petitioners also indicate that they submit the Petition pursuant to revised rule 51.917 concerning Base Period Revenue calculations.²² We have reviewed the filings and agree that the recently revised rules apply in this instance and, as a result, waivers of rules 51.909 and 51.917 are not necessary.

We find that the Petitioners have filed a complete petition for study area waiver and the Petition is appropriate for streamlined treatment. Petitioners state the merger will not change the amount of high-cost support received, and the post-merger level of CAF ICC support will not exceed two percent.²³ The Missouri Public Service Commission also does not oppose the transaction.²⁴ Accordingly, absent further action by the Bureau the petition for waiver of the definition of “study area” contained in the Appendix-Glossary of Part 36 of the Commission’s rules and of section 69.3(e)(11) will be approved on the 60th day after the reply comment deadline provided above.²⁵

Filing Requirements. Pursuant to sections 1.2, 1.415 and 1.419 of the Commission’s rules, 47 CFR §§ 1.3, 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. All filings must refer to **CC Docket No. 96-45**.²⁶

- Electronic Filers: Comments may be filed electronically using the Commission’s online Electronic Comment Filing System (ECFS): <https://www.fcc.gov/ecfs/>.²⁷

¹⁷ *Id.* at 10054-55, paras. 166-67.

¹⁸ *Id.* at 10055, para. 168.

¹⁹ *Id.* at 10055, para. 169; 47 CFR § 51.917(c)(2)(i) (“Rate-of-return carriers subject to this section that merge with, consolidate with, or acquire, other rate-of-return carriers shall establish combined Base Period Revenue and interstate revenue requirement levels as follows: (i) If the merger or acquisition is of two or more study areas, the Base Period Revenue and interstate revenue requirement levels of the study areas shall be added together to establish a new Base Period Revenue and interstate revenue requirement for the newly combined entity; . . .”).

²⁰ *High-Cost Improvements Order*, 38 FCC Rcd at 10055-56, paras. 170, 172. 47 CFR § 51.909((a)(7)(ii) (“Rate-of-return carriers subject to section 51.917 that merge with, consolidate with, or acquire other rate-of-return carriers shall establish new rate caps as follows: . . . (ii) If the merged entity participates in the Association traffic-sensitive tariff and has to establish a single switched access rate for one or more rate elements, the new consolidated rate reflecting the cost characteristics of the merged entity, as determined by the Association, will serve as the new rate cap if the merged entity’s CAF ICC support will not be more than two percent higher than the combined amount received by the entities prior to merger, using rate and demand levels for the preceding calendar year. . . .”).

²¹ Petition at 2.

²² *Id.* at 2.

²³ *Id.* at 4.

²⁴ *Id.*

²⁵ See 47 CFR § 36.4(a).

²⁶ All filings relating to this Public Notice should refer *only* to the docket listed here.

- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing.
 - Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service. **All filings must be addressed to the Secretary, Federal Communications Commission.**
 - Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
 - Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 - Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, Washington, DC 20554.
- *People with Disabilities:* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530.

Availability of Documents. Comments, reply comments, and *ex parte* submissions will be publicly available online via ECFS.²⁸

Permit but Disclose Ex Parte Communications. For the purposes of the Commission's *ex parte* rules, each petition addressed within this Public Notice will be treated as initiating a permit-but-disclose proceeding under the Commission's rules.²⁹ Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies).³⁰ Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation.³¹ If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum.³² Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b).³³ In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system

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²⁷ See Federal Communications Commission, Electronic Filing of Documents in Rulemaking Proceedings, 63 Fed. Reg. 24121 (May 1, 1998).

²⁸ Documents will generally be available electronically in ASCII, Microsoft Word, and/or Adobe Acrobat.

²⁹ See 47 CFR § 1.1206.

³⁰ *Id.* § 1.2016(b)(2)(iii).

³¹ *Id.* § 1.206(b)(1).

³² *Id.*

³³ *Id.* § 1.1206(b)(2).

available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable.pdf).³⁴ Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

For further information, please contact William Layton, Telecommunications Access Policy Division, Wireline Competition Bureau at william.layton@fcc.gov or Irina Asoskov, Pricing Policy Division, Wireline Competition Bureau at irina.asoskov@fcc.gov.

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³⁴ *Id.* § 1.1206(b)(2)(i); *see also id.* § 1.49(f).