



PUBLIC NOTICE

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45 L Street NE
Washington, DC 20554

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Internet: www.fcc.gov

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WIRELINE COMPETITION BUREAU ANNOUNCES ADDITIONAL FOUR RATE-OF-RETURN CARRIER STUDY AREAS ELECTING INCENTIVE REGULATION FOR THEIR BUSINESS DATA SERVICES

WC Docket No. 17-144

By this Public Notice, the Wireline Competition Bureau (Bureau or WCB) announces that an additional four rate-of-return local exchange carrier (carrier) study areas in four states elected to move their business data services (BDS) offerings to incentive regulation effective July 1, 2025 pursuant to section 61.50 of the Commission's rules,¹ and the *Rate-of-Return BDS Order*.²

In the *Rate-of-Return BDS Order*, the Commission permitted rate-of-return carriers receiving Alternative Connect America Cost Model (A-CAM) or fixed high-cost universal service support to elect to transition certain BDS offerings from rate-of-return to incentive regulation.³ The Commission provided eligible carriers with two initial opportunities to elect BDS incentive regulation in 2019 and 2020.⁴ The Commission also provided eligible carriers that accept future offers of A-CAM support or that otherwise transition away from legacy support mechanisms with an additional opportunity to elect incentive regulation for their BDS offerings effective July 1 in the tariff year following their election.⁵ Carriers are required to elect BDS incentive regulation "at the holding company-level for study areas in all states where that carrier receives fixed support."⁶ This year, four carriers elected incentive regulation for their BDS pursuant to section 61.50 of the Commission's rules effective July 1, 2025.⁷

¹ 47 CFR § 61.50.

² *Regulation of Business Data Services for Rate-of-Return Local Exchange Carriers et al.*, WC Docket No. 17-144 et al., Report and Order, Further Notice of Proposed Rulemaking, and Second Further Notice of Proposed Rulemaking, 33 FCC Rcd 10403, 10404, para. 1 (2018) (*Rate-of-Return BDS Order*).

³ *Id.* at 10404, para. 1; 47 CFR §§ 61.50, 69.801 *et seq.* Business data services (or BDS) includes end user channel termination services and transport services.

⁴ *Rate-of-Return BDS Order*, 33 FCC Rcd at 10412-13, para. 23.

⁵ *Id.* at 10411, para. 20; 47 CFR § 61.50(l)(3).

⁶ *Rate-of-Return BDS Order*, 33 FCC Rcd at 10412, para. 22; 47 CFR § 61.50(a).

⁷ Letter from Eric S. Cramer, CEO, Wilkes Tel. Membership Corp., to Trent Harkrader, Chief, WCB, FCC, WC Docket Nos. 17-144 et al. (filed May 28, 2025) (electing BDS incentive regulation on behalf of New Castle Tel. Co.); Letter from Eric S. Cramer, CEO, Wilkes Tel. Membership Corp., to Trent Harkrader, Chief, WCB, FCC, WC Docket Nos. 17-144 et al. (filed May 28, 2025) (electing BDS incentive regulation on behalf of Amelia Tel. Corp.); Letter from Tim Roth, VP of Finance & Legal, Direct Communications Rockland, Inc., to Trent Harkrader, Acting Bureau Chief, WCB, FCC, WC Docket No. 17-144 et al. (filed Apr. 29, 2025) (electing BDS incentive regulation on behalf of Union River Tel. Co. d/b/a Rivah.Net); Chillicothe Tel. Co. Tariff F.C.C. No. 1, Transmittal No. 123, Description and Justification, at 1 (filed June 15, 2025) (electing to move lower speed (DS3 and below) BDS rates to National Exchange Carrier Association, Inc. Tariff F.C.C. No. 6); *Regulation of Business Data Services for Rate-of-*
(continued....)

Carriers electing BDS incentive regulation this year were eligible to begin detariffing their higher-capacity (above DS3) end user channel termination services and transport services and lower-capacity (DS3 and below) end user channel termination services in study areas deemed competitive beginning in tariff filings effective July 1, 2025 and must detariff these BDS offerings no later than July 1, 2028.⁸ Carriers electing BDS incentive regulation are also required to detariff their lower capacity (DS3 and below) end user channel termination services in competitive study areas within 36 months after those services are deemed competitive by the competitive market test pursuant to section 61.50(j) of the Commission's rules.⁹ Rate-of-return carriers electing incentive regulation this year were required to remove their BDS offerings from the National Exchange Carrier Association, Inc. (NECA) traffic-sensitive tariff pool but may continue to participate and tariff access services other than BDS.¹⁰

For further information about this Public Notice, please contact Simon Solemani, Pricing Policy Division, Wireline Competition Bureau, Simon.Solemani@fcc.gov.

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Return Local Exchange Carriers, WC Docket No. 17-144, Order, DA 25-492 (WCB June 6, 2025) (granting waiver of section 61.50 of the Commission's rules to allow Chillicothe Tel. Co. to transition their BDS to incentive regulation).

⁸ See 47 CFR § 61.50(k)(3) (requiring electing carriers to detariff their higher-capacity BDS within thirty-six months after the effective date of their election and to detariff their lower-capacity end user channel termination services within thirty-six months after such services are deemed competitive).

⁹ 47 CFR § 61.50(k)(3); *Rate-of-Return BDS Order*, 33 FCC Rcd at 10452-53, paras. 140-145.

¹⁰ 47 CFR § 61.50(d). See *Regulation of Business Data Services for Rate-of-Return Local Exchange Carriers*, WC Docket No. 17-144, Order, DA 25-434 (WCB May 22, 2025) (granting a waiver of sections 69.3(e)(6) and (i)(1) of the Commission's rules to allow to Union River Tel. Co. to withdraw its BDS rates from the NECA traffic-sensitive tariff pool effective July 1, 2025 and transition their BDS to incentive regulation effective July 1, 2025).

APPENDIX**Rate-of-Return Carriers Electing Incentive Regulation for Business Data Services
Effective July 1, 2025**

Rate-of-Return Carrier Study Area Name	State	Study Area Code
Amelia Telephone Corporation	VA	190217
Chillicothe Telephone Company	OH	300597
New Castle Telephone Company	VA	193029
Union River Telephone Company d/b/a Rivah.net	ME	100027