

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

In the Matter of	)	
	)	
Universal Service Contribution Methodology	)	WC Docket No. 06-122
	)	
Petition for Waiver by Coblentz Technology, LLC	)	
	)	

ORDER

Adopted: November 21, 2025

Released: November 21, 2025

By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, we grant a petition for waiver of the one-year downward revision deadline to revise the 2023 Federal Communications Commission (FCC) Form 499-A filed by Coblentz Technology, LLC (Coblentz).¹ Given the highly unique circumstances, we find good cause to grant Coblentz’s request for waiver and direct the Universal Service Administrative Company (USAC) to accept Coblentz’s revised 2023 FCC Form 499-A and process it accordingly.

II. BACKGROUND

2. Section 254(d) of the Communications Act of 1934, as amended (the Act), directs that “every telecommunications carrier that provides interstate telecommunications services shall contribute, on an equitable and nondiscriminatory basis, to the specific, predictable, and sufficient mechanisms established by the Commission to preserve and advance universal service.”² Section 254(d) further provides that “[a]ny other provider of interstate telecommunications may be required to contribute to the preservation and advancement of universal service if the public interest so requires.”³ To this end, the Commission has determined that common carriers and private carriage providers that provide interstate telecommunications to others for a fee generally must contribute to the Universal Service Fund (USF or Fund) based on their interstate and international end-user telecommunications revenues.⁴

3. In the 2004 *FCC Form 499-A One-Year Deadline Order*, the Wireline Competition Bureau (Bureau) established a one-year deadline for filers to submit any revisions to their original FCC Form

¹ Amended Petition for Waiver of the FCC Form 499-A Revision Deadline Request for Review by Coblentz Technology, LLC, WC Docket No. 06-122 (filed Mar. 7, 2025) (Amended Petition); *see also* Petition for Waiver of FCC Form 499-A Revision Deadline for a De Minimis Filer by Coblentz Technology, LLC, WC Docket No. 06-122 (filed June 22, 2024) (Petition).

² 47 U.S.C. § 254(d).

³ *Id.*

⁴ *See Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9183-84, para. 795 (1997) (subsequent history omitted). The Commission also requires certain other providers of interstate telecommunications to contribute to the Fund. *See, e.g., Universal Service Contribution Methodology et al.*, CC Docket No. 96-45 *et al.*, Report and Order and Notice of Proposed Rulemaking, 21 FCC Rcd 7518, 7544, para. 52 (2006) (requiring interconnected voice over Internet protocol providers to contribute to the Fund).

499-A that result in reduced contributions.⁵ The Bureau held that a firm one-year deadline for revisions that would result in reduced contributions would improve administrative efficiency and provide certainty, stability, and sufficiency for the funds covered by the FCC Form 499-A.⁶ The Bureau determined that a one-year period for such revisions was appropriate based, among other reasons, on the fact that a one-year period gives filers adequate time to discover errors and represents a third opportunity for carriers to review and file revenue information for the prior year, following the filing of the quarterly FCC Forms 499-Q and the initial Form 499-A.⁷ Accordingly, if a filer misreports its revenues in the annual FCC Form 499-A filing, it has until March 31 of the following year to revise its filing.⁸ The Bureau has made clear that requests to file downward revisions to the FCC Form 499-A outside the 12-month window will not be granted unless there is a showing of good cause.⁹

4. Coblentz is a small community-based interconnected voice over Internet Protocol (VoIP) reseller servicing a limited geographic area.¹⁰ Coblentz was a *de minimis* contributor to the USF since it first started providing telecommunications services in 2018 through 2021 and relied on its wholesaler provider for assistance with the preparation of its annual FCC Form 499-A until calendar year 2022.¹¹ In 2023, Coblentz prepared the 2023 FCC Form 499-A, to report calendar year 2022 revenues, for the first time without its former wholesale provider's assistance.¹² For the company's 2023 Form 499-A, Coblentz states that it reported gross-billed revenue from all sources on Line 420 instead of gross universal service contribution base amounts.¹³ This resulted in Coblentz erroneously reporting an exponential one-year increase in USF base revenue and receiving an invoice from USAC on May 22, 2024 with an outstanding balance of \$70,232.76, due to the incorrectly reported amount.¹⁴ With the corrected revenue based of \$96,567.79, Coblentz would have an estimated contribution obligation of only \$26,773.42 for calendar

⁵ See *Federal-State Joint Board on Universal Service, 1998 Biennial Regulatory Review—Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, CC Docket Nos. 96-45, 98-171, 97-21, Order, 20 FCC Rcd 1012, 1016, para. 10 (WCB 2004) (*FCC Form 499-A One-Year Deadline Order*).

⁶*Id.* The *FCC Form 499-A One-Year Deadline Order* did not impose a similar deadline for revisions that result in increased contributions.

⁷ See *id.* at 1017, para. 11.

⁸ See USAC, Schedule of Filings, <https://www.usac.org/service-providers/contributing-to-the-usf/when-to-file/> (last visited Aug. 22, 2025) (USAC Form 499 Filing Schedule). The one-year deadline is reflected in the FCC Form 499-A instructions. See, e.g., 2023 FCC Form 499-A Instructions at 14.

⁹ See, e.g., *Universal Service Contribution Methodology; Federal-State Joint Board on Universal Service; Requests for Review of Decisions of Universal Service Administrator by AT&T, Inc., Eureka Broadband Corporation*, WC Docket No. 06-122, CC Docket No. 96-45, Order, 25 FCC Rcd 10855 (WCB 2010) (granting waivers of the 12-month filing deadline to two petitioners that demonstrated good cause) (*499-A Revision Approval Order*); *Universal Service Contribution Methodology; Federal-State Joint Board on Universal Service; Requests for Review of Decisions of Universal Service Administrator by Airband Communications, Inc. et al.*, WC Docket No. 06-122, CC Docket No. 96-45, Order, 25 FCC Rcd 10861 (WCB) (finding that several petitioners had not met their burden of showing good cause) (*499-A Revision Denial Order*).

¹⁰ Amended Petition at 2-6.

¹¹ *Id.* at 2-3.

¹² *Id.* at 2. Coblentz utilized a local accountant to prepare the 2023 FCC Form 499-A and that individual did not have prior experience filing the FCC Form 499-A. *Id.* at 2.

¹³ *Petition* at 3.

¹⁴ *Id.*

year 2022.¹⁵ Coblentz contacted USAC, the USF administrator, and was told that the company must seek a waiver from the FCC because it was beyond the one year deadline to downward revise the form.¹⁶

5. On June 23, 2024, Coblentz filed a Petition seeking a waiver of the one-year deadline to revise the 2023 FCC Form 499-A.¹⁷ At the time it filed the petition, Coblentz believed that it was still a *de minimis* filer for calendar year 2022, as it had been every year since it began providing telecommunications service in 2018.¹⁸ After an internal review, Coblentz became aware that it was no longer a *de minimis* contributor and filed an amended Petition on March 7, 2025.¹⁹

III. DISCUSSION

6. Generally, the Commission's rules may be waived for good cause shown.²⁰ The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest.²¹ In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis.²² In sum, waiver is appropriate if special circumstances warrant a deviation from the general rule, and such deviation would better serve the public interest than strict adherence to the general rule.²³

7. Waiver requests of the one-year revision deadline to the FCC Form 499-A are rarely granted.²⁴ Generally, simple negligence by a filer is "insufficiently unique" to warrant waiver of a filing deadline.²⁵ Here, however, based on the narrow facts and unique circumstances presented, we find that there is good cause for waiver and that the equity and hardship considerations weigh in favor of granting Coblentz's request for waiver of the FCC Form 499-A one-year revision deadline.²⁶ Coblentz states that

¹⁵ Letter from Jeffrey A. Mitchell, Counsel for Coblentz Technology LLC, Mitchell Law, PLLC, to Marlene H. Dortch, Secretary, FCC. WC Docket No. 06-122, at 3 (filed Mar. 14, 2025).

¹⁶ *Id.* at 4. Coblentz also challenges the one-year revision deadline by arguing that being required to pay more into the USF than necessary constitutes a sanction that violates the Administrative Procedure Act (APA). As we grant the waiver of the one-year revision deadline, we need not address the merits of Coblentz's argument regarding the APA. *Id.* at 7-10.

¹⁷ *Id.*

¹⁸ *Amended Petition* at 2.

¹⁹ *Id.*

²⁰ 47 CFR § 1.3.

²¹ *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990).

²² *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969); *Northeast Cellular*, 897 F.2d at 1166.

²³ *Northeast Cellular*, 897 F.2d at 1166.

²⁴ *See, e.g., Universal Service Contribution Methodology, Request for Waiver by Mercury Wireless*, WC Docket No. 06-122, Order, 27 FCC Rcd 11178 (WCB 2012).

²⁵ *Universal Service Contribution Methodology; Federal-State Joint Board on Universal Service; Requests for Review of Decisions of Universal Service Administrator by Airband Communications, Inc. et. al.*, WC Docket No. 06-122; CC Docket No. 96-45; Order, 25 FCC Rcd 10861, 10864, para. 7 (WCB 2010) ("It is the responsibility of contributors to familiarize themselves with any applicable regulations and to ensure that filings are received by the deadline. As such, and in accordance with federal law, simple negligence on the part of a filer is insufficiently unique to justify waiver of the deadlines for revising FCC Forms 499.").

²⁶ Our decision to grant Coblentz's request for waiver of the FCC Form 499-A one-year revision deadline is based on a showing of good cause for waiver, and on equity and hardship considerations. Thus, we do not address the merits of Coblentz's argument that the contribution factor represents an unlawful monetary sanction. *See, e.g., Amended Petition* at 7-10.

it erroneously reported a higher contribution base for 2022, resulting in an effective contribution factor of 73%.²⁷ Coblentz further states, that with an assessable revenue base of \$96,567.79, it is unable to pay the \$70,232.76 assessed contribution amount and that a requirement to pay the full assessed amount may result in bankruptcy for the small community-based reseller.²⁸ Most importantly, Coblentz was a *de minimis* filer every year until 2022.²⁹

8. Coblentz believed that it continued to be a *de minimis* filer for 2022, as it had been for every previous year in which it was in operation.³⁰ Filing year 2023 was also the first year that Coblentz was required to submit FCC Form 499-A itself, rather than rely on its wholesale provider.³¹ Coblentz states that it did not learn of its reporting error until after the one-year revision deadline had passed for the 2023 FCC Form 499-A and it received an invoice from USAC.³² When it discovered the error Coblentz remitted a substantial portion of the undisputed contribution obligation as a sign of good faith.³³ Additionally, Coblentz agrees to pay any remaining USF balance based on the corrected revenue base, plus interest and late filing penalties associated with the underpayment of its corrected USF obligations.³⁴ The unique circumstances presented here, including that the provider had previously always been a *de minimis* filer and was for the first time required to pay USF contributions, show sufficient good cause to warrant a waiver of the filing deadline despite the filing error on the part of Coblentz.

9. Coblentz serves a limited geographic area and “fulfils a unique niche for the rural communities it serves.”³⁵ Coblentz maintains that as many as one third of its customers would have no telephone service without the VoIP service that it provides and that it has become the carrier of last resort for many consumers in the four rural Ohio counties it serves.³⁶ If not allowed to revise the 2023 FCC Form 499-A, Coblentz could cease operations, depriving the communities it serves of a competitive service provider.³⁷ Coblentz was also a *de minimis* provider until 2022, demonstrated good-faith effort to remedy its error, and the revision permitted by this waiver will have a minimal impact on the USF.

10. It remains critically important to ensure the stability of the Universal Service Fund by expecting contributors to file accurate information on their FCC Form 499-A and limiting the ability of contributors to downward revise their forms beyond the one-year deadline. However, in this unique situation and given the totality of the circumstances, we find that good cause exists to waive the one-year revision deadline for the 2023 FCC Form 499-A. We direct USAC to accept the revised filing and to process it accordingly. We remind all filers that they must file all forms in a timely manner and make any necessary downward revisions within the one-year deadline set out in the *FCC Form 499-A One-Year Deadline Order*.

²⁷ Amended Petition at 1, 5.

²⁸ *Id.* at 1, 3.

²⁹ *Id.* at 2-3.

³⁰ *Id.* at 2.

³¹ *Id.*

³² *Id.* at 2-3.

³³ *Id.* at 3.

³⁴ *Id.* at 3-4.

³⁵ *Id.* at 6.

³⁶ *Id.*

³⁷ *Id.*

IV. ORDERING CLAUSES

11. Accordingly, IT IS ORDERED, pursuant to the authority contained in sections 1-4 and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154 and 254, and sections 0.91, 0.291, 1.3 and 54.722(a) of the Commission's rules, 47 CFR §§ 0.91, 0.291, 1.3 and 54.722(a), the Petition for Waiver filed by Coblenz Technology, LLC is GRANTED.

12. 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

Joseph S. Calascione
Chief
Wireline Competition Bureau