

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

In the Matter of)	
)	
Connect America Fund: A National Broadband Plan for our Future High-Cost Universal Service Support)	WC Docket No. 10-90
)	
Siskiyou Telephone Company Petition for Waiver of the 47 CFR § 54.302(a) Monthly Per-Line Support Cap)	
)	

ORDER

Adopted: February 20, 2026

Released: February 20, 2026

By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, the Wireline Competition Bureau (WCB or Bureau) addresses a petition filed by Siskiyou Telephone Company (Siskiyou or Petitioner) requesting a waiver of section 54.302(a) of the Commission’s rules to exceed the monthly, per-line limit on high-cost universal service support.¹ For the reasons discussed below, we deny Siskiyou’s request.

II. BACKGROUND

2. Siskiyou is an incumbent rate-of-return carrier, providing voice and broadband services in the Western Siskiyou County exchange in rural northern California (Study Area Code 542339).² Siskiyou has about 3,500 active access lines in a territory that is mountainous with a low population density and that includes the Klamath National Forest, which comprises 70% of the study area.³ In 2025, Siskiyou received more than \$8.9 million from the Connect America Fund Broadband Loop Support (CAF BLS), High-Cost Loop Support (HCLS), and CAF Intercarrier Compensation (CAF ICC) mechanisms, or over \$2,400 for each active access line per year.⁴ According to the Commission’s broadband mapping data, there are a total of 3,922 broadband serviceable locations⁵ in Siskiyou’s study

¹ See 47 CFR § 54.302(a); Siskiyou Telephone Company Petition for Waiver of the 47 CFR § 54.302(a) Monthly Per-Line Support Cap, WC Docket No. 10-90 (Nov. 1, 2024) (Petition); Siskiyou Telephone Company’s Supplement to its Petition for Waiver of the 47 CFR § 54.302(a) Monthly Per-Line Support Cap, WC Docket No. 10-90 (Mar 26, 2025) (Petition Supplement).

² Petition at 1-2.

³ *Id.*

⁴ See USAC, High Cost Funding Disbursement Search, <https://opendata.usac.org/High-Cost/High-Cost-Funding-Disbursement-Search/cegz-dzzi>.

⁵ See FCC, National Broadband Map data as of Dec. 31, 2024, <https://broadbandmap.fcc.gov/data-download/nationwide-data>. A broadband serviceable location is “a business or residential location in the United States at which mass-market fixed broadband Internet access service is, or can be, installed.” *Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion*, GN Docket No. 22-270, 2024 Section 706 Report, 39 FCC Rcd 3247, 3370, Appx. A, para. 1, n.735 (2024).

area, meaning Siskiyou receives over \$2,250 per location in its study area, per year whether or not Siskiyou has a customer at the location.⁶

3. Section 54.302(a) caps the total amount of legacy high-cost support a carrier can receive at \$200 per line, per month.⁷ On November 1, 2024, Siskiyou filed a petition pursuant to section 1.3 of the Commission’s rules requesting a waiver of the cap for a two year period as it seeks to enhance service to homes destroyed by wildfires in 2020 and 2022.⁸ Specifically, a forest fire in the Slater and Happy Camp communities in the study area on September 8, 2020 resulted in the destruction of over 200 homes and 147 disconnections of service.⁹ On July 29, 2022, another fire in the McKinney community caused the destruction of 72 homes and an additional 58 disconnections of service.¹⁰ According to Petitioner, its Fiber-to-the-Home network in the Slater and Happy Camp communities was largely underground but some of the last mile network was damaged.¹¹ In the McKinney community, however, damage was more substantial as the network there contained aerial infrastructure.¹² Siskiyou has invested more than \$1.3 million in capital expenditures for the rebuilds for these communities, which “was offset by \$469,000 in insurance proceeds related to the McKinney fire.”¹³ Siskiyou states there are no alternative terrestrial providers offering service in these communities.¹⁴

4. The loss of lines “contributed to Siskiyou exceeding the \$200 monthly, per-line support cap in 2022 and 2023[,]” which resulted in the exclusion of support in excess of the cap.¹⁵ The amount of excluded support “has become progressively worse over time.”¹⁶ Siskiyou thus states a waiver is needed to recover the excluded support due to the loss of lines caused by the fires to enhance its ability to “restore service to the areas damaged by fire” with “future proof” underground fiber optic cables.¹⁷ This, in turn, according to Siskiyou, will allow it to serve more customers when the State of California builds out an

⁶ In comparison, Starlink—a low Earth orbit satellite system operator—offers a residential broadband service plan for \$50 a month, \$600 annually, with a download speed of up to 100 Mbps and an upload speed of between 15-35 Mbps in the Happy Camp community with a \$0 upfront hardware cost. *See* Starlink, <https://starlink.com/order?processorToken=5983db6b-19d8-4aa9-b637-b7dae7d43681&step=0>.

⁷ 47 CFR § 54.302(a). Universal service support subject to this cap includes BLS and HCLS but does not include CAF ICC replacement support. *Id.* § 54.302(a)-(b). Carriers receiving CAF BLS and HCLS funding, receive support for working loops serving end-user subscribers. *See* 47 CFR Part 36 Appx. (“Working Loop. A revenue producing pair of wires, or its equivalent, between a customer’s station and the central office from which the station is served.”).

⁸ Petition at 1-2.

⁹ *Id.* at 2. Without indicating the tribe(s), Siskiyou states the Slater and Happy Camp communities are tribal areas “with a larger volume of mobile homes and tiny homes that are not necessarily being rebuilt or replaced in the same locations they existed in prior to the fires.” Petition Supplement at 4.

¹⁰ Petition at 2.

¹¹ Petition Supplement at 2.

¹² *Id.*

¹³ *Id.* (“The rebuilds also included \$1,511,056 in plant retirements.”). Siskiyou states it “committed the capital to the rebuild even without the lost [Universal Service Fund] support.” *Id.*

¹⁴ *Id.* at 3. Petitioner does state that “there is approximately 10% cellular coverage in the small community centers” outside the affected communities in the study area. *Id.*

¹⁵ Petition at 2-3.

¹⁶ *Id.*

¹⁷ *Id.* at 5, Atch. 2 at 1 “Affidavit of Russell Elliott, CEO.”

open access middle-mile network in northern California.¹⁸ As Petitioner states, “it will assist Siskiyou in more rapidly serving new customers in areas in and around the Western Siskiyou County exchange.”¹⁹

5. Initially, Siskiyou requested a two-year waiver of the monthly, per-line cap without indicating the amount by which it intended to exceed the cap.²⁰ In a supplement, Siskiyou states that if the Commission is “inclined to tailor relief specifically to the costs incurred because of the fires,” not including the reduced support amounts, then it requests an additional \$44,163 per month, the amount reduced due to exceeding the cap, for three years, which would total almost \$1.6 million.²¹ If granted for only two years, the relief totals about \$1.1 million.²²

6. The Bureau sought comment on Siskiyou’s Petition on December 5, 2024.²³ NTCA—The Rural Broadband Association (NTCA) and WTA—Advocates for Rural Broadband (WTA) filed comments,²⁴ and the California Communications Association (CCA) filed a reply comment.²⁵ Commenters support Siskiyou’s request stating a waiver is justified due to the rural nature of the study area, the challenging terrain and associated increased costs of construction, and the unexpected nature of the fires.²⁶ WTA further states that “without such relief, Siskiyou may be unable to offer service to residents that lost their homes.”²⁷

III. DISCUSSION

7. In the 2011 *USF/ICC Transformation Order*, the Federal Communications Commission (Commission) comprehensively reformed and modernized the High-Cost Program.²⁸ The adopted measures, including the adoption of the monthly, per-line support cap in section 54.302(a), were part of the Commission’s “fiscally responsible, accountable, incentive-based policies to preserve and advance voice and broadband service while ensuring fairness for consumers who pay into the universal service fund.”²⁹ The Commission recognized, however, the reforms adopted could lead to support reductions that

¹⁸ *Id.* at Atch. 2; California Public Utility Commission, Open-Access Middle Mile, <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/broadband-implementation-for-california/open-access-middle-mile>; *California Forges Ahead on Nation’s Largest Open-Access, Middle-Mile Broadband Network*, Benton Institute for Broadband and Society (Aug. 29, 2024) (“In the next three months, the Middle-Mile Broadband Network will kick off construction on 33 segments spanning over 1,590 miles – building toward an estimated 3,256 miles in construction by the end of 2024.”), <https://www.benton.org/headlines/california-forges-ahead-nation%E2%80%99s-largest-open-access-middle-mile-broadband-network>.

¹⁹ Petition Supplement at 4 (“If relief is granted by the Commission, Siskiyou will have more capital to commit to expansion and underground fiber build-out as opposed to aerial.”).

²⁰ Petition at 1-5.

²¹ Petition Supplement at 4-5.

²² *Id.* at 5.

²³ *Wireline Competition Bureau Seeks Comment on Siskiyou Telephone Company’s Petition for Waiver of 47 CFR § 54.302(a) Monthly Per-Line Support Cap*, WC Docket No. 10-90, Public Notice, DA 24-1224 (WCB Dec. 5, 2024).

²⁴ NTCA Comments, WC Docket No. 10-90, at 1-4 (rec. Jan. 6, 2025); WTA Comments, WC Docket No. 10-90, at 1-3 (rec. Jan. 6, 2025).

²⁵ CCA Reply, WC Docket No. 10-90, at 1-2 (rec. Jan. 13, 2025).

²⁶ *Id.* at 1; NTCA Comments at 2-3; WTA Comments at 2.

²⁷ WTA Comments at 2.

²⁸ *Connect America Fund et al., Report and Order and Further Notice of Proposed Rulemaking*, WC Docket No. 10-90 et al., 26 FCC Rcd 17663, 17672, paras. 1, 17 (2011), *aff’d sub nom.* In re FCC, 753 F.3d 1015 (10th Cir. 2014) (*USF/ICC Transformation Order* or *FNPRM*).

²⁹ *Accipter Communications, Inc. Petition for Temporary Waiver of Certain High-Cost Universal Service Rules*, WC Docket No. 10-90, Order, 28 FCC Rcd 391, para. 2 (WCB 2013).

could threaten the financial viability of carriers and thus imperil service to consumers.³⁰ The Commission thus permitted carriers “negatively affected by the universal service reforms . . . to file a petition for waiver that clearly demonstrates that good cause exists for exempting the carrier from some or all of those reforms, and that waiver is *necessary* and in the public interest to ensure that consumers in the area continue to receive voice services.”³¹ In 2012, the Commission said it would also consider the impact of the loss of broadband service to consumers.³² The Commission emphasized, however, that a substantial reduction in support by itself is insufficient to justify a waiver; “[t]he petition must also establish that consumers will suffer loss of services with no alternative *or* that consumers in the relevant study area would *not* be paying reasonably comparable rates to urban consumers.”³³ The Commission “did not anticipate granting waiver requests routinely or for ‘undefined duration[s],’” and delegated authority to the Bureau to rule on such requests.³⁴

8. The waiver standard laid out in the *USF/ICC Transformation Order*, and clarified in the *Fifth Order on Reconsideration*, protects consumers against a “significant risk of losing access” to voice and broadband service.³⁵ Siskiyou, however, is seeking to exceed the monthly, per-line cap, not to prevent service disruptions, but to recover support previously excluded due to the cap because of line loss and to recover the cost of its rebuilds. Siskiyou specifically states the relief is needed to recover costs to “enhance” its service capabilities with underground fiber.³⁶ Siskiyou also notes it will not be taking any facilities out of service if the waiver is not granted.³⁷ In addition, Siskiyou states that after the fires, it “rebuilt its infrastructure as needed . . . to provide service to anyone making a reasonable request.”³⁸ Accordingly, even if there are no alternative terrestrial providers serving the affected communities, the relief requested is not “necessary” to prevent a disruption of either voice or broadband access service to

³⁰ *Id.* at 17839, para. 539.

³¹ *Id.* (emphasis added). Specifically, the Commission stated “[w]e envision granting relief only in those circumstances in which the petitioner can demonstrate that the reduction in existing high-cost support would put consumers at risk of losing voice services, with no alternative terrestrial providers available to provide voice telephony service using the same or other technologies that provide the functionalities required for supported voice service.” *Id.* at 17840, para. 540.

³² *Connect American Fund, et. al*, WC Docket No. et al., *Fifth Order on Reconsideration*, 27 FCC Rcd 14549, 14557, para. 20 (2012) (*Fifth Order on Reconsideration*). The Commission also “made clear that, in the waiver context, the analysis should include a focus on the financial picture of a waiver applicant, particularly its ‘operating expenses’” to ensure they are not “excessive and unreasonable.” *Adak Eagle Enterprises, LLC and Windy City Cellular, LLC, Petitions for Waiver of Certain High-Cost Universal Service Rules*, WC Docket Nos. 10-90, 10-208, Order on Reconsideration and Memorandum Opinion and Order, 30 FCC Rcd 5080, 5083, para. 6 (2015) (quoting *Fifth Order on Reconsideration*, 27 FCC Rcd at 14558, para. 22).

³³ *Fifth Order on Reconsideration*, 27 FCC Rcd at 14557, para 21 (emphasis in original).

³⁴ *Connect America Fund High-Cost Universal Service Support*, WC Docket Nos. 10-90, 05-337, Order, 28 FCC Rcd 11050, 11052, para. 6 (WCB 2013); *USF/ICC Transformation Order*, 26 FCC Rcd at 17840-42, paras. 542, 544.

³⁵ *Fifth Order on Reconsideration*, 27 FCC Rcd at 14557, para. 18, 21 (“We note that the Commission’s intent in discussing waivers relating to reductions in USF support was not to replace the ordinary standard for granting waivers under section 1.3 of the Commission’s rules, but rather to provide guidance in advance to potential applicants of the circumstances that would be persuasive and compelling grounds for grant of a waiver under that waiver standard to assist potential applicants in effectively formulating their waiver petitions.”).

³⁶ Petition at 5.

³⁷ *Id.*

³⁸ Petition Supplement at 2.

Siskiyou's customers or other consumers living in the study area.³⁹

9. Petitioner also fails to show that absent a waiver its customers would pay rates not reasonably comparable to the rates paid by urban consumers. Indeed, a review of Siskiyou's current service offerings shows the opposite is true. Even with the fires in 2020 and 2022 and without the requested additional support, Siskiyou's offers Internet plans at a download/upload speed of 100 Mbps for \$44.95 per month and a symmetrical download/upload speed of 1 Gbps for \$99.95 per month.⁴⁰ These plans are offered at rates *below* the most recent urban rate benchmark. For example, the *2026 Urban Rate Survey* results show a monthly urban benchmark rate of \$96.46 for unlimited fixed broadband service at 100/20 Mbps and \$122.08 for a symmetrical 1 Gbps unlimited fixed broadband service offering.⁴¹ Siskiyou also offers stand-alone residential local voice telephone service for \$26 per month.⁴² In comparison, the 2026 urban average monthly rate for voice service is \$33.99.⁴³ Petitioner has thus not provided any evidence to show that absent the waiver requested, "consumers in the relevant study area would *not* be paying reasonably comparable rates to urban consumers."⁴⁴

10. For the above reasons, we deny Petitioner's waiver request. We are sympathetic that the "unplanned nature of the damage and line loss caused financial harm to the company."⁴⁵ However, based on the facts and the standard laid out in the *USF/ICC Transformation Order* and the *Fifth Order on Reconsideration*, we do not find good cause to waive the monthly, per-line support limit contained in section 54.302(a) of the Commission's rules.⁴⁶ As the Commission has stated, a substantial reduction in support by itself is insufficient to justify a waiver.⁴⁷

IV. ORDERING CLAUSES

11. ACCORDINGLY, IT IS ORDERED, pursuant to sections 1, 4(i), 5(c), 201, and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 155(c), 201, and 254, and sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 CFR §§ 0.91, 0.291, and 1.3, that this Order IS ADOPTED.

12. IT IS FURTHER ORDERED that the petition for waiver of section 54.302 of the Commission's rules, 47 CFR § 54.302, filed by Siskiyou Telephony Company IS DENIED.

³⁹ *Id.* Accordingly, we disagree with WTA that absent a waiver, Siskiyou may not be able to offer service to residents. WTA Comments at 2.

⁴⁰ See Siskiyou Telephone, <https://www.siskiyoutelephone.com/internet> (last visited Jan. 27, 2026) (stating that advertised rates require the purchase of telephone service).

⁴¹ See *WCB and OEA Announce Results of 2026 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for Eligible Telecommunications Carriers*, WC Docket No. 10-90, DA 25-1088 at 3 (WCB/OEA Dec. 19, 2025) (*2026 Urban Rate Survey*).

⁴² Petition at 4.

⁴³ *2026 Urban Rate Survey* at 1.

⁴⁴ *Fifth Order on Reconsideration*, 27 FCC Rcd at 14557, para. 21.

⁴⁵ Petition Supplement at 2.

⁴⁶ 47 CFR § 54.302(a).

⁴⁷ *Fifth Order on Reconsideration*, 27 FCC Rcd at 14557, para 21.

13. 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