

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

In the Matter of)
Service Rules for the 698-746, 747-762 and 777-)
792 MHz Bands) WT Docket No. 06-150
Promoting Consumer Choice and Wireless)
Competition Through Handset Unlocking) WT Docket No. 24-186
Requirements and Polices)

ORDER

Adopted: June 5, 2026

Released: June 5, 2026

By the Chief, Wireless Telecommunications Bureau:

I. INTRODUCTION

1. Pursuant to section 1.3 of the Commission’s rules, we find good cause to grant the request of East Kentucky Network, LLC d/b/a Appalachian Wireless (Appalachian Wireless) for a waiver of the section 27.16(e) handset unlocking rule as it applies to Appalachian Wireless.1 We find this waiver is warranted because it will benefit consumers, promote uniform regulatory policy, and reduce handset fraud for a small, rural provider. While this waiver is in effect, Appalachian Wireless has committed to adhere to the handset unlocking standards contained in the CTIA Consumer Code for Wireless Service.2 This adherence will benefit Appalachian Wireless’s customers by enhancing transparency and the disclosure of its unlocking policies. In accordance with the relief requested by Appalachian Wireless, this waiver will remain in effect until such time as the Commission decides on an appropriate industry-wide approach for the unlocking of handsets.3

1 East Kentucky Network, LLC d/b/a Appalachian Wireless Petition for Waiver, WT Docket Nos. 06-150 and 24-186 (filed Feb. 20, 2026) (Appalachian Wireless Petition), https://www.fcc.gov/ecfs/document/102202550126480/1. We clarify that the term handsets also incorporates any other wireless mobile devices operating on the Upper 700 MHz C Block spectrum that Appalachian Wireless leases from Verizon Wireless as part of the Spectrum Manager Lease Agreement that it has entered into with Verizon Wireless.

2 See Appalachian Wireless Reply at 2-3, 4 (stating that, if granted a waiver, it would commit to abide by the unlocking standards in the CTIA Consumer Code for Wireless Service); see also Appalachian Wireless Petition at 8 (stating that, if granted a waiver, it would comply with the “industry standards reflected in the CTIA Consumer Code for Wireless Service”). See generally CTIA, Consumer Code for Wireless Service, https://www.ctia.org/the-wireless-industry/industry-commitments/consumer-code-for-wireless-service (last visited May 21, 2026) (CTIA Consumer Code). The CTIA Consumer Code voluntary unlocking standards consist of six general handset unlocking commitments that cover (1) disclosure; (2) postpaid unlocking policy; (3) prepaid unlocking policy; (4) notice; (5) response time; and (6) deployed military personnel unlocking policy (CTIA Unlocking Commitments). CTIA Consumer Code, Section 12. Service providers that abide by these commitments will unlock a postpaid handset after it is paid in full and a prepaid handset no later than one year after initial activation, consistent with reasonable time, payment, or usage requirements. Id.

3 See Appalachian Wireless Petition at 7 (requesting a waiver of the handset unlocking rule in section 27.16(e) “on the same terms and conditions, and for the same duration, as the waiver granted to Verizon”); Appalachian Wireless Reply at 4 (same); see also Service Rules for the 698–746, 747–762 and 777–792 MHz Bands et al., WT Docket No. 06-150 et al., Order, DA 26-43, at 2, 16, paras. 4, 32 (WTB Jan. 12, 2026) (Verizon Wireless Handset Unlocking

(continued....)

II. BACKGROUND

2. On February 20, 2026, in WT Docket Nos. 06-150 and 24-186, Appalachian Wireless filed a Petition for Waiver of the handset unlocking rule found in section 27.16(e) of the Commission's rules.⁴ In 2007, the Commission adopted this rule as part of a set of "open platform" requirements imposed upon Upper 700 MHz C Block licensees.⁵ This rule prohibits licensees from locking handsets that operate on the Upper 700 MHz C Block frequency bands (i.e., the 746-757 and 776-787 MHz bands).⁶ Under this rule, no C Block licensee "may disable features on handsets it provides to customers, to the extent such features are compliant with the licensee's standards . . . , nor configure handsets it provides to prohibit use of such handsets on other providers' networks."⁷ The Commission stated that Upper 700 MHz C Block licensees "may not 'lock' handsets to prevent their transfer from one system to another."⁸

3. Appalachian Wireless states that it is subject to the requirements of the handset unlocking rule in section 27.16(e).⁹ Specifically, Appalachian Wireless asserts that it has entered into a long-term Spectrum Manager Lease Agreement with Verizon Wireless relating to certain upper 700 MHz C Block spectrum in certain parts of rural Kentucky and that, as part of this Lease Agreement, it must comply with the open access requirements for C Block licenses, including the handset unlocking rule.¹⁰ Appalachian Wireless notes that the Wireless Telecommunications Bureau (WTB) recently granted Verizon Wireless a waiver of the handset unlocking rule, and it requests that the Commission grant it a waiver of this rule

Order) (stating that the waiver of the handset unlocking rule in section 27.16(e) for Verizon Wireless "will remain in effect until such time as the Commission decides on an appropriate industry-wide approach for the unlocking of handsets"); *Promoting Consumer Choice and Wireless Competition Through Handset Unlocking Requirements and Policies*, WT Docket No. 24-186, Notice of Proposed Rulemaking, 39 FCC Rcd 8111 (2024).

⁴ Appalachian Wireless Petition at 1.

⁵ *Service Rules for the 698–746, 747–762 and 777–792 MHz Bands et al.*, WT Docket No. 06-150 et al., Second Report and Order, 22 FCC Rcd 15289, 15361, 15370–71, 15501, paras. 195, 222, Appx. B (2007) (*700 MHz Second Report and Order*) (adopting 47 CFR § 27.16(e)).

⁶ 47 CFR § 27.16(e). Mobile wireless handsets may contain software that prevents them from being used on another service provider's technologically compatible network (i.e., the software "locks" the handset to a particular service provider's network). FCC, Wireless Telecommunications Bureau, *Cell Phone Unlocking*, <https://www.fcc.gov/general/cell-phone-unlocking> (last visited May 21, 2026). By contrast, "unlocking" a handset refers to disabling the software that prevents a handset designed for one service provider's network from being activated on another service provider's network. *Id.* (explaining cell phone unlocking). Due to differing technologies, an unlocked handset may not work or may experience limited functionality on another service provider's network. *See id.*

⁷ 47 CFR § 27.16(e). Upper 700 MHz C Block licensees *may* disable a feature on a handset if: (1) the feature "would not be compliant with published technical standards reasonably necessary for the management or protection of the licensee's network," or (2) disabling the feature is "required to comply with [a] statute or applicable government regulation." *Id.* § 27.16(b).

⁸ *700 MHz Second Report and Order*, 22 FCC Rcd at 15371, para. 222.

⁹ Appalachian Wireless Petition at 2; Appalachian Wireless Reply at 1.

¹⁰ Appalachian Wireless Petition at 2; Appalachian Wireless Reply at 1. Appalachian Wireless states that it is a participant in Verizon Wireless's LTE in Rural America (LRA) program and that, as a participant in the LRA program, it has entered into a Spectrum Manager Lease Agreement with Verizon Wireless that requires compliance with the handset unlocking rule. Appalachian Wireless Petition at 2; Appalachian Wireless Reply at 1; *see also* Spectrum Manager Lease L000010762, ULS File Nos. 0004975210, 0005725230, and 0006935217, Public Interest Statements (noting that Appalachian Wireless "will conduct operations under the Agreement subject to applicable rules and regulations including the 'open platform' requirements for devices and applications in the Upper 700 MHz C-Block").

under the same terms and conditions and for the same duration as Verizon Wireless's waiver.¹¹ Appalachian Wireless states that special circumstances exist to grant the waiver because, as WTB stated in granting Verizon Wireless's waiver, the handset unlocking rule harms American consumers and competition, and has failed to deter device fraud.¹² Further, Appalachian Wireless states that granting the waiver will advance the public interest by reducing fraud, protecting rural and low-income consumers, and restoring a more rational and even-handed regulatory framework pending any future Commission action addressing handset unlocking on an industry-wide basis.¹³

4. Appalachian Wireless states that if the Commission grants its waiver request it will abide by the same CTIA Consumer Code for Wireless Service handset unlocking commitments that Verizon Wireless stated that it would abide by if its waiver request was granted.¹⁴ Appalachian Wireless also requests that the Commission grant its waiver request for the same duration as the Commission granted Verizon Wireless's waiver request, and this duration is until such time as the Commission decides on an appropriate industry-wide approach to unlocking handsets.¹⁵

5. On February 27, 2026, WTB sought comment on Appalachian Wireless's Petition for Waiver.¹⁶ NCTA–The Internet & Television Association commented that it does not oppose Appalachian Wireless's waiver request and the Competitive Carriers Association states that it supports the waiver request.¹⁷ Both commenters urge the Commission to consider uniform long-term handset unlocking policies for all providers, but support different approaches.¹⁸ No other parties filed comments on the waiver request.

III. DISCUSSION

6. Section 1.3 of the Commission's rules provides that the Commission may "on its own motion or on petition" waive a rule "for good cause shown, in whole or in part, at any time."¹⁹ The Commission may find that the "good cause" standard is met only if: (1) "special circumstances warrant a deviation from the general rule;" and (2) "such deviation will serve the public interest."²⁰ We find good cause exists under the special circumstances of this case and that it is in the public interest to grant

¹¹ Appalachian Wireless Petition at 7; Appalachian Wireless Reply at 1, 4; *see Verizon Wireless Handset Unlocking Order* at 16, para. 32.

¹² Appalachian Wireless Petition at 4-5.

¹³ Appalachian Wireless Petition at 5-7.

¹⁴ *See* Appalachian Wireless Reply at 2-3, 4; *see also Verizon Wireless Handset Unlocking Order* at 2, 16, paras. 4, 32; Appalachian Wireless Petition at 7, 8.

¹⁵ *See* Appalachian Wireless Petition at 7; Appalachian Wireless Reply at 4; *see also Verizon Wireless Handset Unlocking Order* at 16, para. 32.

¹⁶ *Wireless Telecommunications Bureau Seeks Comment on Appalachian Wireless Petition for Waiver of the Commission's Section 27.16(e) Handset Unlocking Rule*, WT Docket Nos. 06-150 and 24-186, Public Notice, DA 26-210 (WTB Feb. 27, 2026).

¹⁷ NCTA–The Internet & Television Association (NCTA) Comments at 1; Competitive Carriers Association (CCA) Reply at 1, 3-5

¹⁸ *See* NCTA Comments at 1 (stating that it does not oppose Appalachian Wireless's waiver request but urging the Commission to adopt a general requirement that mobile devices must be automatically unlocked 180 days after activation); CCA Reply at 1, 3-5 (supporting Appalachian Wireless's Petition, but suggesting the Commission consider uniform suspension or non-enforcement of the unlocking obligations while evaluating long-term policy changes).

¹⁹ 47 CFR § 1.3.

²⁰ *E.g., Ne. Cellular Tel. Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990); *see WAIT Radio v. FCC*, 418 F.2d 1153, 1157-59 (D.C. Cir. 1969).

Appalachian Wireless's waiver request until such time as the Commission decides on an appropriate industry-wide approach for the unlocking of handsets.

7. *Special Circumstances Exist to Grant the Waiver.* We find that Appalachian Wireless has presented special circumstances that warrant a deviation from the section 27.16(e) handset unlocking rule because application of the rule to Appalachian Wireless has failed to deter handset fraud that uniquely impacts its business, and granting a waiver will ultimately benefit its rural customers. Appalachian Wireless reports that, like Verizon Wireless, it too suffers from handset fraud, but on a smaller scale.²¹ It states, however, that it “lacks the scale and resources of Verizon Wireless and other nationwide providers to absorb fraud-related losses”;²² it is the smallest of the facilities-based operators serving Eastern Kentucky, and it is “much smaller than some of its reseller competitors.”²³ Appalachian Wireless asserts that “[handset] trafficking and early churn impose a disproportionate financial harm on [its] operations.”²⁴ Importantly, it states that the fraud losses it incurs “undermine sustainable rural deployment by diverting limited resources away from network investment and customer care, which are linchpins of the company’s ability to remain competitive.”²⁵ No commenter contests these statements, and we find these facts present special circumstances warranting a waiver of the handset unlocking rule for Appalachian Wireless.

8. *Grant of the Waiver is in the Public Interest.* Moreover, we find that a deviation from the unlocking rule for Appalachian Wireless is in the public interest because it will reduce handset fraud, promote regulatory uniformity, and benefit rural and low-income consumers. Just as we found that the handset unlocking rule imposed financial hardship on Verizon Wireless, we also find that it imposes financial burdens on Appalachian Wireless.²⁶ Granting the waiver will allow Appalachian Wireless to save resources that it can reappropriate to the benefit of all consumers, especially low-income consumers who are more likely to purchase subsidized handsets.²⁷ Further, Appalachian Wireless states that granting the waiver will relieve it of a regulatory obligation “that harms consumers, facilitates criminal activities, and burdens law enforcement agencies.”²⁸

9. We further find that granting Appalachian Wireless the same relief as we granted Verizon Wireless will serve the public interest by preventing the anomalous result of granting relief for Verizon Wireless, lessor of the spectrum, while continuing to impose the unlocking requirement on the spectrum lessee, Appalachian Wireless.²⁹ We also find that granting relief will allow Appalachian Wireless to redirect resources toward serving its customers in Eastern Kentucky where it provides products and

²¹ Appalachian Wireless Petition at 5; *see also* Appalachian Wireless Reply at 2 (arguing that it would be “prejudiced by [any] delay, as it continues to suffer the effects of the Commission’s Unlocking Rule”).

²² Appalachian Wireless Petition at 5. Appalachian Wireless states that “several years ago a criminal recruited multiple individuals across Appalachian Wireless’[s] service area to steal hundreds of devices. The scheme involved signing up for Appalachian Wireless service to get a discounted [handset] that could be immediately resold for a profit. The company not only incurred substantial losses on the [handsets], but it was forced to hire private security at a number of store locations as a deterrent.” *Id.* at 5 n.18; *see also* CCA Reply at 1.

²³ Appalachian Wireless Petition at 7.

²⁴ Appalachian Wireless Petition at 5; *see also* CCA Reply at 3.

²⁵ Appalachian Wireless Petition at 5.

²⁶ *See Verizon Wireless Handset Unlocking Order* at 11, para. 21; Appalachian Wireless Petition at 6; Appalachian Wireless Reply at 4.

²⁷ *See Verizon Wireless Handset Unlocking Order* at 11, para. 21; Appalachian Wireless Petition at 6.

²⁸ Appalachian Wireless Petition at 6; *see also Verizon Wireless Handset Unlocking Order* at 11, para. 22.

²⁹ Appalachian Wireless Petition at 6; *see* CCA Reply at 1-2.

services and is consistent with the Commission's longstanding goal of promoting connectivity.³⁰ We agree with Appalachian Wireless that granting the waiver request will promote regulatory parity in handset unlocking in markets across Eastern Kentucky where the company operates and prevent fraud and harm in these markets.³¹

10. *Prospective Application of the Waiver.* In reaching our decision to grant Appalachian Wireless's waiver request, we agree with the provider that there is no reason to delay the requested relief while the Commission considers an unlocking rule of general applicability. This waiver is effective upon release and, as requested by Appalachian Wireless, will remain in effect until such time as the Commission decides on an appropriate industry-wide approach for the unlocking of handsets.³² The terms of this waiver apply to all handsets that become active on Appalachian Wireless's network beginning the day after the release date of this Order. The prospective application of this waiver will minimize customer confusion and interference with existing contractual arrangements and service agreements. Upon the release of this waiver, Appalachian Wireless has stated that it will change its unlocking policies to follow those set out in the CTIA Consumer Code.

IV. ORDERING CLAUSES

11. Accordingly, IT IS ORDERED, pursuant to section 4(i) of the Communications Act of 1934, as amended, 47 U.S.C. § 154(i), and sections 0.131, 0.331, and 1.3 of the Commission's rules, 47 CFR §§ 0.131, 0.331, 1.3, that the Appalachian Wireless Petition for Waiver IS GRANTED to the extent indicated herein.

12. IT IS FURTHER ORDERED that this Order IS EFFECTIVE upon release and will remain in effect until such time as the Commission decides on an appropriate industry-wide approach for the unlocking of handsets.

FEDERAL COMMUNICATIONS COMMISSION

Joel Taubenblatt
Chief, Wireless Telecommunications Bureau

³⁰ See Appalachian Wireless Petition at 5; CCA Reply at 3.

³¹ See Appalachian Wireless Petition at 5, 6; CCA Reply 2-3.

³² Appalachian Wireless Petition at 7; Appalachian Wireless Reply at 4; see *Verizon Wireless Handset Unlocking Order* at 16, para. 32.