

PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU ANNOUNCES NATIONAL AVERAGE AND INDIVIDUAL CARRIER BROADBAND DEPLOYMENT PERCENTAGES FOR RATE-OF-RETURN CARRIERS

WC Docket No. 10-90

Today, the Wireline Competition Bureau (Bureau) announces the weighted average broadband deployment for all rate-of-return carriers and the relevant deployment figure for each individual carrier based on the December 2015 Form 477 data.¹ These broadband deployment percentages will be used to calculate the capital investment allowance for 2017 and the broadband deployment obligations that rate-of-return carriers that receive support based on legacy mechanisms will be required to fulfill over a five-year period (i.e. 2017 through 2021).² Based on the December 2015 data, the weighted average broadband deployment for all rate-of-return carriers is 74 percent. The deployment figure for each individual carrier can be found at: https://transition.fcc.gov/wcb/RorCoveredDec2015.xlsx.

The percentage for each study area was determined by calculating the total number of housing units (as reported in the 2010 U.S. Census) in those census blocks in the study area in which the carrier reports that it has deployed broadband at a speed of 10 Mbps downstream/1 Mbps upstream (10/1 Mbps) or above divided by the total number of housing units in the carrier's study area.³ The weighted average broadband deployment percentage for all rate-of-return carriers was calculated by dividing the total number of housing units in those census blocks in which rate-of-return carriers report broadband deployment at 10/1 Mbps or above by the total number of housing units in all census blocks in study areas served by rate-of-return carriers.

For additional information about this Public Notice, please contact Suzanne Yelen at (202) 418-0626 or <u>Suzanne.Yelen@fcc.gov</u>.

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¹ FCC Releases Form 477 Data on Fixed Broadband Deployment as of December 31, 2015, WC Docket No. 11-10, Public Notice (WCB rel. Sept. 13, 2016) (data includes revisions made by filers before August 29, 2016). In the *Rate-of-Return Reform Order*, the Commission directed the Bureau to release annually weighted average broadband deployment percentages based on then-current FCC Form 477 data. *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order, Order and Order on Reconsideration and Further Notice of Proposed Rulemaking, 31 FCC Rcd 3087, 3129, 3149-52, paras. 110, 166-171 (2016) (*Rate-of-Return Reform Order*). The *Order* directed the Bureau to use "the more recent June 2015 FCC Form 477 data for the initial implementation of this rule." *Id.* at 3129, para. 1000. However, because implementation of the capital investment allowance was delayed until January 2017, the Bureau is using the most recent Form 477 information available, which is the December 2015 data.

² Carriers with 80% or greater deployment of broadband service meeting the Commission's requirements, based on the more recent December 2017 data set, will not be subject to specific build-out obligations. *Rate-of-Return Reform Order*, 31 FCC Rcd at 3152, para. 173.

³ When determining the number of census blocks in which a carrier has deployed broadband, we include census blocks in the study area in which the carrier's affiliate has deployed broadband.