

PUBLIC NOTICE

Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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> DA 16-1246 Released: November 2, 2016

WIRELINE COMPETITION BUREAU ANNOUNCES RESULTS OF RATE-OF-RETURN CARRIERS THAT ACCEPTED OFFER OF MODEL SUPPORT

WC Docket No. 10-90

Today, the Wireline Competition Bureau (Bureau) announces that 216 rate-of-return companies have submitted letters electing 274 separate offers of Alternative Connect America Cost Model (A-CAM) support in 43 states.¹ A list of all carriers that submitted a letter is attached to this Public Notice.² The Bureau has totaled the amount of model-based support for electing carriers and determined that model-based support and transition payments would exceed the overall 10-year budget set by the Commission by more than \$160 million annually.³

In the *Rate-of-Return Order*, the Commission indicated that if demand for the model exceeded the additional funding allocated to the voluntary path to the model, it may consider whether circumstances warrant an additional allocation of up to \$50 million annually.⁴ The Commission acknowledged, however, that "other measures may be necessary" if demand for the voluntary path to the model is so great that the funding per location cap would need to be set below \$146.10 per location to remain within the available budget.⁵

⁵ *Id.* at 3113, para. 62 n.136.

¹ On August 3, 2016, the Bureau announced the offers of model-based support to rate-of-return carriers with a deadline of November 1, 2016 to indicate, on a state-by-state basis, whether they elect to receive model-based support. *Wireline Competition Bureau Announces Support Amounts Offered to Rate-of-Return Carriers to Expand Rural Broadband*, WC Docket No. 10-90, Public Notice, 31 FCC Rcd 8641 (WCB 2016) (*A-CAM Offer PN*); see also Wireline Competition Bureau Releases Report for Alternative Connect America Cost Model with Minor Corrections, WC Docket No. 10-90, Public Notice, 31 FCC Rcd 8959 (WCB 2016); Wireline Competition Bureau Announces Corrected Offers of Alternative Connect America Cost Model Support to Companies Affected by Technical Correction, WC Docket No. 10-90, DA 16-1241 (WCB rel. Oct. 31, 2016).

² Carriers electing model-based support will not begin receiving such support until the Bureau issues a public notice authorizing the Universal Service Administrative Company to disburse the appropriate amounts. In the *Alaska Plan Order*, the Commission noted that those Alaska rate-of-return carriers that are unable to offer even 4/1 Mbps service would not be permitted to elect A-CAM support. *See Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, 31 FCC Rcd 10139, 10142, n.18 (2016).

³ The Commission provided that up to \$150 million annually in additional funding would be available for carriers electing the model path. *Connect America Fund et al.*, Report and Order, Order and Order on Reconsideration and Further Notice of Proposed Rulemaking, WC Docket No. 10-90 et al., 31 FCC Rcd 3087, 3112-13, para. 62 (2016) (*Rate-of-Return Reform Order*); see also Connect America Fund et al., WC Docket No. 10-90 et al., Order, 31 FCC Rcd 6856, 6857, para. 6 (WCB 2016) (clarifying that, for the purpose of determining whether the additional A-CAM support and transitional payments exceed the \$150 million budget, the Bureau will consider the annualized amount that would be disbursed over the ten-year term).

⁴ Rate-of-Return Reform Order, 31 FCC at 3112-13, para. 62.

As noted in the *A-CAM Offer PN*, measures to prioritize among electing carriers could, for instance, include selecting among electing carriers based on their level of deployment (either their percentage of locations lacking 10/1 Mbps or the absolute number of such locations) or the average cost per location.⁶ Subsequently, parties have submitted several recommendations into the record.⁷ Parties are encouraged to submit *ex partes* into the record no later than **Monday**, **November 14, 2016**, on what measure or combination of measures should be considered to address the high level of interest in A-CAM model-based support.

Ex parte filings may be filed on or before the date indicated above using the Commission's Electronic Comment Filing System (ECFS). *See* Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

- Electronic Filers: Comments and replies may be filed electronically using the Internet by accessing ECFS: <u>http://apps.fcc.gov/ecfs/</u>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by firstclass or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of <u>before</u> entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington DC 20554.

⁶ Because support would continue to be calculated based on a \$200 per location funding cap, there would not be a second, revised offer.

⁷ See, e.g., Letter from Jason B. Williams, Chief Operating Officer, Blackfoot Telephone Cooperative, Inc., to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 10-90 (filed Oct. 20, 2016) (arguing that any budget controls for the A-CAM support methodology must be designed in such a way to ensure that as many RLECs as possible continue to have a choice to elect model-based support); Letter from Cheryl L. Parrino, Parrino Strategic Consulting Group, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 10-90 (filed Oct. 15, 2016) (presenting options for meeting the budget if elections for the A-CAM exceed the budget); Letter from Keith Oliver, Home Telephone Company, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 10-90 (filed Oct. 14, 2016) (urging the Commission not to eliminate carriers electing the A-CAM whose model-based support is less than legacy support from the A-CAM in any effort to resolve budget concerns); Letter from Gerard J. Duffy, Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 10-90 (filed Sept. 26, 2016) (indicating a willingness by certain carriers to accept revised A-CAM offers where the proportionate support reductions would be greater than the proportionate build-out obligation reductions).

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

This proceeding is a "permit-but-disclose" proceeding in accordance with the Commission's ex *parte* rules.⁸ Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written ex parte presentations and memoranda summarizing oral ex parte presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

Submissions will be publically available online via ECFS.⁹ These documents will also be available for public inspection during regular business hours in the FCC Reference Information Center, which is located in Room CY-A257 at FCC Headquarters, 445 12th Street, SW, Washington, DC 20554.

For additional information on this proceeding, contact Katie King (<u>Katie.King@fcc.gov</u>) of the Wireline Competition Bureau, Telecommunications Access Policy Division, (202) 418-7400.

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⁸ 47 CFR §§ 1.1200 et seq.

⁹ Documents will generally be available electronically in ASCII, Microsoft Word, and/or Adobe Acrobat.

ATTACHMENT

List of Carriers that Submitted A-CAM Acceptance Letter by November 1, 2016

State	Shortname	Holding Company
ME	OTLC	Otelco Inc.
ME	TDS	Telephone and Data Systems, Inc.
MA	CRNR	CornerStone Telephone Company, LLC
MA	OTLC	Otelco Inc.
NH	TDS	Telephone and Data Systems, Inc.
VT	TDS	Telephone and Data Systems, Inc.
NY	ALTV	Alteva Inc.
NY	ARMS	Armstrong Holdings, Inc.
NY	CHZY	Chazy & Westport Telephone
NY	CTZN3	Citizens Telephone Company of Hammond NY, Inc.
NY	DLHT	Delhi Telephone Company
NY	EMPR	Empire Telephone Corporation/North Penn Telephone Company
NY	FSHR	Fishers Island Telephone Company
NY	MRGR	Margaretville Telephone Company, Inc.
NY	NCHL	Nicholville Telephone Company, Inc.
NY	NWPR2	Newport Telephone Company, Inc.
NY	PTTR2	Pattersonville Telephone Company (NY)
NY	TDS	Telephone and Data Systems, Inc.
NY	THMD	The Middleburgh Telephone Company
PA	EMPR	Empire Telephone Corporation/North Penn Telephone Company
PA	TDS	Telephone and Data Systems, Inc.
PA	THNR	The North-Eastern Pennsylvania Telephone Company
PA	TLTL	TelAtlantic, Inc.
PA	TWNS	Townes Telecommunications, Inc.
PA	VNST	Venus Telephone Corporation
VA	BGGS2	Buggs Island Telephone Cooperative
VA	CTZN7	Citizens Telephone Cooperative (VA)
VA	HGHL	Highland Telephone Cooperative (VA)
VA	MGWC	MGW Communications, Inc.
VA	NTEL	NTELOS, Inc.
VA	TDS	Telephone and Data Systems, Inc.
WV	ARMS	Armstrong Holdings, Inc.
WV	OTLC	Otelco Inc.
WV	TLTL	TelAtlantic, Inc.
FL	SMRT	Smart City Finance, LLC
FL	TDS	Telephone and Data Systems, Inc.
GA	ALMT	Alma Telecom, Inc.

State	Shortname	Holding Company
GA	CMST	ComSouth Corporation
GA	CTZN6	Citizens Telephone Company, Inc. (GA)
GA	FLNC	Fail, Inc.
GA	PLNT2	Plant Telephone Company
GA	PNLN	Pineland Telephone Cooperative, Inc.
GA	TDS	Telephone and Data Systems, Inc.
SC	HMTL	Home Telephone Company, Inc. (SC)
SC	TDS	Telephone and Data Systems, Inc.
SC	WSTC	West Carolina Rural Telephone Cooperative, Inc.
AL	MLLR	Millry Corporation
AL	OTLC	Otelco Inc.
AL	TDS	Telephone and Data Systems, Inc.
AL	TLPH2	Telephone Electronics Corporation
KY	TDS	Telephone and Data Systems, Inc.
LA	CPTL	CP-Tel Holdings, Inc.
MS	AMRC	American Broadband Communications et al.
MS	FLNC	Fail, Inc.
MS	TDS	Telephone and Data Systems, Inc.
MS	TLPH2	Telephone Electronics Corporation
MS	TLPX	Telapex, Inc.
MS	TRCR	Traceroad, Inc.
TN	DKLB	DeKalb Telephone Cooperative, Inc.
TN	SYNR	Synergy Technology Partners, Inc.
TN	TDS	Telephone and Data Systems, Inc.
TN	TLPH2	Telephone Electronics Corporation
OH	HNSN	Hanson Communications, Inc.
OH	HRZN	Horizon Telecom
OH	PTTR	Pattersonville Telephone Company (OH)
OH	SYCM	Sycamore Telephone Company
OH	TDS	Telephone and Data Systems, Inc.
OH	THRD	The Ridgeville Telephone Company
OH	VNCE	VNC Enterprises, LLC
MI	CLNT	Clinton County Telephone Company
MI	CRRC	Carr Communications, Inc.
MI	HWTH	Hiawatha Communications, Inc.
MI	KLTL	KALTELCO, Inc.
MI	LCTC	LICT Corporation
MI	SNDC	Sand Creek Communications Company
MI	TDS	Telephone and Data Systems, Inc.
IN	BLMN2	Bloomingdale Home Telephone Company

State	Shortname	Holding Company
IN	TDS	Telephone and Data Systems, Inc.
WI	AMRY	Amery Telcom, Inc.
WI	BRCT	Bruce Telephone Company, Inc.
WI	CLRL2	Clear Lake Telephone Company
WI	CNVL2	Coon Valley Farmers Telephone Company, Inc.
WI	FRMR4	Farmers Independent Telephone Company
WI	HLLS	Hillsboro Telephone Company, Inc.
WI	MNTH	Mount Horeb Telephone Company
WI	MNWT	Manawa Telecommunications, Inc.
WI	TDS	Telephone and Data Systems, Inc.
WI	UNNT	Union Telephone Company
WI	WTNB	Wittenberg Telephone Company
IL	ADMS	Adams Telephone Co-Operative
IL	CRSS3	Crossville Telephone Company
IL	CSSC	Cass Communications Management, Inc.
IL	EGYP	Egyptian Telephone Cooperative Association
IL	FLTR	Flat Rock Telephone Co-Op, Inc.
IL	GLSF	Glasford Telephone Company
IL	GNSC	Geneseo Communications, Inc.
IL	GRFT	Grafton Communications, Inc.
IL	HMLT	Hamilton County Telephone Co-Op
IL	HNRY	Henry County Communications, Inc.
IL	MCNB	McNabb Telephone Company
IL	MDCN	Mid Century Telephone Co-operative
IL	RYNL	Reynolds Telephone Company
IL	STLL	Stelle Telephone Company
IL	TNCT	Tonica Technologies, Inc.
IA	BCCT	Barnes City Cooperative Telephone Company
IA	BRDT	Breda Telephone Corp.
IA	BTLR	Butler-Bremer Mutual Telephone Company
IA	CMBR2	Cumberland Telephone Company
IA	CNCR	Coon Creek Telephone Company
IA	CNTR2	Center Junction Telephone Company, Inc.
IA	CNVL	Coon Valley Cooperative Telephone Association, Inc.
IA	CPRT2	Cooperative Telephone Company
IA	CSYM	Casey Mutual Telephone Company
IA	DNVL	Danville Mutual Telephone Company
IA	ESTB	East Buchanan Telephone Cooperative
IA	FNTN	Fenton Cooperative Telephone Company
IA	FRMR	Farmers Telephone Company-Essex

State	Shortname	Holding Company
IA	FRMR6	Farmers Mutual Cooperative Telephone Company-Harlan
IA	FRMRJ	Farmers Mutual Telephone Company-Jessup
IA	JFTC	Jefferson Telephone Company
IA	LCTC	LICT Corporation
IA	LMTT	La Motte Telephone Company
IA	LNGL	Long Lines
IA	LNRC	Lone Rock Cooperative Telephone Company
IA	MBLC	Mabel Cooperative Telephone Company
IA	MCHN	Mechanicsville Telephone Company
IA	MDRN	Modern Cooperative Telephone Company
IA	MRTL	Martelle Cooperative Telephone Association
IA	MSSN	Massena Telephone Company
IA	MTLT2	Mutual Telephone Company of Morning Sun
IA	NRTCT	Northwest Telephone Cooperative
IA	NRTH	Northeast Iowa Telephone Company
IA	NRTH3	North English Cooperative Telephone Company
IA	NWLM	New Ulm Telecom, Inc.
IA	OLNT	Olin Telephone Company, Inc.
IA	ONSL	Onslow Cooperative Telephone Association
IA	ORNM	Oran Mutual Telephone Company
IA	PRTN	Partner Communications Cooperative
IA	RCKW	Rockwell Cooperative Telephone Association
IA	SCCN	Sac County Mutual Telephone Company
IA	SCHL	Schaller Telephone Company
IA	SCRN	Scranton Telephone Company
IA	SPRR	Superior Telephone Cooperative
IA	TMPL	Templeton Telephone Company
IA	TRRL2	Terril Telephone Cooperative
IA	TTNK	Titonka Telephone Company
IA	VNBR	Van Buren Telephone Co., Inc.
IA	WLST	Woolstock Mutual Telephone Assoc.
IA	WSTR	Western Iowa Telephone Association
IA	WYMN	Wyoming Mutual Telephone Company
MN	ARVG	Arvig Enterprises, Inc.
MN	CHRS	Christensen Communications Company
MN	HNSN	Hanson Communications, Inc.
MN	INTR4	Interstate Telecommunications Cooperative, Inc.
MN	LRSN	Larson Utilities, Inc.
MN	MBLC	Mabel Cooperative Telephone Company
MN	NRTH8	Northern Telephone Company/Wilderness Valley Telephone Company

State	Shortname	Holding Company
MN	NWLM	New Ulm Telecom, Inc.
MN	PRKR	Park Region Mutual Telephone Company
MN	RRLC	Rural Communications Holding Corporation
MN	RTHS	Rothsay Telephone Co. Inc.
MN	TDS	Telephone and Data Systems, Inc.
MN	VNCE	VNC Enterprises, LLC
MN	WKST	Wikstrom Telephone Company, Inc.
NE	AMRC	American Broadband Communications et al.
NE	CNSL2	Consolidated Communications, Inc. (NE)
NE	GRTP	Great Plains Communications, Inc.
NE	KMTL	K & M Telephone Company, Inc.
NE	PRCT	Pierce Telecommunications, Inc.
NE	THNB	The Nebraska Central Telephone Co.
NE	USCH	USConnect Holdings, Inc.
NE	WSTW2	West Iowa Telephone Company
ND	ABSR	Absaraka Cooperative Telephone Co., Inc.
ND	ICTC	ICTC Group, Inc.
ND	UTMA	UTMA
SD	CLRT	Clarity Telecom, LLC
SD	HNSN	Hanson Communications, Inc.
SD	INTR4	Interstate Telecommunications Cooperative, Inc.
SD	JMSV	James Valley Cooperative Telephone Company
AR	ARKN	Arkansas Telephone Company, Inc.
AR	СҮРВ	Cypress Break
AR	ERTT	E. Ritter Communications Holdings, Inc.
AR	TWNS	Townes Telecommunications, Inc.
AR	YLCT	Yelcot Holding Group, Inc.
KS	LCTC	LICT Corporation
KS	THMN	The Moundridge Telephone Company
KS	TLTL	TelAtlantic, Inc.
KS	TTHC	Totah Communications, Inc.
KS	USCH	USConnect Holdings, Inc.
МО	AMRC	American Broadband Communications et al.
MO	ELLN	Ellington Telephone Company
МО	GRND4	Grand River Mutual Telephone Corporation
МО	LRTL	Le-Ru Telephone Company
MO	MRKT	Mark Twain Rural Telephone Company
MO	MYBT	May, Bott et al.
MO	OTLC	Otelco Inc.
MO	PCVL	Peace Valley Telephone Company

State	Shortname	Holding Company
OK	CRNG	Carnegie Telephone Company
OK	CRSS	Cross Telephone Company LLC
OK	DWLH	DWL Holding Company
OK	MBCR	MBO Corporation
OK	OKLH	Oklahoma Western Telephone Company
OK	PNRT2	Pioneer Telephone Cooperative (OK)
OK	SLNS	Salina Spavinaw Telephone Co., Inc.
OK	STHW2	Southwest Oklahoma Telephone Company
OK	TDS	Telephone and Data Systems, Inc.
OK	VLLN	Valliant Telephone Company, Inc.
TX	BRZS	Brazos Telephone Cooperative, Inc.
TX	CLRD	Colorado Valley Telephone Cooperative, Inc.
TX	CNTR4	Central Texas Telephone Cooperative, Inc.
TX	ENMR	ENMR Telephone Cooperative, Inc.
TX	ETXT	Etex Telephone Cooperative, Inc.
TX	FVRT	Five Area Telephone Cooperative, Inc.
TX	INDS	Industry Telephone Company
TX	MDPL	Mid-Plains Rural Telephone Cooperative, Inc.
TX	PKLM	Poka Lambro Telephone Cooperative, Inc.
TX	RVRT	Riviera Telephone Company, Inc.
TX	TTHL	TOTE Holdings LLC
TX	TYLR	Taylor Telephone Cooperative, Inc.
TX	WSTT	West Texas Rural Telephone Coop., Inc.
TX	WSTX	Wes-Tex Telephone Cooperative, Inc.
AZ	ACCP	Accipiter Communications, Inc.
AZ	HPTL	Hopi Telecommunications, Inc.
AZ	TDS	Telephone and Data Systems, Inc.
СО	BJTL	Bijou Telephone Co-Op Association, Inc.
СО	JDNT	JED Enterprises, Inc.
СО	NCLN	Nucla-Naturita Telephone Company
СО	RCTL	Rico Telephone Company
СО	RGGN	Roggen Telephone Cooperative Company
СО	TDS	Telephone and Data Systems, Inc.
СО	TWNS	Townes Telecommunications, Inc.
ID	BLCK	Blackfoot Telephone Cooperative, Inc.
ID	CMBR	Cambridge Telephone Company, Inc.
ID	MDLK	Mud Lake Telephone Cooperative Assn., Inc.
ID	MRTL2	Martell Enterprises, Inc.
ID	PRJC	Project Mutual Telephone Cooperative Association, Inc.
ID	TDS	Telephone and Data Systems, Inc.

State	Shortname	Holding Company
ID	WSTR4	Western Elite Incorporated Services
MT	BLCK	Blackfoot Telephone Cooperative, Inc.
MT	CMMN	CommunityTel, Inc.
MT	HTSP	Hot Springs Telephone Company
MT	LNCL3	Lincoln Telephone Company
MT	MDRV	Mid-Rivers Telephone Cooperative, Inc.
MT	RNGT	Range Telephone Cooperative, Inc.
MT	STHR	Southern Montana Telephone Company
NM	ENMR	ENMR Telephone Cooperative, Inc.
NM	LCTC	LICT Corporation
NM	RSVL	Roosevelt County Rural Telephone Cooperative, Inc.
UT	BHVT	Beehive Telephone Companies
UT	GNNS	Gunnison Telephone Company
UT	LCTC	LICT Corporation
UT	UBTB	UBTA-UBET Communications
WY	CHGW	Chugwater Telephone Company
WY	UNNT	Union Telephone Company
WA	MRTL2	Martell Enterprises, Inc.
WA	PNRT	Pioneer Telephone Holding Company
WA	TDS	Telephone and Data Systems, Inc.
OR	DAYM	Day Management Corporation
OR	HLXT	Helix Telephone Company
OR	MNRT	Monroe Telephone Company
OR	PNRT3	Pioneer Telephone Cooperative (OR)
OR	RMTL	Roome Telecommunications Inc.
OR	TDS	Telephone and Data Systems, Inc.
CA	BRYN	Bryan Family Inc.
CA	LCTC	LICT Corporation
CA	TDS	Telephone and Data Systems, Inc.
NV	BHVT	Beehive Telephone Companies
NV	DAYM	Day Management Corporation
NV	LNCL	Lincoln Communications, Inc.
NV	MPVL	Moapa Valley Telecommunications, Inc.
NV	MRTL2	Martell Enterprises, Inc.
AK	ADKG	Adak Eagle Enterprises, LLC
AK	ALSK	Alaska Power & Telephone, Inc.
AK	RMTC	Remote Control, Inc.