

APPENDIX

Targeted Rule Changes to Support Stand-Alone Broadband

Add 54.303 to read:

§ 54.303 Stand-Alone Broadband Support

(a)(1) Expense attributable to C&WF subcategory 1.2 investment in stand-alone broadband transmission service facilities and expense attributable to C&WF category 2 investment in stand-alone broadband transmission service facilities shall be treated as expense attributable to C&WF subcategory 1.3 investment for purposes of calculating high cost loop support pursuant to § 54.1310 and interstate common line support pursuant to § 54.901 through 54.904.

(2) Expense attributable to Exchange Line CO Circuit Equipment category 4.11 investment in stand-alone broadband transmission service facilities and expense attributable to Exchange Line CO Circuit Equipment category 4.12 investment in stand-alone broadband transmission service facilities shall be treated as expense attributable to Exchange Line CO Circuit Equipment category 4.13 investment for purposes of calculating high cost loop support pursuant to § 54.1310 and interstate common line support pursuant to § 54.901 through 54.904.

(b) C&WF loops used for stand-alone broadband transmission service shall be treated as working loops (or lines) for each study area for purposes of calculating high cost loop support pursuant to § 54.1310, interstate common line support pursuant to § 54.901 through 54.904, and the monthly per-line limit on universal service support pursuant to § 54.302.

(c) A study area's stand-alone broadband support shall equal the lesser of:

(1) the sum of the amounts calculated pursuant to § 54.1310 and § 54.901 through 54.904 (as adjusted pursuant to § 54.302) multiplied by the ratio of C&WF loops used for stand-alone broadband transmission service over the number of working loops as determined for calculating high cost loop support pursuant to § 54.1310, or

(2) the sum of the amounts calculated pursuant to § 54.1310 and § 54.901 through 54.904 (as adjusted pursuant to § 54.302) minus the interstate common line support calculated pursuant to § 54.901 through 54.904 (notwithstanding the provisions of this section).

(d) The expense adjustment for purposes of § 54.1301(a) shall equal the sum of the amounts calculated pursuant to § 54.1310 and § 54.901 through 54.904 (as adjusted pursuant to § 54.302) minus the sum of stand-alone broadband support calculated pursuant to § 54.303(c) and interstate common line support calculated pursuant to § 54.901 through 54.904 (notwithstanding the provisions of this section).

(e) The annual revenue requirement for the interstate Special Access element for a study area shall be offset by an amount equal to that area's stand-alone broadband support.

(f) Every non-price cap incumbent local exchange carrier must provide the National Exchange Carrier Association with the information necessary to carry out the provisions of this section.

(g) This section shall be effective beginning July 1, 2016.

§ 54.1301 General

Effective July 1, 2016, amend section 54.1301(a) to replace the phrase "this subpart M" with the phrase "§ 54.303(d)".