EPA-APPROVED NEBRASKA REGULATIONS—Continued

Nebraska citation	Title	State effective date	EPA approval date	Explanation
* * * * * * *				
129–30	Open Fires	7/3/10	10/7/16 [Insert **Federal Register** citation].	
* * * * * * *				
129–34	Emission Sources; Testing; Monitoring.	5/13/14	10/7/16 [Insert **Federal Register** citation].	
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PART 70—STATE OPERATING PERMIT PROGRAMS

■ 3. The authority citation for part 70 continues to read as follows:

Authority: 42 U.S.C. 7401, *et seq.*

■ 4. Amend appendix A to part 70 by adding paragraphs (m) and (n) under ''Nebraska; City of Omaha; Lincoln-Lancaster County Health Department'' to read as follows:

Appendix A to Part 70—Approval Status of State and Local Operating Permits Programs

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Nebraska; City of Omaha; Lincoln-Lancaster County Health Department

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(m) The Nebraska Department of Environmental Quality approved revisions to Nebraska Air Quality Regulations, Title 129, Chapter 5, ''Operating Permits—When Required'', and Chapter 9, ''General Operating Permits for Class I and II Sources'', on September 5, 2002. The State's effective date is November 20, 2002. The revisions were submitted to EPA on May 1, 2003. This revision is effective on December 6, 2016.

(n) The Nebraska Department of Environmental Quality approved revisions to Nebraska Air Quality Regulations, Title 129, Chapter 5, ''Operating Permits—When Required'', on December 7, 2007. The State's effective date is February 16, 2008. The revisions were submitted to EPA on November 8, 2011. This revision is effective on December 6, 2016.

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[FR Doc. 2016–24088 Filed 10–6–16; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 54 and 69

[WC Docket Nos. 10–90, 16–271; WT Docket No. 10–208; FCC 16–115]

Connect America Fund, Connect America Fund—Alaska Plan, Universal Service Reform—Mobility Fund

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: In this document, the Federal Communications Commission (Commission) adopts an integrated plan to address both fixed and mobile voice and broadband service in high-cost areas of the state of Alaska, building on a proposal submitted by the Alaska Telephone Association.

DATES: Effective November 7, 2016, except for §§ 54.313(f)(1)(i), 54.313(f)(3), 54.313(l), 54.316(a)(1), 54.316(a)(5) and (6), 54.316(b)(6), 54.320(d), and 54.321 which contain new or modified information collection requirements that will not be effective until approved by the Office of Management and Budget. The Federal Communications Commission will publish a document in the **Federal Register** announcing the effective date for those sections.

FOR FURTHER INFORMATION CONTACT: Alexander Minard, Wireline Competition Bureau, (202) 418–7400 or TTY: (202) 418–0484, Matthew Warner of the Wireless Telecommunications Bureau, (202) 418–2419, or Audra Hale-Maddox of the Wireless Telecommunications Bureau, (202) 418–0794.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order in WC Docket Nos. 10–90, 16–271, WT Docket No. 10–208; FCC 16–115, adopted on August 23, 2016 and released on August 31, 2016. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY–A257, 445 12th Street SW., Washington, DC 20554, or at the following Internet address: *https://apps.fcc.gov/edocs_public/attachmatch/FCC-16-115A1.docx*.

The Further Notice of Proposed Rulemaking (FNPRM) that was adopted concurrently with the Report and Order is published elsewhere in this issue of the **Federal Register**.

I. Introduction

1. In this Order, the Commission adopts an integrated plan to address both fixed and mobile voice and broadband service in high-cost areas of the state of Alaska, building on a proposal submitted by the Alaska Telephone Association. In February 2015, the Alaska Telephone Association (ATA) proposed a consensus plan designed to maintain, extend, and upgrade broadband service across all areas of Alaska served by rate-of-return carriers and their wireless affiliates. Given the unique climate and geographic conditions of Alaska, the Commission finds that it is in the public interest to provide Alaskan carriers with the option of receiving fixed amounts of support over the next ten years to deploy and maintain their fixed and mobile networks. If each of the Alaska carriers elects this option, the Commission expects this plan to bring broadband to as many as 111,302 fixed locations and 133,788 mobile consumers at the end of this 10-year term.

II. Alaska Plan for Rate-of-Return Carriers

2. Today the Commission adopts ATA's proposed consensus plan for rate-of-return carriers serving Alaska, subject to the minor modifications described herein. Alaskan rate-of-return carriers face unique circumstances including Alaska's large size, varied terrain, harsh climate, isolated populations, shortened construction

season, and lack of access to infrastructure that make it challenging to deploy voice and broadband-capable networks. Not only do Alaskan rate-of-return carriers face conditions that are unique to the state, unlike challenges in the Lower 48, the circumstances and challenges can also vary widely from carrier to carrier depending on where their service areas are located within Alaska.

3. Accordingly, the Commission adopts the Alaska Plan to provide Alaskan rate-of-return carriers with the option to obtain a fixed level of funding for a defined term in exchange for committing to deployment obligations that are tailored to each Alaska rate-of-return carrier's circumstances. Specifically, the Commission will provide a one-time opportunity for Alaskan rate-of-return carriers to elect to receive support frozen at adjusted 2011 levels for a 10-year term in exchange for meeting individualized performance obligations to offer voice and broadband services meeting the service obligations the Commission adopts in this Order at specified minimum speeds by five-year and 10-year service milestones to a specified number of locations. As proposed by ATA, the Commission delegates to the Wireline Competition Bureau authority to approve such plans if consistent with the public interest and in compliance with the requirements adopted in this Order.

4. As a result of today's action, Alaska rate-of-return carriers have the option of receiving support pursuant to the Alaska Plan, electing to receive support calculated by A–CAM, or remaining on the reformed legacy rate-of-return support mechanisms. Like all other Connect America programs, Alaska Plan participants will report on their progress in meeting their deployment obligations throughout the 10-year term, allowing the Commission, the Regulatory Commission of Alaska, and other interested stakeholders to monitor their progress.

5. ATA represents that collectively, as of year-end 2015, the Alaska rate-of-return carriers served 124,166 remote locations, with 49,062 of those locations lacking broadband at speeds of 10/1 Mbps or above. If all Alaska rate-of-return carriers that have submitted proposed performance plans participate in the Alaska Plan, and those performance plans are approved as submitted, over 36,000 locations will become newly served with broadband at speeds of 10/1 Mbps or above, and the number of locations with 25/3 Mbps service will increase from 8,823 to 77,516 locations. Moreover, under ATA's proposed plan, the 24,138 locations that were unserved by any benchmark at the end of 2015 would be reduced from 24,138 locations to only 758 locations over the term of the Plan.

6. As proposed by ATA, each carrier with an approved performance plan in the Alaska Plan will receive annually an amount of support equal to its HCLS and ICLS frozen at 2011 levels, subject to certain adjustments, as was determined by the Universal Service Administrative Company (USAC) on January 31, 2012. This support will be provided in monthly installments over the 10-year term that the Commission adopts below. The frozen support that participants receive will be adjusted downward to account for the $3,000 per line annual support cap and for the corporate operations expense limits on ICLS.

7. Our decision to freeze support at 2011 levels for Alaska Plan participants is consistent with our decision in 2014 to permit price cap carriers serving non-contiguous areas, such as Alaska Communications Systems (ACS), to elect to receive support that has been frozen at 2011 levels, recognizing the unique circumstances and challenges such carriers face. The Commission is persuaded by the Alaska rate-of-return carriers that making available the adjusted 2011 support levels will provide carriers participating in the Alaska Plan the certainty they need to commit to investing in maintaining and deploying voice and broadband-capable networks in Alaska. The Commission also notes that the average annual support amounts for locations that would be covered under the Alaska Plan is $449, which is within the range of the model-based support offers to the price cap carriers for Phase II.

8. Recognizing the unique, individualized challenges faced by each rate-of return carrier serving Alaska, the Commission addresses here the general public interest obligations that would apply to individual carriers electing to participate in the Alaska Plan. The Commission also adopts general parameters for deployment obligations in this Order. As initially proposed by ATA, rate-of-return carriers wishing to participate in the Alaska Plan must submit a performance plan, and the Wireline Competition Bureau will have delegated authority to review and approve each carrier's performance plan. Since submitting the initial filing regarding the Alaska Plan, ATA has submitted proposed performance plans for its individual members. The Commission authorizes the Wireline Competition Bureau to approve performance plans that adhere to the requirements the Commission has adopted in this Order and that serve the public interest.

9. To merit approval by the Wireline Competition Bureau, these plans shall commit, to the extent possible, to offer at least one voice service and one broadband service that meets these minimum service requirements to a specified number of locations served by the submitting carrier. Carriers must make a binding commitment to serve a specific number of locations in their service area with such minimum speed(s) by the five-year and 10-year service milestones the Commission adopts below. This approach will advance our statutory mandate of using Connect America support to maintain and advance the deployment of voice and broadband services that are reasonably comparable to those offered in urban areas, while at the same time providing individualized flexibility for the distinctive geographic, climate, and infrastructure challenges of deploying and maintaining voice and broadband services in Alaska.

10. Below the Commission provides more specific descriptions of our expectations for the general parameters with respect to speed, latency, data usage, and reasonably comparable prices.

11. *Speed.* The Commission recognizes that there is a significant disparity today among the Alaska carriers in terms of the different speed of services that they can offer and propose to offer in the future. The Commission seeks to advance to the extent possible the number of locations in Alaska that have access to at least 10/1 Mbps service. The Commission also recognizes that some carriers may be able to upgrade service to provide speeds greater than 10/1 Mbps. Therefore, the Commission requires carriers to report the number of locations in their service areas that will receive broadband at speeds of 25/3 Mbps or higher, as well as 10/1 Mbps, as a result of their deployment. The Commission also grants the flexibility for participants in the Alaska plan to relax the speed requirements to a specified number of locations to account for limitations due to geography, climate, and access to infrastructure, as discussed below.

12. The Commission has adopted a minimum speed standard of 10/1 Mbps for price cap carriers receiving Phase II model-based support, winning bidders in the Phase II auction, and rate-of-return carriers receiving A–CAM and legacy support. At the same time, the Commission also is requiring recipients of A–CAM support to offer 25 Mbps/3 Mbps service in more dense areas and

have established a baseline speed for the Phase II auction of 25/3 Mbps. The Commission sees nothing in the record to suggest that a fundamentally different approach should be followed here, and accordingly they find it reasonable for Alaska carriers to commit to offer service at these speeds where feasible. But the Commission recognizes that not all carriers in Alaska will be able to offer service meeting these speeds due to the unique limitations they face in access to backhaul. While the Commission has noted that their minimum requirements for such carriers is likely to evolve over the next decade and that our policies should take into account evolving standards in the future, they have also recognized that it is difficult to plan network deployment not knowing the performance obligations that might apply by the end of the 10-year term.

13. Given that the Commission also adopts a 10-year support term for rate-of-return carriers electing to participate in the Alaska Plan, they conclude that the same principles described above apply here, subject to modifications that account for the unique circumstances and challenges faced by each Alaskan carrier. Accordingly, the Commission authorizes the Wireline Competition Bureau to approve performance plans submitted by carriers that maximize the number of locations that receive broadband at speeds of at least 10/1 Mbps and that also identify a set number of locations that will receive broadband at speeds at a minimum 25/3 Mbps as a result of the carrier's deployment, to the extent feasible based on each carrier's individual circumstances. Consistent with the Commission's goal of ensuring access to reasonably comparable broadband service to as many unserved consumers as possible, the Commission expects that Alaska Plan recipients will prioritize their deployment of broadband at speeds of 10/1 Mbps before upgrading speeds for locations that are already served with 10/1 Mbps, to the extent feasible.

14. At the same time, the Commission recognizes that due to limitations in access to middle mile infrastructure and the variable terrain, Alaskan carriers may not be able to serve all of their locations at the current minimum speeds for Connect America Fund recipients of 10/1 Mbps speeds with the support they are provided through the Alaska Plan. Accordingly, the Commission authorizes the Wireline Competition Bureau to approve performance plans that propose to offer Internet service at relaxed speeds to a set number of locations to the extent carriers face such limitations. The Commission concludes it will serve the public interest to balance our goal of deploying reasonably comparable voice and broadband services with our goals of maintaining existing voice service and of ensuring that universal service support is used efficiently and remains within the budgeted amount for each carrier. This approach is also consistent with the approach the Commission has taken for other Connect America funding mechanisms. For example, for rate-of-return carriers that elect to receive A–CAM support, the Commission requires that such carriers offer Internet access at speeds of at least 4/1 Mbps to locations that are not fully funded, to the extent they are unable to do better. And as discussed below, for areas that lack terrestrial backhaul, the Commission has permitted ETCs serving such areas to certify that they are providing speeds of at least 1 Mbps downstream and 256 kbps upstream.

15. Finally, as the Commission discusses in more detail below, they acknowledge that in some limited cases Alaska Plan recipients may face circumstances such that at the beginning of their support terms they can only commit to maintaining Internet service at then-existing speeds below 10/1 Mbps. In such circumstances, carriers will be required to explain why they are unable to commit to upgrade their existing services or deploy service to new locations and the status of these limitations will be revisited throughout the support term.

16. *Latency.* The Commission adopts a roundtrip provider network latency requirement of 100 milliseconds or less for participants in the Alaska Plan. This is consistent with the latency standard the Commission adopted for price cap carriers accepting Phase II model-based support, rate-of-return carriers electing A–CAM support, and for purposes of identifying competitive overlap in rate-of-return served areas. Based on the record before us, the Commission does not see any reason to apply a different standard to Alaska Plan participants.

17. Accordingly, Alaska Plan carriers will be required to certify that 95 percent or more of all peak period measurements of network round-trip latency are at or below 100 milliseconds. Consistent with the standards the Wireline Competition Bureau adopted for price cap carriers serving non-contiguous areas, Alaska Plan participants should conduct their latency network testing from the customer location to a point at which traffic is consolidated for transport to an Internet exchange point in the continental United States. The measurements should be conducted over a minimum of two consecutive weeks during peak hours for at least 50 randomly selected customer locations within the census blocks for which the provider is receiving frozen support using existing network management systems, ping tests, or other commonly available network measurement tools.

18. *Data Usage.* Participants in the Alaska Plan will be required to provide a usage allowance that evolves over time to remain reasonably comparable to usage by subscribers in urban areas, similar to the approach adopted for price cap carriers and other rate-of-return carriers.

19. In the *USF/ICC Transformation Order,* 76 FR 73830, November 29, 2011, the Commission adopted the requirement that to the extent an eligible telecommunications carrier (ETC) imposes a usage limit on its Connect America-supported broadband offering, that usage limit must be reasonably comparable to usage limits for comparable broadband offerings in urban areas. Today, rate-of-return carriers must offer a minimum usage allowance of 150 GB per month, or a usage allowance that reflects the average usage of a majority of consumers, using Measuring Broadband America data or a similar data source, whichever is higher.

20. The Commission sees nothing in the record that suggests that participants in the Alaska Plan should not be held to the same standards. Accordingly, such carriers will be required to certify that they offer a minimum usage allowance of 150 GB per month, or a usage allowance that reflects the average usage of a majority of consumers, using Measuring Broadband America data or a similar data source, whichever is higher. As is the case for other ETCs subject to broadband performance obligations, the Wireline Competition Bureau will announce annually the relevant minimum usage allowance.

21. *Satellite Backhaul Exception.* Consistent with the *USF/ICC Transformation Order,* the Commission will exempt from the speed, latency, and data usage standards they adopt above those areas where the carriers rely exclusively on the use of performance-limiting satellite backhaul to deliver service because they lack the ability to obtain terrestrial backhaul or satellite backhaul service providing middle mile service with technical characteristics comparable to at least microwave backhaul. This exception will be implemented via an annual certification by such carriers. The Commission has recognized that satellite backhaul "may limit the performance of broadband networks as compared to terrestrial backhaul" and noted that the Regulatory

Commission of Alaska had reported ''for many areas of Alaska, satellite links may be the only viable option to deploy broadband.'' Some Alaska Plan recipients have proposed to offer Internet access service speeds of at least 1 Mbps downstream and 256 kbps upstream to some or all locations within the areas served by exclusively satellite middle mile facilities. As noted below, the Wireline Competition Bureau is authorized to approve performance plans where a carrier does not even commit to offer speeds of at minimum 1 Mbps/256 kbps to locations that are served exclusively by performance-limiting satellite backhaul, but where it does commit to upgrade or newly deploy service at higher minimum speeds to areas served by terrestrial or microwave backhaul. The data usage allowance and latency standards will not apply to those locations that are served exclusively by performance-limiting satellite backhaul.

22. Under our existing rules, to the extent that new terrestrial backhaul facilities are constructed, or existing facilities improve sufficiently to meet the public interest obligations, ETCs are generally required to satisfy the public interest obligations in full within 12 months of the new backhaul facilities becoming commercially available. The Commission similarly expects Alaska Plan recipients to meet latency and data usage requirements for these locations within 12 months. But given that other limiting factors, such as cost or transport limits, in addition to the lack of access to infrastructure, may make it challenging for Alaska carriers to offer a minimum of 10/1 Mbps speeds once they gain access to new backhaul, the Commission does not require carriers participating in the Alaska Plan to meet the 10/1 Mbps speed minimum within the usual 12-month timeframe. The Commission instead directs the Wireline Competition Bureau to consider adopting revised minimum speeds for these carriers when it reassesses their performance plans half way through the 10-year term. The Commission concludes that adjusting speed obligations at that time will alleviate the administrative burden of re-examining performance plans every time backhaul becomes commercially available. The Commission directs the Bureau to work with carriers that seek to participate in the Alaska Plan to include objective metrics for determining when backhaul is available at a price point that would enable the carrier to offer 10/1 Mbps service. The Commission also anticipates that they will consider any additional backhaul that becomes available in determining next steps after the 10-year support term.

23. *Reasonably Comparable Rates.* Participants in the Alaska Plan will be subject to the same obligations as all other recipients of high-cost universal service support to provide voice and broadband service at rates that are reasonably comparable to those offered in urban areas.

24. For voice service, ETCs are required to make an annual certification that the rates for their voice service are in compliance with the reasonable comparability benchmark. For broadband, an ETC has two options for demonstrating that its rates comply with this statutory requirement: certifying compliance with reasonable comparability benchmarks or certifying that it offers the same or lower rates in rural areas as it does in urban areas.

25. Consistent with our other Connect America programs, the Commission adopts this approach for the Alaska Plan. However, due to the unique challenges in deploying voice and broadband-capable networks in Alaska, those carriers that elect to receive Alaska Plan support will be subject to an Alaska-specific reasonable comparability benchmark to be established by the Wireline Competition Bureau. The Commission directs the Wireline Competition Bureau to establish a benchmark using data from its urban rate survey or other sources, as appropriate.

26. The Commission concludes that the public interest obligations the Commission adopts strike the appropriate balance of ensuring that as many Alaska consumers as feasible receive reasonably comparable voice and broadband service while also allowing Alaska Plan participants, who are most familiar with the limitations in access to infrastructure and the climate and geographies they serve, the flexibility to provide service in a way that is logical, maximizes the reach of their network, and is reasonable considering the unique circumstances of each individual carrier's service territory. For price cap carriers serving non-contiguous areas, the Commission determined that due to the circumstances and challenges faced by such carriers that were unique to the areas they serve, a ''one-size-fits-all'' approach would leave some of those carriers potentially unable to fulfill their deployment obligations. Accordingly, the Commission concluded that ''tailoring specific service obligations to the individual circumstances'' of each of these carriers ''will best ensure that Connect America funding is put to the best possible use.'' The Commission concludes that the same principles apply here where the potential recipients within the state of Alaska face their own unique challenges and circumstances due to the variable terrain and their varying levels of access to infrastructure.

27. *Intermediate Milestones.* Consistent with the framework proposed by ATA members, participants in the Alaska Plan will commit to upgrade or deploy new voice and broadband service to a specified number of locations by the end of the fifth year of their support term and complete their deployment to the required number of locations as specified in their approved performance plan by the end of the 10th year of their support term. This is similar to the approach adopted for rate-of-return carriers that remain on legacy support mechanisms.

28. Based on the shortened construction season for Alaska and the limited availability of personnel to construct networks, the Commission concludes that ATA's proposal to have one service milestone at the mid-point of the term and one service milestone at the end of the support term is reasonable. This will give carriers the flexibility to build out their networks based on the unique conditions and challenges they face and give the Commission an objective measure halfway through the term to monitor the carrier's progress. This data will also be useful for the Bureau to consider when reassessing Alaska Plan recipients' individual deployment obligations halfway through the term of support. The Commission finds that because they give participants the flexibility to propose in their performance plans the number of locations that they commit to offering specified speeds by the five- and 10-year milestones, they will be able to set achievable milestones for themselves based on their individual circumstances. The Commission also notes that while carriers are required to meet these service milestones at a minimum, they anticipate that some carriers will complete their deployment in a shorter timeframe. Carriers will still be required to report their progress on an annual basis, as described below.

29. Consistent with the framework proposed by ATA, the Commission adopts a support term of 10 years for carriers that are authorized to receive support through the Alaska Plan. In the *2016 Rate-of-Return Reform Order,* 81 FR 24282, April 25, 2016, the Commission adopted a 10-year term for carriers that elected to receive A–CAM support. The Commission concludes that a 10-year support term for the

Alaska carriers that elect to participate in this plan is in the public interest. The Commission acknowledges ATA's position that 10 years of frozen support ''will create stability which will assure continued service in remote Alaska and allow deployment to underserved and unserved areas.''

30. Before the 10-year support term has ended, the Commission expects that the Commission will conduct a rulemaking to decide how support will be determined after the end of the 10-year support term for Alaska Plan participants. As the Commission noted in the *2016 Rate-of-Return Reform Order,* they expect that prior to the end of the 10-year term, the Commission will have adjusted its minimum broadband performance standards for all ETCs, and other changes may well be necessary then to reflect marketplace realities at that time.

31. Like rate-of-return carriers electing A–CAM support, Alaska Plan recipients will be permitted to use their Alaska Plan support for both operating expenses and capital expenses for new deployment, upgrades, and maintenance of voice and broadband-capable networks. Like recipients of model-based support, they may use that support anywhere in their network to upgrade their ability to offer improved service; they are not limited to using the support only for last mile facilities that traditionally have been supported through the HCLS and ICLS support mechanisms. They no longer will be required to submit line counts; support will be provided for the entire network. An Alaska Plan recipient will be deemed to be offering service if it is willing and able to provide qualifying service to a requesting customer within 10 business days.

32. Alaska Plan participants—like all other ETCs—remain subject to limitations on the appropriate use of universal service support. The Commission recently released a public notice in which it reminded ETCs of their obligation to use high-cost support only for its intended purpose of maintaining and extending communications services to rural, high-cost areas. The public notice listed a number of expenses ETCs are not permitted to recover through high-cost support. These restrictions apply to recipients of frozen support, not just to those who receive support based on traditional cost-of-service rate-of-return principles. In addition, to the extent the Commission revises its expectations for appropriate expenditures in the future, carriers participating in the Alaska Plan will of course be subject to those new rules.

33. *Focusing Deployment on Unserved Areas.* Like our other Connect America programs, the Commission will not dictate the specific locations Alaska Plan participants must serve, but Alaska Plan recipients will generally not be permitted to use Alaska Plan support to upgrade or deploy new broadband service to locations that are located in census blocks that are served by a qualifying unsubsidized competitor. To determine which census blocks are competitively served, the Commission directs the Wireline Competition Bureau to conduct a challenge process similar to the challenge process they adopted for rate-of-return carriers receiving Connect America Fund Broadband Loop Support (CAF BLS) support. The Commission will allow them, however, to count towards their deployment obligation unserved locations in partially served census blocks in specific circumstances, as explained more fully below.

34. In the *USF/ICC Transformation Order,* the Commission adopted reforms to eliminate inefficiencies and instances in which ''universal service support provides more support than necessary to achieve our goals,'' by eliminating certain support in areas that are served by a qualifying unsubsidized competitor. In the *2016 Rate-of-Return Reform Order,* the Commission adopted a rule to eliminate CAF BLS in competitive areas, finding that ''[p]roviding support to a rate-of-return carrier to compete against an unsubsidized provider distorts the marketplace, is not necessary to advance the principles in section 254(b), and is not the best use of our finite resources.'' Specifically, under the new rule, a census block is deemed to be served by a qualifying unsubsidized competitor if the competitor holds itself out to the public as offering ''qualifying voice and broadband service'' to at least 85 percent of the residential locations in a given census block. The Commission established a robust challenge process to determine which census blocks are competitively served.

35. The Commission adopt the same general approach for determining the presence of a qualifying unsubsidized competitor for the Alaska Plan that they adopted for purposes of determining competitive overlap for CAF BLS. Specifically, a census block will be deemed to be served by an unsubsidized competitor if that competitor offers a qualifying voice and broadband service to at least 85 percent of the residential locations within a given census block. To qualify, the unsubsidized competitor must be a facilities-based provider of residential fixed voice service with the ability to port numbers in the relevant census block, and must offer a broadband service at speeds of at least 10/1 Mbps, at a latency of 100 milliseconds or less, with a usage allowance of at least 150 GB at reasonably comparable rates, utilizing the Alaska-specific benchmark. For purposes of implementing this requirement, the Commission notes that there are certain areas where GCI currently is receiving support for its wireline competitive ETC, but has committed to relinquishing that support as part of the overall Alaska Plan. In implementing this requirement, therefore, the Commission will treat GCI as an unsubsidized competitor in those study areas where it has committed to relinquish its support, to the extent it meets all of the requisite requirements. Like with our other Connect America programs, the Commission finds that it would be an inefficient use of Alaska Plan support to permit recipients to use that support to upgrade or deploy new voice and broadband services where unsubsidized competitors already offer services that meet our standards.

36. Accordingly, the Commission adopts a challenge process for identifying which census blocks that are in Alaska rate-of-return carriers' service areas are served by qualifying unsubsidized competitors and delegate authority to the Wireline Competition Bureau to take any necessary steps to conduct the challenge process. The challenge process shall be conducted using the same general format and rules adopted by the Commission for the challenge process for CAF–BLS recipients. In summary, the Wireline Competition Bureau will publish a public notice with a link to the preliminary list of unsubsidized competitors serving the relevant census blocks according to the most recent publicly available Form 477 data. There will then be a comment period in which unsubsidized competitors, which carry the burden of persuasion, must certify that they offer qualifying voice and broadband services to 85 percent of locations in the relevant census blocks, accompanied by supporting evidence. The Wireline Competition Bureau will then accept submissions from the incumbent or other interested parties seeking to contest the showing made by the competitor. After the conclusion of the comment cycle, the Wireline Competition Bureau will make a final determination of which census blocks are competitively served, weighing all of the evidence in the record.

37. Once the challenge process results have been announced, Alaska Plan participants may petition the Wireline

Competition Bureau if they believe adjustments to their approved performance plans are warranted. That is, to the extent an Alaska Plan recipient committed to upgrade or deploy new service to locations that are located in census blocks that are determined to be served as a result of the challenge process, they may need to identify other locations that they can serve in eligible census blocks in order to offer service to the requisite number of locations that they have committed to serve at the specified minimum speeds. In those circumstances, the Commission concludes it would serve the public interest to allow Alaska Plan participants to deploy service to unserved locations in partially served census blocks. In particular, if a carrier seeks to adjust its deployment obligations in its approved performance plan because certain census blocks are deemed competitively served at the conclusion of the challenge process, the Bureau has delegated authority to work with such carriers to determine whether there are unserved locations in partially served blocks that could count towards their deployment obligations. To the extent they are unable to identify additional locations, the Wireline Competition Bureau has delegated authority to modify the obligations in their performance plans consistent with the approach the Commission adopts today.

38. In addition, the Commission directs the Wireline Competition Bureau to reassess the competitive landscape prior to the beginning of the Alaska Plan recipients' fifth year of support. This will provide refreshed competitive coverage data to consider when the Wireline Competition Bureau reassesses whether any adjustments in the Alaska Plan recipients' performance plans should be made for the second half of the 10-year term.

39. Alaskan rate-of-return carriers will have a one-time opportunity to elect to participate in the Alaska Plan. Those carriers that choose not to participate have the option of electing to receive A–CAM support by the applicable deadline or remaining on the reformed legacy support mechanisms.

40. Consistent with the Commission's other programs that provide a fixed support amount for a set term, they will require rate-of-return carriers choosing to participate in the Alaska Plan to do so on a state-level basis rather than at the study area level. The Commission has required price cap carriers and rate-of-return carriers electing model-based support to do so at the state-level to prevent carriers from cherry-picking the study areas that would receive more money from the relevant model and to allow carriers to make business decisions about managing different operating companies on a more consolidated basis. Given Alaska's large size and variable terrain, the Commission recognizes that there may be major differences in the geographic conditions and infrastructure availability for a carrier's various study areas. However, carriers will have the flexibility to take these factors into account when they specify how many locations they will be able to serve and at what broadband speeds in their performance plans at the state-level. Given that this extra flexibility is already provided to carriers electing to participate in the Alaska Plan, the Commission is not convinced that carriers serving Alaska should be given even more flexibility than other rate-of-return carriers by having the ability to choose different funding mechanisms for each of their study areas.

41. The Commission notes that 18 Alaska rate-of-return carriers have already submitted 17 proposed performance plans to the Wireline Competition Bureau. Given that this Order is consistent with ATA's proposal, subject to minor modifications, the Commission presumptively considers these plan commitments to constitute an election to participate in the plan. Alaskan rate-of-return carriers that have already submitted proposed performance plans that choose to update their proposed performance commitments or not participate in the plan in light of this Order should file such updates or provide such notice no later than 30 days from the effective date of this Order. Carriers that have already submitted proposed performance plans should submit any such updated performance plans or provide such notice in WC Docket No. 16–271. Also in light of this Order, the Commission directs the Wireline Competition Bureau to further review the proposed performance commitments on file (or any timely update). While review of their performance plan is pending, carriers will remain on the revised legacy support mechanisms.

42. If the Wireline Competition Bureau concludes that a proposed performance plan meets the applicable requirements and will serve the public interest, it will release a public notice approving the performance plan. The public notice will authorize the carrier to begin receiving support and directing USAC to obligate and disburse Alaska Plan support once certain conditions are met. Support will be conditioned on an officer of the company submitting a letter in WC Docket No. 16–271 certifying that the carrier will comply with the public interest obligations adopted in this Order and the deployment obligations set forth in the adopted performance plan within five days of the release of the public notice or such longer period of time, not to exceed fifteen days, as the Bureau's public notice specifies.

43. Because carriers that are authorized to begin receiving Alaska Plan support will be receiving a frozen support amount for a specified term, like carriers that elected A–CAM support, they must refile their special access tariffs removing the costs of consumer broadband-only loops from the Special Access category, consistent with the *2016 Rate-of-Return Reform Order.* The costs that would be included in the revenue requirement for the Common Line category will be removed from rate-of-return regulation. The carriers are permitted—but not required—to assess a wholesale consumer broadband-only loop charge that does not exceed $42 per line per month. Alternatively, they may detariff such a charge. Alaska Plan recipients must also exit the National Exchange Carrier Association (NECA) common line pool, and they have the option of continuing to use NECA to tariff their end-user charges. Once USAC confirms that these steps have been taken, support under the Alaska Plan may be disbursed.

44. If all 19 Alaskan rate-of-return carriers were to participate in the Alaska Plan, this would result in approximately $55.7 million being disbursed annually. This represents an increase over their current support levels, in the aggregate. As described below, to the extent that Alaska Plan recipients' adjusted 2011 frozen support exceeds their 2015 support levels, the excess will be funded using funds that are saved through the phasing down of the competitive ETC support that is currently used to provide service in non-Remote Alaska.

45. Because carriers participating in the Alaska Plan will be receiving a set amount of support over a defined support term in exchange for defined performance obligations over that term, their support will not be subject to the budget controls that the Commission has adopted for HCLS and CAF BLS. This is consistent with our approach for rate-of-return carriers electing A–CAM support. For the purpose of determining the budget amount available for rate-of-return carriers not electing A–CAM support or participating in the Alaska plan, USAC shall treat Alaska Plan

support in the same manner as A–CAM support.

46. Consistent with the action taken when price cap carriers' support was frozen at 2011 levels and the recent decision with respect to rate-of-return carriers that elect A–CAM support, the Commission also directs NECA to rebase the cap on HCLS once Alaska Plan support is authorized for electing rate-of-return carriers that formerly received HCLS. In the first annual HCLS filing following the initial disbursement of Alaska Plan support, NECA shall calculate the amount of HCLS that those carriers would have received in absence of their election, subtract that amount from the HCLS cap, and then recalculate HCLS for the remaining carriers using the rebased amount.

47. ATA proposes that participants be subject to the recordkeeping and compliance requirements set forth in section 54.320(d) of the Commission's rules. The Commission builds on that proposal and require participants in the Alaska Plan to comply with our existing high-cost reporting and oversight mechanisms, unless otherwise modified as described below.

48. *Annual Reporting Requirements.* Pursuant to section 54.313 of the Commission's rules, Alaska Plan participants must continue to file their FCC Form 481 on July 1 each year. Further, consistent with the relief granted to other rate-of-return carriers in the *2016 Rate-of-Return Reform Order,* the Commission eliminates the requirement that Alaska Plan participants file annual updates to their five-year service quality improvement plans once they receive Paperwork Reduction Act approval for the geocoded location reporting requirement the Commission adopts below.

49. The Commission adds a reporting requirement to the Form 481 for Alaska Plan recipients to help the Commission monitor the availability of infrastructure for these carriers. For Alaska Plan recipients that have identified in their adopted performance plans that they rely exclusively on performance-limiting satellite backhaul for certain number of locations, the Commission will require that they certify whether any terrestrial backhaul, or any new generation satellite backhaul service providing middle mile service with technical characteristics comparable to at least microwave backhaul, became commercially available in the previous calendar year in areas that were previously served exclusively by performance-limiting satellite backhaul If a recipient certifies that such new backhaul has become available, it must provide a description of the backhaul technology, the date on which that backhaul was made commercially available to the carrier and the number of locations that are newly served by such new backhaul. Within twelve months of the new backhaul facilities becoming commercially available, funding recipients must certify that they are offering broadband service with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas at reasonably comparable rates (using the Alaska-specific reasonable comparability benchmark). Given that the Commission will be adopting tailored deployment obligations for Alaska Plan providers, they exempt them for the requirement that ETCs certify they are offering Internet service at speeds of at least 1 Mbps downstream and 256 kbps upstream to areas served exclusively by performance-limiting satellite backhaul.

50. The Wireline Competition Bureau will be able to consider this data at the mid-point in the 10-year term when it reviews carriers' minimum speed commitments in light of the current marketplace. This data will also be useful for the Commission in determining what steps to take after the 10-year support term for Alaska Plan participants. The Commission concludes that the benefits to the public interest of this oversight will outweigh any potential burdens on Alaska Plan participants, particularly given that they expect Alaska Plan carriers will be monitoring available backhaul to ensure they are maximizing their Alaska Plan support in deploying voice and broadband services.

51. Additionally, consistent with the requirements that apply to all ETCs subject to broadband public interest obligations, the Commission will require each Alaska Plan recipient to certify on an annual basis that it is commercially offering voice and broadband services that meet the public interest obligations they have adopted in this Order at the speeds committed to in its own performance plan, to the locations they reported as required below. This requirement will ensure that the Commission is able to monitor that Alaska Plan recipients are continuing to use their Alaska Plan support for its intended use throughout their support term, and they are continuing to offer service meeting the relevant minimum requirements.

52. For Alaska Plan recipients that propose to maintain their existing networks throughout the 10-year support term without newly deploying or upgrading service to locations within their service areas, the Commission requires that such carriers retain documentation on how much of their Alaska Plan support was spent on capital expenses and operating expenses and be prepared to produce such documentation upon request. Given that these recipients will not be able to demonstrate that they are meeting new service milestones, the Commission concludes that it is reasonable to require them to be prepared to produce documentation to demonstrate how they are using Alaska Plan support. The Commission expects that this requirement will not impose an undue burden on these recipients because they track their capital and operating expenditures in the regular course of business.

53. Finally, the Regulatory Commission of Alaska will submit the annual section 54.314 intended use certification on behalf of Alaska Plan participants, like all ETCs subject to the jurisdiction of a state commission.

54. *Location Reporting Requirements.* In the *2016 Rate-of-Return Reform Order,* the Commission adopted geocoded location reporting requirements that they now extend to Alaska Plan participants. Specifically, starting on March 1, 2018, and on a recurring basis thereafter, the Commission will require all Alaska Plan participants to submit to USAC the geocoded locations for which they have newly deployed or upgraded broadband meeting the minimum speeds in their approved performance plans and their associated speeds. The geocoded location information should reflect those locations that are broadband-enabled where the company is prepared to offer voice and broadband service meeting the speeds committed to in the deployment plan and the relevant public interest obligations, within 10 business days.

55. Alaska Plan participants will be required to submit geocoded location information for their newly offered and upgraded broadband locations starting March 1, 2018 and then by March 1 following each support year. However, like other ETCs subject to this reporting obligation, the Commission expects that Alaska Plan participants will report the information on a rolling basis. A best practice would be to submit the information no later than 30 days after service is initially offered to locations in satisfaction of their deployment obligations.

56. Like other high-cost recipients that are required to meet service milestones for broadband public interest

obligations, Alaska Plan participants will also be required to file certifications with their location submission to ensure their compliance with their public interest obligations. Each participant must certify that it has met its five-year service milestone by March 1 following its fifth year of support and certify that it has met its 10-year service milestone by March 1 following its 10th year of support. Participants that fail to file their geolocation data and associated deployment certifications on time will be subject to the penalties described in section 54.316(c) of our rules.

57. The Commission also adopts a reporting requirement for newly deployed backhaul. The Commission will require Alaska Plan participants to submit fiber network maps or microwave network maps in a format specified by the Bureaus covering eligible areas and to update such maps if they have deployed middle-mile facilities in the prior calendar year that are or will be used to support their service in eligible areas.

58. *Reassessment.* The Commission directs the Wireline Competition Bureau to reassess the deployment obligations in the approved performance plans before the end of the fifth year of support. The Commission therefore requires that participating carriers update their end-of-term commitments no later than the end of the fourth year of support, and they delegate to the Wireline Competition Bureau the authority to review and approve modifications that serve the public interest. This will be an opportunity to assess whether local conditions have changed, and any adjustments to the performance plan might be appropriate. A number of Alaska rate-of-return carriers have represented that they cannot offer broadband services at 10/1 Mbps speeds at the present time due to limitations in access to middle mile infrastructure. To the extent such conditions have improved, the Commission delegates authority to the Wireline Competition Bureau to adopt modifications to approved performance plans to ensure that Alaska Plan support is being maximized to offer reasonably comparable services to the carrier's service area.

59. The Commission acknowledges that certain Alaska rate-of-return carriers may only be able to commit at this point to maintaining existing Internet access at speeds below 10/1 Mbps due to limitations in their access to infrastructure. To the extent that a carrier faces such limitations, it should specify in its performance plan the number of locations where it commits to maintain its existing voice and Internet access service and provide a justification for why it cannot commit to upgrading Internet access to faster speeds within in its service area. The Commission directs the Wireline Competition to monitor these carriers more closely to determine when it is feasible to implement specific deployment obligations. The Commission expects that to the extent such limiting conditions have changed, the Wireline Competition Bureau will revise the carrier's deployment obligations to require that they upgrade their existing service or deploy service to new locations. The Commission concludes that reviewing such carrier's performance plans on a biennial basis rather than at the mid-point of the term will serve the public interest. The Wireline Competition Bureau will be able to monitor that such carriers are effectively utilizing their Alaska Plan support instead of only maintaining the status quo throughout the support term, rather than at a point when they have already received half of their support.

60. *Monitoring.* To ensure that Connect America support is used as effectively as possible, the Commission must be able to measure and monitor the service commitments in each Alaska Plan recipient's performance plan. The Commission expects to monitor the progress of all rate-of-return carriers in meeting their respective deployment obligations, including those participating in the Alaska Plan, and are willing to make future adjustments where warranted. In addition to the reassessment, the Commission delegates to the Wireline Competition Bureau the authority to approve changes to the deployment obligations in the adopted performance plans during the support term if such changes are due to circumstances that did not exist at the time the performance plans were adopted and are consistent with the public interest and the requirements adopted in this Order.

61. *Reductions in support.* The Commission has generally adopted a five-year and 10-year service milestone for the Alaska Plan that will be more specifically defined based on each participant's approved performance plan. Based on the record before the Commission, they find no reason to relax our compliance standards for Alaska Plan participants, and indeed, they note that ATA proposes that participants in the plan be subject to the existing rule. Thus, Alaska Plan participants that fail to meet these milestones will be subject to the same potential reductions in support as any other carrier subject to defined obligations. If, by the end of the 10-year term an Alaska Plan participant is unable to meet its final service milestone, it will be required to repay 1.89 times the average amount of support per location received over the 10-year term for the relevant number of locations that the carrier has failed to deploy to, plus 10 percent of its total Alaska Plan support received over the 10-year term.

62. *Audits.* Like all ETCs, Alaska carriers will be subject to ongoing oversight to ensure program integrity and to deter and detect waste, fraud and abuse. All ETCs that receive high-cost support are subject to compliance audits and other investigations to ensure compliance with program rules and orders. Our decision today to provide frozen support based on past support amounts does not limit the Commission's ability to recover funds or take other steps in the event of waste, fraud or abuse.

III. Alaska Plan for Mobile Carriers

63. In this section, the Commission adopts that part of ATA's integrated plan that addresses high-cost support for competitive ETCs providing mobile service in remote areas of Alaska, subject to the minor modifications described herein. The Commission has previously recognized that competitive ETCs in Alaska's remote regions face conditions unique to the state, and much of Alaska's remote areas remain unserved or underserved by mobile carriers. The Alaska Plan includes a consensus plan among the mobile providers in remote areas of Alaska that provides predictable, stable support to those providers, frozen at 2014 levels for a term of 10 years. As in the Alaska Plan for rate-of-return carriers, the Commission will provide a one-time opportunity for Alaskan competitive ETCs to elect to participate in the Alaska Plan for mobile carriers. Eligible competitive ETCs who elect not to participate in the Alaska Plan will have their support phased out over a period of three years, as proposed by ATA.

64. The Commission requires that participating competitive ETCs submit individual performance plans with deployment commitments at the end of year five and year 10 meeting the requirements adopted in this Order, discussed below. The Commission delegates to the Wireless Telecommunications Bureau authority to approve proposed performance plans if they are consistent with the public interest and comply with the requirements the Commission adopts in this Order. The Commission will require progress reports of the Alaska Plan participants throughout the 10-year

term, and they will establish specific measures to help ensure verifiability and compliance. In addition, the Commission delegates authority to the Wireless Telecommunications Bureau to approve minor revisions in each carrier's commitments throughout the plan term when in the public interest and to effectuate plan implementation and administration as detailed below. The Commission also requires that each carrier revisit its 10-year deployment commitments no later than the end of year four, as described in detail below.

65. The Commission adopts the Alaska Plan for mobile carriers, subject to certain conditions and modifications herein, for the provision of high cost support to competitive ETCs offering mobile service to consumers in remote Alaska. In the course of eliminating the identical support rule, the Commission observed that carriers in remote Alaska had unique concerns and recognized that Mobility Funds needed to be flexible enough to accommodate special conditions in places like Alaska, to account for ''its remoteness, lack of roads, challenges and costs associated with transporting fuel, lack of scalability per community, satellite and backhaul availability, extreme weather conditions, challenging topography, and short construction season.'' These challenges can drive up costs while the low population bases in these areas strain revenue. The Commission expressed particular concern that ''[o]ver 50 communities in Alaska have no access to mobile voice service today, and many remote Alaskan communities have access to only 2G services.'' The Commission finds that, given these unique concerns, the Alaska Plan, as modified, is a reasonable approach to promote the provision of mobile voice and broadband service in Alaska. The plan will freeze at current levels the funds that are currently going to mobile providers in remote Alaska in return for specified network deployment commitments. The plan will also create a separate fund that will reallocate a majority of the annual funding currently dedicated to mobile providers in non-remote areas of Alaska and create a reverse auction to expand service in unserved areas of remote Alaska. The Commission finds that the plan they adopt will enable competitive ETCs offering service in remote Alaska to continue operating their current services and to extend and upgrade their existing networks.

66. ATA represents that as of December 31, 2014, the competitive ETCs serving remote Alaska served a population of 143,991 in the areas eligible for frozen support, with only 13,452 of that population receiving 4G LTE service and 66,025 receiving only 2G/voice service. The remaining 64,514 of the population received only 3G service as of that date. If all eight of the competitive ETCs serving remote Alaska that have submitted proposed performance plans participate in the Alaska Plan, by the end of the 10-year term the population receiving 4G LTE service in eligible areas will increase from 9 percent as of December 2014 to 85 percent, or 122,119. Alaskans receiving only 2G/voice will decrease from 46 to 7 percent of the population, or 10,202, while those receiving 3G service only will drop from 45 to 8 percent or 11,669. Moreover, additional support of up to approximately $22 million will be redirected to a reverse auction in which competitive ETCs may bid to receive annual support for 10 years to extend service to areas that do not have any commercial mobile radio service.

67. In adopting the Alaska Plan, the Commission declines to instead adopt ACS's proposed alternative plan involving the creation of a State or non-profit provider of middle mile. As an initial matter, the ACS proposal would require changes to several different universal service mechanisms outside the scope of this proceeding, such as the rural health care and E-Rate mechanisms. The Commission also finds that the alternative plan would involve significant implementation and operational issues regarding the proposed middle mile provider that, at a minimum, would lead to substantial delay and may well not be practical. In addition, the Commission takes into account that the Alaska Plan was developed and presented as a part of an integrated plan for competitive ETCs serving remote Alaska and their affiliated rate-of-return carriers, and that it represents a consensus approach supported by all mobile carriers providing subsidized service in remote Alaska, whereas the ACS alternative appears to have the support of only ACS itself, which does not provide any mobile service in Alaska. Further, while the ACS plan seeks to address the critical need in remote Alaska for new terrestrial middle-mile deployment, it does not provide any specific plan for the high cost support of retail mobile voice and broadband services to consumers—which is the ultimate goal of this proceeding. The Commission also notes that service providers are entitled to use support to construct the facilities required for them to meet their deployment obligations, including using support for improved backhaul and middle mile. Accordingly, the Commission rejects ACS's proposed alternative plan. For the reasons discussed below, the Commission declines to adopt the conditions proposed by ACS, but do provide that the phase down of competitive ETC support of mobile carriers who were not signatories of the Alaska Plan will begin no earlier than 12 months after release of this Order.

68. Each qualifying mobile carrier that elects to participate in the Alaska Plan will receive annually an amount of support equal to their competitive ETC support frozen at December 2014 levels, and participating carriers shall no longer be required to file line counts. This support will be frozen at these levels for 10 years and replaces the identical support phase down schedule for participating competitive ETCs. Our decision to freeze support at December 31, 2014 levels for mobile carriers participating in the Alaska Plan is consistent with our determination that certain areas require ongoing support in order for mobile service to continue to be offered and our goal to ensure universal availability of voice and broadband to homes in rural, insular, and high-cost areas. If the eight eligible competitive ETCs participate in the Alaska Plan, this would result in approximately $74 million being dispersed annually for each of the 10 years that the plan is in effect.

69. The Commission adopts certain public interest obligations for the mobile services that are supported by the Alaska Plan.

70. *Provision of Service.* At a minimum, the Commission finds that mobile carriers in remote Alaska must provide a stand-alone voice service and, at a minimum, offer to maintain the level of data service they were providing as of the respective dates their individual plans are adopted by the Wireless Telecommunications Bureau and to improve service consistent with their approved performance plans.

71. *Reasonably Comparable Rates.* Section 254(b)(3) provides the universal service principle that consumers in all regions in the nation, including ''rural, insular, and high cost areas,'' should have access to advanced communications that are reasonably comparable to those services and rates available in urban areas. The Commission requires participating carriers to certify their compliance with this obligation in their annual compliance filings described below, and to demonstrate compliance at the end of the five-year milestone and 10-year milestone, also described below. Further, consistent with the conclusions

in Tribal Mobility Fund Phase I, the Commission provides that a carrier may demonstrate compliance by showing that its required stand-alone voice plan, and one service plan that offers broadband data services, if it offers such plans, are (1) substantially similar to a service plan offered by at least one mobile wireless service provider in the cellular market area (CMA) for Anchorage, Alaska, and (2) offered for the same or a lower rate than the matching plan in the CMA for Anchorage. Because of the unique conditions in remote Alaska, however, and the variety of circumstances and costs of the affected carriers, the Commission authorizes the Wireless Telecommunications Bureau to employ alternative benchmarks appropriate for specific competitive ETCs under the Alaska Plan in assessing carrier offerings.

72. The Commission reject ACS's request that they require recipients to ensure reasonably comparable rates in their middle mile offerings. While recipients of the plan are free to invest in middle mile to bolster their last-mile mobile offerings, this support is not directly for improving middle-mile offerings to other carriers. As noted above, our overarching goal is to preserve and enhance the provision of broadband service to consumers.

73. The Commission adopts a support term of 10 years for recipients of the Alaska Plan. Given the conditions faced by carriers specifically in remote Alaska, including the vast distance, the extreme weather, and the very short construction seasons, the Commission concludes that a 10-year term of support will serve the public interest. The provision of predictable support over this timeframe will enable providers to undertake long-term plans to invest in and upgrade their mobile network services, while the requirement to file updated proposed deployment obligations during the 10-year term, as discussed below, will ensure that participating competitive ETCs are using their support in a manner that furthers universal service goals.

74. Alaska Plan recipients will be permitted to use their Alaska Plan support for both operating expenses and capital expenses for new deployment, upgrades, and maintenance of mobile voice and broadband-capable networks, including middle-mile improvements needed to those ends. As long as an Alaska Plan participant is offering service in an eligible area, as defined below, and consistent with the public interest obligations delineated in this Order, service in that area will be eligible for support.

75. The Commission reject ACS's request that the Commission condition support under the plan by requiring recipients ''to spend at least 70% of their support to deploy and operate terrestrial middle-mile facilities on routes where such facilities do not exist with sufficient capacity to meet demand based on speed and usage benchmarks the Commission has adopted across its universal service mechanisms.'' The Commission is not persuaded that requiring that each recipient dedicate 70% of its support to this specific task would best serve the interest of Alaskan consumers. For instance, the Quintillion Subsea Cable System could provide high speed broadband access to mobile providers along the west coast of Alaska, such as for ASTAC and OTZ Wireless, without those carriers having to spend 70% of their support to invest in separate middle-mile buildout. The Commission finds that allowing recipients to invest in middle-mile facilities as needed based on their respective situations would allow these carriers to better target the support that they receive in accordance with their circumstances to meet their deployment obligations.

76. Moreover, the Commission determine that it is not in the public interest to regulate carriers that choose to build middle-mile facilities using support from the plan under dominant carrier regulations. ACS requests that ''[c]arriers constructing and operating middle mile facilities where there is no unaffiliated competitive terrestrial service provider . . . be regulated as dominant telecommunications carriers on those routes.'' It is not clear what ACS intends to be the consequences of such a condition, or that such a condition is either necessary or in the public interest. The Commission notes that GCI has already indicated that its provision of middle-mile service on the TERRA network is a Title II service provided subject to the common carriage requirements of sections 201 and 202 of the Act.

77. Finally, the Commission declines to adopt ACS's proposed condition to deny transfer of support received by a competitive ETC participating in the Alaska Plan in all instances of transfer of customers or other affiliation or acquisition of one participating carrier by another. The Commission instead delegates to the Wireless Telecommunications Bureau to determine in the context of a particular proposed transaction involving a competitive ETC that is an Alaska Plan participant the extent to which a transfer of a proportionate amount of the transferring carrier's Alaska Plan support, along with what specific performance obligations, would serve the public interest.

78. *Performance Plans.* The Commission appreciates the particular challenges that providing mobile service in Alaska presents to wireless carriers, and at this time they choose to adopt general, rather than specific, deployment parameters. The Commission adopts ATA's proposal that remote competitive ETCs that choose to participate in the Alaska Plan must submit a performance plan consistent with the requirements found in this Order. Each competitive ETC that would like to participate in the Alaska Plan must identify in its performance plan: (1) the types of middle mile used on that carrier's network; (2) the level of technology (2G, 3G, 4G LTE, etc.) that carrier provides service at for each type of middle mile used; (3) the delineated eligible populations served, as described below, at each technology level by each type of middle mile as they stand currently and at years five and 10 of the support term; and (4) the minimum download and upload speeds at each technology level by each type of middle mile as they stand currently and at years five and 10 of the support term. Accordingly, each performance plan must specify the population covered by the five-year and 10-year milestones the Commission adopts below, broken down for each type of middle mile, and within each type of middle mile, for each level of data service offered. The proposed performance plans must reflect any improvements to service, through improved middle mile, improved technology, or both. The Commission expects participants in the Alaska Plan for mobile carriers to offer service meeting the deployment standard described below. Alaska Plan participants must offer service meeting the milestones they commit to in their adopted service plans. The Commission delegates to the Wireless Telecommunications Bureau authority to require additional information, including during the Bureau's review of the proposed performance plans, from individual participants that it deems necessary to establish clear standards for determining whether or not they meet their five- and 10-year commitments, which may include geographic location of delineated-eligible populations, as well as specific requirements for demonstrating that they have met their commitments regarding broadband speeds. This approach allows Alaska Plan participants the ability to deploy service and technology achievable and tailored

to the challenges faced by the carriers. The Commission also requires, however, that participating carriers update their end-of-term commitments no later than the end of year four, and they delegate authority to the Wireless Telecommunications Bureau to review these updates in light of any new developments, including newly available infrastructure, and require revised commitments if it serves the public interest.

79. *Deployment Standard.* The Commission expects that Alaska Plan participants will work to extend 4G LTE service to populations who are currently served by 2G or 3G. However, the Commission recognizes that there are unique limitations to extending 4G LTE—and in certain locations 3G—in remote Alaska due to infrastructure and the cost of upgraded middle mile. Participants may also be permitted in particular circumstances to maintain lower levels of technology to a subset of locations due to such limitations as difficult terrain or lack of access to either terrestrial middle mile infrastructure or satellite backhaul providing middle-mile service with technical characteristics comparable to at least microwave backhaul. The Commission therefore authorizes the Wireless Telecommunications Bureau to approve plans in particular circumstances that may propose not to provide 4G LTE service, but only to maintain service at 2G or 3G or to upgrade to service from 2G to 3G. The Commission has determined that it will serve the public interest to balance our goal of deploying reasonably comparable voice and broadband service with our goal of ensuring that universal service support is used efficiently and remains within the amounts budgeted to each participating competitive ETC. This approach is also consistent with our stated goal of ensuring that funding is ''focused on preserving service that otherwise would not exist and expanding access to 4G LTE in those areas that the market otherwise would not serve,'' while accounting for the special challenges faced by mobile carriers in remote Alaska.

80. *Coverage.* The Commission provides that frozen support provided to mobile carriers pursuant to the Alaska Plan may only be used to provide mobile voice and broadband service in those census blocks in remote Alaska where, as of December 31, 2014, less than 85% of the population was covered by the 4G LTE service of providers that are either unsubsidized or not eligible for frozen support in Alaska and accordingly subject to a phase down of all current support. Thus, mobile carriers receiving frozen support may only satisfy their performance commitments through service coverage in the eligible areas.

81. The Commission finds that the ATA plan's refocus of competitive ETC support in Alaska to the remote areas is reasonable and in the public interest. First, the vast majority of the population of non-remote Alaska is already receiving 4G LTE from a nationwide CMRS provider. Further, while a very small number of people within non-remote Alaska are covered by only subsidized 4G LTE service from a nationwide CMRS provider—AT&T—the Commission is persuaded that AT&T does not need the support that it receives for this small area to continue providing service, given the success of both Verizon and AT&T in providing unsubsidized 4G LTE throughout the majority of non-remote Alaska and the willingness of GCI to forgo future support for its 4G LTE service in that area as well. The Commission notes also that AT&T makes no claim to needing support for this small area and that its own proposed standard of ineligibility would terminate support throughout non-remote Alaska. In addition, while non-remote Alaska is already extensively covered by LTE, numerous small communities in remote Alaska lack adequate or even the most basic mobile service. Under the plan the Commission adopted, funds will be allocated to help improve service and extend deployment to these remote areas, which they find will better serve the goals of universal service than further investment in the significant level of service already enjoyed by consumers living in non-remote Alaska.

82. For this purpose, the Commission will treat a carrier's service in remote areas of Alaska as equivalent to service provided in non-remote areas (and accordingly subject to a three-year phase down in support) if in connection with this service, the carrier did not previously claim the ''covered locations'' exception to the interim cap on competitive ETC support that the Commission established in 2008. In so doing, the Commission is guided by their approach to high cost support in remote Alaska in the 2011 *USF/ICC Transformation Order,* which provided remote Alaskan carriers with a two-year delay in the phase down of legacy support applicable to carriers elsewhere, but only if the Alaskan carriers had previously claimed the covered locations exception. As a result, a carrier serving remote areas that had been eligible for the covered locations exception (which would have included any competitive ETC in remote Alaska) but that chose not to claim it was treated the same as providers in non-remote areas, for whom the Commission found ''no evidence . . . that any accommodation is necessary to preserve service or protect consumers. . . .'' Consistent with the eligibility for the remote Alaska delayed phase down established in the *USF/ICC Transformation Order,* the Commission restricts competitive ETC eligibility for frozen support in remote Alaska to those competitive ETCs that both serve remote Alaska and claimed the covered locations exception, and the Commission provides that support going to carriers in remote Alaska who did not claim the covered locations exception will, like support in non-remote areas, be phased out and reallocated.

83. The Commission further provides that, in remote Alaska, eligible areas will include only those census blocks where, as of December 31, 2014, less than 85% of the population was covered by the 4G LTE service of providers that are either currently unsubsidized under the high cost mechanism or subject to a phase down of all current mobile support in the relevant census block. The Commission finds that excluding blocks where there is 4G LTE service being provided that is either unsubsidized or subject to a phase down of support will further our goal of targeting universal service support to areas that will not be served by the market without such support. The Commission also finds the proposed 85% coverage threshold reasonable for remote Alaska. As GCI notes, the use of an 85% threshold is analogous to the threshold used to determine competitive census blocks for rate-of-return carriers in the *2016 Rate-of-Return Reform Order.* Further, because census blocks in Alaska are quite large, it would not be surprising that a part of the census block would need further support even when another part of the block does not.

84. The Commission declines to adopt AT&T's proposal that all areas covered by 4G LTE service, including remote areas receiving only subsidized 4G LTE service, should be ineligible for support absent a case-by-case waiver. The Commission finds, on the current record, including the unique costs and challenges of service in remote Alaska, the specific cost evidence submitted in the Brattle Group study, the limited extent of 4G LTE deployment in remote Alaska, and the consensus support for the ATA plan, that the approach the Commission adopts will better advance universal service in that region. In sum, the Commission concludes that it is in the public interest to allow competitive

ETCs participating in the Alaska Plan to use support provided by the Alaska Plan to provide service in remote census blocks where, as of December 31, 2014, less than 85% of the population received 4G LTE service from providers that are either unsubsidized or not eligible for frozen support in Alaska and accordingly subject to a phase down of all current support.

85. *Duplicative funding.* As a general policy, since the reforms of the Commission's high cost support mechanisms adopted in 2011, the Commission has sought to eliminate the provision of high-cost support to more than one competitive ETC in the same area. The Alaska Plan as proposed by ATA makes no provisions, however, for addressing the potential for high-cost funds to support overlapping networks in remote Alaska at any time over the plan's 10-year term. The Commission is particularly concerned that it does not address the potential that high-cost funds could be used to support more than one 4G LTE deployment in the same area. The analysis of overlap submitted by the ATA signatories and independent staff analysis of the parties' Form 477 submissions indicates that there is no current overlap of 4G LTE service provided by the eligible carriers. The same data suggest, however, that there is a potential for such overlap as eligible carriers upgrade their networks to 4G LTE to meet their performance commitments. At this time, however, the Commission cannot know with certainty whether such overlap will occur and, if so, in which locations and to what extent.

86. Today, the Commission concludes that support provided to overlapped areas in the future should be redistributed to eliminate any instances of duplicate support for 4G LTE service in the manner to be determined once 4G LTE overlap is reevaluated during the fifth year of the plan. As discussed below and in the concurrently adopted FNPRM, the Commission therefore adopts a process for revisiting whether and to what extent there is duplicative funding for 4G LTE service during the first part of the 10-year term, and seek comment on mechanisms for eliminating any such duplicative funding, and for determining how to redistribute any such funds.

87. The Commission will maintain the support levels they adopt today for the first five years of the term to spur 4G LTE deployment in remote Alaska, consistent with the carriers' performance commitments, in order to further our goal of promoting mobile broadband deployment in areas where such deployment has seriously lagged behind the rest of the Nation. To address the potential for duplicative support over time, however, the Commission will evaluate whether there is any overlap in subsidized 4G LTE coverage areas in the fifth year, with the expectation of eliminating any such duplicative support during the second half of the Plan's 10-year term. To do so, the Commission will assess 4G LTE deployment and any overlap in subsidized areas as of December 31, 2020, as reflected in the March 2021 Form 477 filing. Thereafter, based on that assessment as well as additional information in the record in response to the concurrently adopted FNPRM and in the resulting Order, the Commission will implement a process, at the beginning of the sixth year, to eliminate duplicative support to areas where there is more than one provider offering subsidized 4G LTE service. The Commission finds that this approach strikes the appropriate balance in promoting the deployment of 4G LTE services in remote Alaska, where such service has lagged significantly, while providing a mechanism to eliminate any duplicative support that may arise, consistent with our principles of fiscal responsibility and maximizing the impact of limited universal service funds.

88. *Timeline.* The Commission will require competitive ETCs participating in the Alaska Plan to meet one interim milestone by the end of their fifth year of their support term and complete their deployment to the required population in their eligible service areas by the end of the tenth year of their support term.

89. The Alaska Plan is limited to support of remote areas of Alaska, given the unique challenges faced by providers in those areas. A competitive ETC will be eligible for frozen support pursuant to the Alaska Plan if it serves remote areas in Alaska, and it certified that it served covered locations anywhere in remote areas in Alaska in its September 30, 2011 filing of line counts with the USAC. Competitive ETCs eligible for frozen support under the Alaska Plan will have a one-time opportunity to elect to participate in the Plan.

90. The Commission notes that eight Alaskan mobile carriers have submitted proposed performance plans to the Wireless Telecommunications Bureau. Given that this Order is consistent with ATA's proposal, subject to minor modifications, the Commission presumptively considers these plan commitments to constitute an election to participate in the plan. Alaskan carriers that choose to update their proposed performance commitments or not participate in the plan in light of this Order should file such updates or provide such notice no later than 30 days from the effective date of this Order. Competitive ETCs should submit any such updated performance plans or provide such notice in WC Docket No. 16–271. Also in light of this Order, the Commission directs the Wireless Telecommunications Bureau to further review the proposed performance plans on file (or any timely filed update). While review of their performance plan is pending, carriers will remain on the revised legacy support mechanism. If the Wireless Telecommunications Bureau concludes that a proposed performance plan meets the applicable requirements the Commission adopts in this Order and will serve the public interest, it will release a public notice approving the relevant performance plan. The public notice will authorize the carrier to begin receiving support and direct USAC to obligate and disburse Alaska Plan support once the conditions are met. Support will be conditioned on an officer of the company submitting a letter in WC Docket No. 16–271 certifying that the carrier will comply with the public interest obligations adopted in this Order and the deployment obligations set forth in the adopted performance plan within five days of the release of the Bureau's public notice or such longer period of time, not to exceed fifteen days, as the Bureau's public notice specifies.

91. Competitive ETCs that are eligible but choose not to participate in the Alaska Plan, will have their current support phased down over a three-year period, as proposed in the Alaska Plan, beginning January 1, 2017. Competitive ETCs who are participants in the proposed Alaska Plan and who receive support in non-remote areas of Alaska will have such support phased down over the same period. Because the Commission adopts the Alaska Plan for mobile carriers as an Alaska-specific comprehensive substitute mechanism for mobile high-cost support, they further provide that there will be no support provided under Mobility Fund Phase II or Tribal Mobility Fund Phase II for mobile service within Alaska.

92. The Commission provides a 12-month period from the release date of the Report and Order before the commencement of the three-year phase down of competitive ETC support insofar as it applies to carriers that are not signatories to the Alaska Plan, *i.e.,* AT&T/Dobson. Specifically, the phase down will commence on the beginning of the month that immediately follows the expiration of the 12-month period.

The Commission finds this accommodation to be reasonable, as such a carrier may require additional transition time to reduce any disruptions.

93. ATA proposes that, like the rate-of-return participants, competitive ETC participants be subject to the reporting requirements set forth in 54.313 and the recordkeeping and compliance requirements set forth in section 54.320(d) of the Commission's rules. The Commission adopts and build on that proposal, as described below.

94. *Annual Reporting Requirements.* Pursuant to section 54.313 of the Commission's rules, competitive ETCs that participate in the Alaska Plan must continue to file FCC Form 481 on July 1 each year. Alaska Plan participants, like all ETCs subject to the jurisdiction of a State, are also required to have Alaska submit the section 54.314 intended use certification on their behalf. Alaska Plan participants will no longer be required to file line counts as required by section 54.307.

95. As with the reporting requirements of Alaskan rate-of-return carriers, the Commission also establishes certain additional reporting requirements for carriers receiving support under the Alaska Plan. First, the Commission adds a reporting requirement to the Form 481 for competitive ETCs that participate in the Alaska Plan to help the Commission monitor the availability of infrastructure for these carriers. For Alaska Plan recipients that have identified in their adopted performance plans that they rely exclusively on performance-limiting satellite backhaul for a certain portion of the population in their service area, the Commission will require that they certify whether any terrestrial backhaul, or any new-generation satellite backhaul service providing middle-mile service with technical characteristics comparable to at least microwave backhaul, became commercially available in the previous calendar year in areas that were previously served exclusively by performance-limiting satellite backhaul. If a recipient certifies that such new backhaul has become available, it must provide a description of the backhaul technology, the date on which that backhaul was made commercially available to the carrier, and the number of the population served by the new backhaul option. Further, the Commission requires those Alaska Plan providers that have not already committed to providing 4G LTE at 10/1 Mbps speeds to the population served by the newly available backhaul by the end of the plan term to submit revised performance commitments factoring in the availability of the new backhaul option no later than the due date of the Form 481 in which they have certified that such backhaul became commercially available. The Commission has not been persuaded to adopt ACS's first three proposed conditions and accordingly also decline to adopt reporting conditions related to these conditions. The Commission does find it appropriate, however, to impose a requirement that all competitive ETCs receiving support under the plan must retain documentation on how much of their Alaska Plan support was spent on capital expenses and operating expenses and be prepared to produce such documentation upon request, which will assist the Commission in enforcing the terms of the plan and ensuring funds are spent efficiently and in the public interest. The Commission expects that this requirement will not impose an undue burden on these recipients because they track their capital and operating expenditures in the regular course of business. Moreover, while the Commission rejects ACS's particular proposal that competitive ETCs should state by December 31, 2017 where they intend to deploy broadband and what middle-mile facilities they will build or lease, the Commission will require Alaska Plan participants to submit fiber network maps or microwave network maps in a format specified by the Bureaus covering eligible areas and to update such maps if they have deployed middle-mile facilities in the prior calendar year that are or will be used to support their service in eligible areas. The Commission finds it will be more helpful to our ongoing assessment of the performance commitments of the recipients to have information on middle mile actually deployed rather than information regarding planned middle-mile deployment.

96. *Milestone Reporting Requirements.* The Commission further determines that like other high-cost recipients that are required to meet milestones, each Alaska Plan participant will also be required to file certifications that it has met its milestones, including minimum download and upload speeds as stated in the approved performance plans. Each participant must certify that it has met its five-year milestone by the second month following its fifth year of support and certify that it has met its 10-year milestone by the second month following its tenth year of support. The Commission will rely on participating carriers' Form 477 submissions in determining whether each carrier's five-year and 10-year milestones have been met. Additionally, the Commission requires minimum upload and download speed certifications from carriers receiving more than $5 million annually in high cost funding to be supported by data from drive tests showing mobile transmissions to and from the network meeting or exceeding the speeds delineated in the approved performance plans. Based on the unique circumstances of remote Alaska, the Commission will not require drive-testing data from participating carriers receiving less than this amount. As with Tribal Mobility Fund Phase I, the Commission concludes that the required drive tests may be conducted by means other than in automobiles on roads, recognizing the unique terrain and lack of road networks in remote Alaska. Providers may demonstrate coverage of an area with a statistically significant number of tests in the vicinity of residences being covered. Equipment used to conduct the testing may be transported by off-road vehicles, such as snow-mobiles or other vehicles appropriate to local conditions.

97. *Reductions in support.* The Commission has generally adopted a five-year and 10-year build-out milestone for the Alaska Plan that will be more specifically defined based on each participant's approved performance plan. Once a carrier's performance plan is approved by the Wireless Telecommunications Bureau, the carrier is required to meet the performance benchmarks of the plan. Alaska Plan participants that fail to meet these milestones will be subject to the same potential reductions in support as any other carrier subject to defined obligations. If, by the end of the 10-year term an Alaska Plan participant is unable to meet its final build-out milestone, it will be required to repay 1.89 times the average amount of support per location received over the 10-year term for the relevant number of locations that the carrier has failed to deploy to, plus 10 percent of its total Alaska Plan support received over the 10-year term.

98. *Audits.* Like all ETCs, Alaska mobile carriers will be subject to ongoing oversight to ensure program integrity and to deter and detect waste, fraud and abuse. All ETCs that receive high-cost support are subject to compliance audits and other investigations to ensure compliance with program rules and orders. Our decision today to provide frozen support based on past support amounts does not limit the Commission's ability to recover funds or take other steps in the event of waste, fraud or abuse.

99. The Commission adopts ATA's proposal to reallocate that support subject to the phase down under the Alaska Plan to support the provision of mobile service in currently unserved Alaskan remote areas, less an amount that they reallocate to Alaska rate-of-return carriers to adjust their support levels, and the Commission provides that the new funding for unserved areas will be distributed through a reverse auction process. The Commission finds that allocating this additional support to fund the deployment of service to currently unserved areas will further the goal of ensuring ''universal availability of modern networks capable of providing mobile voice and broadband service where Americans live, work, and travel.'' As support to non-remote competitive ETCs phases down, up to approximately $22 million of support annually will be available to support mobile service in currently unserved remote areas, with such support to be awarded through a reverse auction. Any competitive ETC, including competitive ETCs that do not otherwise receive support for mobile service in remote Alaska, may bid in the auction to receive annual support through the remainder of the Plan term to extend service to areas that do not have commercial mobile radio service as of December 31, 2014. The Commission provides that, for the purposes of this support, ''unserved'' areas are those census blocks where less than 15% of the population within the census block was within any mobile carrier's coverage area. The Commission further provides that the reverse auction will be subject to the competitive bidding rules codified at Part 1 Subpart AA of the Commission's rules and delegate to the Wireless Telecommunications Bureau authority to otherwise determine the applicable procedures and performance requirements to implement the reverse auction as established today.

IV. Procedural Matters

100. This document contains new information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104–13. It will be submitted to the Office of Management and Budget (OMB) for review under section 3507(d) of the PRA. OMB, the general public, and other Federal agencies are invited to comment on the new information collection requirements contained in this proceeding. In addition, the Commission notes that pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, *see* 44 U.S.C. 3506(c)(4), they previously sought specific comment on how the Commission might further reduce the information collection burden for small business concerns with fewer than 25 employees. The Commission describes impacts that might affect small businesses, which includes most businesses with fewer than 25 employees, in the Final Regulatory Flexibility Analysis (FRFA) in Appendix B, *infra.*

101. The Commission will send a copy of this Report and Order to Congress and the Government Accountability Office pursuant to the Congressional Review Act, *see* 5 U.S.C. 801(a)(1)(A).

102. As required by the Regulatory Flexibility Act of 1980 (RFA), as amended, an Initial Regulatory Flexibility Analyses (IRFA) was incorporated in the *Further Notice of Proposed Rulemaking* adopted in November 2011 (*USF/ICC Transformation FNPRM,* 76 FR 78384, December 16, 2011) and the *Further Notice of Proposed Rulemaking* adopted in April 2014 (April 2014 Connect America FNPRM, 79 FR 39196, July 9, 2016). The Commission sought written public comment on the proposals in the *USF/ICC Transformation FNPRM* and *April 2014 Connect America FNPRM,* including comment on the IRFAs. The Commission did not receive any relevant comments in response to these IRFAs. This Final Regulatory Flexibility Analysis (FRFA) conforms to the RFA.

103. In the Report and Order, the Commission adopts the Alaska Plan for rate-of-return carriers and competitive eligible telecommunications carriers serving Alaska to support the deployment of voice and broadband-capable wireline and mobile networks in Alaska.

104. The Commission provides Alaskan rate-of-return carriers with the option to obtain a fixed level of funding for a defined term in exchange for committing to deployment obligations that are tailored to each Alaska rate-of-return carrier's unique circumstances. Specifically, the Commission will provide a one-time opportunity for Alaskan rate-of-return carriers to elect to receive support in an amount equal to adjusted 2011 levels for a 10-year term. The Commission directs the Wireline Competition Bureau to review proposed performance commitments. Alaskan rate-of-return carriers can elect to participate in the Alaska Plan, or can choose to receive support from the Alternative Connect America Cost Model (A–CAM) or remain on the reformed legacy mechanisms. Like all other Connect America programs, the Commission will monitor Alaska Plan participants' progress in meeting their deployment obligations throughout the 10-year term.

105. The Commission additionally provides competitive ETCs serving remote areas of Alaska the option to obtain a fixed level of funding for a defined term in exchange for committing to performance obligations that are tailored to each competitive ETC's unique circumstances. Specifically, the Commission will provide a one-time opportunity for competitive ETCs serving remote areas of Alaska to elect to receive support frozen, for a majority of the carriers, at the levels the carriers received as of December 2014, and for one carrier at its March 2015 level. The Commission requires mobile carriers that wish to elect to participate in the Alaska Plan to submit performance plans indicating the population in their service area to which they will offer mobile service, the type of technology for last mile and middle mile, and minimum upload and download speeds meeting the public interest obligations the Commission adopt in this Order at five-year and ten-year service milestones. The Commission delegates to the Wireless Telecommunications Bureau authority to approve such plans if the Wireless Telecommunications Bureau determines they are consistent with the public interest and comply with the requirements adopted in this Order. Competitive ETCs serving remote areas of Alaska that are not signatories to Alaska Plan and competitive ETCs that serve non-remote areas of Alaska will have their support phased down over a three-year period. Competitive ETC support insofar as it applies to carriers that are not signatories to the Alaska Plan will be subject to a 12 month period from the release date of the Report and Order before the commencement of the three-year phase down. Alaskan providers will not be eligible for any additional support for mobile services under our proposed Mobility Fund Phase II and Tribal Mobility Fund Phase II programs. Like all other high-cost programs, the Commission will monitor Alaska Plan participants' progress in meeting their deployment obligations throughout the 10-year term.

106. There were no comments raised that specifically addressed the proposed rules and policies presented in the *USF/ICC Transformation FNRPM* IRFA or *April 2014 Connect America FNPRM* IRFA. Nonetheless, the Commission considered the potential impact of the rules proposed in the IRFA on small entities and reduced the compliance burden for all small entities in order to

reduce the economic impact of the rules enacted herein on such entities.

107. Pursuant to the Small Business Jobs Act of 2010, which amended the RFA, the Commission is required to respond to any comments filed by the Chief Counsel of the Small Business Administration (SBA), and to provide a detailed statement of any change made to the proposed rule(s) as a result of those comments.

108. The Chief Counsel did not file any comments in response to the proposed rule(s) in this proceeding.

109. The RFA directs agencies to provide a description of, and where feasible, an estimate of the number of small entities that may be affected by the proposed rules, if adopted. The RFA generally defines the term "small entity" as having the same meaning as the terms "small business," "small organization," and "small governmental jurisdiction." In addition, the term "small business" has the same meaning as the term "small-business concern" under the Small Business Act. A small-business concern" is one which: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration (SBA).

110. Total Small Entities. Our proposed action, if implemented, may, over time, affect small entities that are not easily categorized at present. The Commission therefore describes here, at the outset, three comprehensive, statutory small entity size standards. First, nationwide, there are a total of approximately 28.2 million small businesses, according to the SBA, which represents 99.7% of all businesses in the United States. In addition, a "small organization" is generally "any not-for-profit enterprise which is independently owned and operated and is not dominant in its field." Nationwide, as of 2007, there were approximately 1,621,215 small organizations. Finally, the term "small governmental jurisdiction" is defined generally as "governments of cities, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand." Census Bureau data for 2011 indicate that there were 90,056 local governmental jurisdictions in the United States. The Commission estimates that, of this total, as many as 89,327 entities may qualify as "small governmental jurisdictions." Thus, the Commission estimates that most governmental jurisdictions are small.

111. In the Report and Order, for rate-of-return carriers, the Commission directs the Wireline Competition Bureau to review proposed performance plans from Alaskan rate-of-return carriers interested in participating in the Alaska Plan that specify the number of locations they commit to serve and the minimum speeds. The Wireline Competition Bureau will release a public notice approving the plan.

112. Alaska Plan rate-of-return participants will be given a 10-year term of support and will be required to offer voice and broadband service meeting certain latency, data usage, and reasonably comparable rate obligations. In their performance plans, Alaska Plan rate-of-return recipients will commit to offer such service to a certain number of locations in their service areas at specified minimum speeds by the end of the fifth year of their support term and by the end of the 10th year of their support term, or in the alternative maintain existing voice and broadband service meeting the relevant public interest obligations to a specified number of locations. Alaska Plan rate-of-return recipients that fail to meet their service milestones will be subject to certain non-compliance measures, including support reductions and reporting. No later than the end of the fourth year of support, Alaska Plan rate-of-return recipients must update their end-of-term commitments, which will be reviewed by the Wireline Competition Bureau, taking into account such factors as improved access to middle mile infrastructure and updated competitive coverage. The Wireline Competition Bureau will reassess the approved performance plans of carriers that commit to maintain existing service more frequently.

113. Carriers electing to participate will be required to submit a letter from an officer of the company certifying that they will comply with the required public interest obligations and performance obligations set forth in their approved performance plan. To monitor Alaska Plan rate-of-return recipients' use of support to ensure it is used for its intended purpose, the Commission has imposed several reporting requirements. Alaska Plan rate-of-return recipients must file annual FCC Form 481s and must also certify and report certain data regarding the availability of backhaul and certify compliance with the relevant public interest obligations and their adopted performance plan. They must also submit fiber network maps and microwave network maps.

114. Alaska Plan rate-of-return recipients are also required to submit certain geocoded location data for the locations where they deploy new service. The Commission expects such information will be submitted on a rolling basis, but must be submitted by no later than March 1, 2018 and then March 1 following each support year. Alaska Plan rate-of-return recipients must also certify that they have met their five-year and 10-year service milestones. Finally, Alaska Plan recipients are required to comply with all other existing high-cost reporting and oversight mechanisms, unless otherwise modified by the Order.

115. Alaska Plan rate-of-return recipients will only be able to count toward new deployment obligations locations in areas that are unserved by qualifying unsubsidized competitors. The Commission will rely on Form 477 data to preliminarily identify areas that are served by competitors. A challenge process will be held where competitors, which carry the burden of persuasion, must certify that they offer qualifying voice and broadband services to 85 percent of the locations in the relevant census blocks, accompanied by evidence. The incumbent and other interested parties will then be able to contest the showing made by the competitor. The Wireline Competition Bureau will make a final determination of which census blocks are competitively served, weighing all of the evidence in the record.

116. Each competitive ETC that participates in the Alaska Plan must identify in its performance plan: (1) the types of middle mile used on that carrier's network; (2) the level of technology (2G, 3G, 4G LTE, etc.) that carrier provides service at for each type of middle mile used; (3) the delineated eligible populations served at each technology level by each type of middle mile as they stand currently and at years five and 10 of the support term; and 4) the minimum download and upload speeds at each technology level by each type of middle mile as they stand currently and at years five and 10 of the support term. Accordingly, each performance plan must specify the level of data service by each type of middle mile on a per person basis that will be offered by the five-year and 10-year milestones the Commission adopted. The proposed performance plans must reflect any improvements to service, through improved middle mile, improved technology, or both. Alaska Plan participants must offer service meeting the milestones they commit to in their adopted service plans. The Wireless Telecommunications Bureau may require additional information, including during the Bureau's review of the proposed performance plans, from individual participants that it deems necessary to establish clear standards

for determining whether or not they meet their five- and 10-year commitments, which may include geographic location of delineated-eligible populations, as well as specific requirements for demonstrating that competitive ETCs have met their commitments regarding broadband speeds. Competitive ETC participants are also required to update their end-of-term commitments no later than the end of year four, and the Wireless Telecommunications Bureau will review these updates in light of any new developments, including newly available infrastructure, and require revised commitments if it serves the public interest.

117. Carriers electing to participate will be required to submit a letter from an officer of the company certifying that they will comply with the required public interest obligations and performance obligations set forth in their approved performance plan. Competitive ETCs participating in the Alaska Plan will be given a 10-year term of support and will be required to offer mobile service consistent with the public interest obligations set forth in this Order. Alaska Plan participants that fail to meet their service milestones will be subject to certain non-compliance measures, including support reductions and reporting. To monitor Alaska Plan recipients' use of support to ensure it is used for its intended purpose, the Commission has imposed several reporting requirements. Alaska Plan recipients must file annual FCC Form 481s and must also certify and report certain data regarding the availability of backhaul and certify compliance with the relevant public interest obligations and their adopted performance plans. Alaska Plan recipients must also submit fiber network maps and microwave network maps. Alaska Plan recipients must certify that they have met their five-year and ten-year service milestones, including any obligations pursuant to revised approved performance plans, and that they have met the requisite public interest obligations contained in this Order. Additionally, for mobile carriers receiving more than $5 million annually in support, these certifications must be accompanied by data received or used from drive tests analyzing network coverage for mobile service covering the population for which support was received and showing mobile transmissions to and from the carrier's network meeting or exceeding the minimum expected download and upload speeds delineated in the approved performance plans. The Commission expects such information will be submitted no later than March 1, 2022, and March 1, 2027.

118. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include (among others) the following four alternatives: (1) The establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or any part thereof, for small entities. The Commission has considered all of these factors subsequent to receiving substantive comments from the public and potentially affected entities. The Commission has considered the economic impact on small entities, as identified in comments filed in response to the *USF/ICC Transformation NPRM and FNRPM* and their IRFAs, in reaching its final conclusions and taking action in this proceeding.

119. The Commission is providing small Alaskan rate-of-return carriers with the certainty they need to invest in voice and broadband-capable networks by offering 10 years of adjusted 2011 frozen support. Recognizing the unique conditions and challenges they face, the Commission is giving them the flexibility to submit performance plans where they set the number of locations that will be upgraded in their service area and the minimum speeds they commit to serve. If the Wireline Competition Bureau approves the plan, they have the opportunity to elect to receive Alaska Plan support or instead they can elect model-based support or choose to remain on the reformed legacy support mechanisms. The Commission also adopted two service milestones—one halfway through the support term and the other at the end of the support term—to give more flexibility to Alaska Plan recipients to account for the fact that they have a shortened construction season and face other challenges in building infrastructure that are unique to Alaska.

120. The Commission also takes steps to prohibit Alaska Plan rate-of-return recipients from using Alaska Plan support to upgrade or deploy new broadband in areas that are served by a qualifying unsubsidized competitor. However, the Commission removes from eligibility only those census blocks where an unsubsidized competitor offers service to at least 85 percent of their locations.

121. The Commission notes that the reporting requirements they adopt for Alaskan rate-of-return carriers are tailored to ensuring that Alaska Plan support is used for its intended purpose and so that the Commission can monitor the progress of recipients in meeting their service milestones. The Commission finds that the importance of monitoring the use of the public's funds outweighs the burden of filing the required information on Alaska Plan recipients, particularly because much of the information that the Commission requires they report is information they expect they will already be collecting to ensure they comply with the terms and conditions of Alaska Plan support and they will be able to submit their location data on a rolling basis to help minimize the burden of uploading a large number of locations at once.

122. The Commission is additionally providing small competitive ETCs serving remote Alaska with the certainty they need to invest in mobile service to remote areas by offering 10 years of adjusted December 2014 frozen support. Recognizing the unique conditions and challenges they face, the Commission is giving them the flexibility to submit performance plans where they set the number of the population that will be upgraded in their service area, the middle mile technology they commit to use, and minimum speeds at which they commit to offer service. If the Wireless Telecommunications Bureau approves the plan, they have the opportunity to elect to receive Alaska Plan support or have their support phase down over a three year term. The Commission also adopted two service milestones—one halfway through the support term and the other at the end of the support term—to give more flexibility to Alaska Plan recipients to account for the fact that they have a shortened construction season and face other challenges in building infrastructure that are unique to Alaska.

123. The Commission removes from eligibility for support those census blocks where there is 4G LTE service being provided that is either unsubsidized or subject to a phase down of support.

124. The Commission notes that the reporting requirements they adopt for competitive ETCs serving remote Alaska are tailored to ensuring that Alaska Plan support is used for its intended purpose and so that the Commission can monitor the progress of recipients in meeting their service milestones. The Commission finds that the importance of monitoring the use of the public's

funds outweighs the burden of filing the required information on Alaska Plan recipients, particularly because much of the information that the Commission requires they report is information the Commission expects they will already be collecting to ensure they comply with the terms and conditions of Alaska Plan support.

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

V. Ordering Clauses

126. Accordingly, *It is ordered*, pursuant to the authority contained in sections 1, 2, 4(i), 5, 201–206, 214, 218–220, 251, 252, 254, 256, 303(r), 332, 403, and 405 of the Communications Act of 1934, as amended, and section 706 of the Telecommunications Act of 1996, 47 U.S.C. 151, 152, 154(i), 155, 201–206, 214, 218–220, 251, 252, 254, 256, 303(r), 332, 403, and 1302 that this Report and Order IS ADOPTED.

127. *It is further ordered* that Part 54 and Part 69, of the Commission's rules, 47 CFR parts 54 and 69, ARE AMENDED as set forth below.

128. *It is further ordered* that the rules adopted herein WILL BECOME EFFECTIVE November 7, 2016, except for §§ 54.313(f)(1)(i), 54.313(f)(3), 54.313(l), 54.316(a)(1), 54.316(a)(5) and(6), 54.316(b)(6), 54.320(d), and 54.321, which contain new or modified information collection requirements that require approval by the OMB. The Commission will publisha document in the **Federal Register** announcing such approval and the relevant effective date.

List of Subjects

47 CFR Part 54

Communications common carriers, Health facilities, Infants and children, Internet, Libraries, Reporting and recordkeeping requirements, Schools, Telecommunications, Telephone.

47 CFR Part 69

Communications common carriers, Reporting and recordkeeping requirements, Telephone.

Federal Communications Commission.

Gloria J. Miles,

Federal Register Liaison Officer, Office of the Secretary.

Final Rules

For the reasons discussed in the preamble, the Federal Communications Commission amends 47 CFR parts 54 and 69 as follows:

PART 54—UNIVERSAL SERVICE

■ 1. The authority citation for part 54 continues to read as follows:

Authority: 47 U.S.C. 151, 154(i), 155, 201, 205, 214, 219, 220, 254, 303(r), 403, and 1302 unless otherwise noted.

■ 2. Section 54.306 is added to read as follows:

§ 54.306 Alaska Plan for Rate-of-Return Carriers Serving Alaska.

(a) *Election of support.* For purposes of subparts A, B, C, D, H, I, J, K and M of this part, rate-of-return carriers (as that term is defined in § 54.5) serving Alaska have a one-time option to elect to participate in the Alaska Plan on a state-wide basis. Carriers exercising this option shall receive the lesser of;

(1) Support as described in paragraph (c) of this section or

(2) $3,000 annually for each line for which the carrier is receiving support as of the effective date of this rule.

(b) *Performance plans.* In order to receive support pursuant to this section, a rate-of-return carrier must be subject to a performance plan approved by the Wireline Competition Bureau. The performance plan must indicate specific deployment obligations and performance requirements sufficient to demonstrate that support is being used in the public interest and in accordance with the requirements adopted by the Commission for the Alaska Plan. Performance plans must commit to offer specified minimum speeds to a set number of locations by the end of the fifth year of support and by the end of the tenth year of support, or in the alternative commit to maintaining voice and Internet service at a specified minimum speeds for the 10-year term. The Bureau may reassess performance plans at the end of the fifth year of support. If the specific deployment obligations and performance requirements in the approved performance plan are not achieved, the carrier shall be subject to § 54.320(c) and (d).

(c) *Support amounts and support term.* For a period of 10 years beginning on or after January 1, 2017, at a date set by the Wireline Competition Bureau, each Alaska Plan participant shall receive monthly Alaska Plan support in an amount equal to:

(1) One-twelfth (1/12) of the amount of Interstate Common Line Support disbursed to that carrier for 2011, less any reduction made to that carrier's support in 2012 pursuant to the corporate operations expense limit in effect in 2012, and without regard to prior period adjustments related to years other than 2011 and as determined by USAC on January 31, 2012; plus

(2) One-twelfth (1/12) of the total expense adjustment (high cost loop support) disbursed to that carrier for 2011, without regard to prior period adjustments related to years other than 2011 and as determined by USAC on January 31, 2012.

(d) *Transfers.* Notwithstanding any provisions of § 54.305 or other sections in this part, to the extent an Alaska Plan participant (as defined in § 54.306 or § 54.317) transfers some or all of its customers in Alaska to another eligible telecommunications carrier, it may also transfer a proportionate amount of its Alaska Plan support and any associated performance obligations as determined by the Wireline Competition Bureau or Wireless Telecommunications Bureau if the acquiring eligible telecommunications carrier certifies it will meet the associated obligations agreed to in the approved performance plan.

■ 3. Section 54.308 is amended by adding paragraphs (c) and (d) to read as follows:

§ 54.308 Broadband public interest obligations for recipients of high-cost support.

* * * * *

(c) Alaskan rate-of-return carriers receiving support from the Alaska Plan pursuant to § 54.306 are exempt from paragraph (a) of this section and are instead required to offer voice and broadband service with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, at rates that are reasonably comparable to rates for comparable offerings in urban areas, subject to any limitations in access to backhaul as described in § 54.313(g). Alaska Plan recipients' specific broadband deployment and speed obligations shall be governed by the terms of their approved performance plans as described in § 54.306(b). Alaska Plan recipients must also comply with paragraph (b) of this section.

(d) Mobile carriers that are receiving support from the Alaska Plan pursuant to § 54.317(e) shall certify in their annual compliance filings that their rates are reasonably comparable to rates for comparable offerings in urban areas. The mobile carrier must also demonstrate compliance at the end of the five-year milestone and 10-year milestone and may do this by showing that its required stand-alone voice plan, and one service plan that offers broadband data services, if it offers such plans, are:

(1) Substantially similar to a service plan offered by at least one mobile wireless service provider in the cellular market area (CMA) for Anchorage, Alaska, and

(2) Offered for the same or a lower rate than the matching plan in the CMA for Anchorage.

■ 4. Section 54.313 is amended by revising paragraph (f)(1)(i), adding paragraph (f)(3), revising paragraph (g), and adding paragraph (l) to read as follows:

§ 54.313 Annual reporting requirements for high-cost recipients.

* * * * *

(f) * * *

(1) * * *

(i) A certification that it is taking reasonable steps to provide upon reasonable request broadband service at actual speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas as determined in an annual survey, and that requests for such service are met within a reasonable amount of time; or if the rate-of-return carrier is receiving Alaska Plan support pursuant to § 54.306, a certification that it is offering broadband service with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas, and at speeds committed to in its approved performance plan to the locations it has reported pursuant to § 54.316(a), subject to any limitations due to the availability of backhaul as specified in paragraph (g) of this section.

* * * * *

(3) For rate-of-return carriers participating in the Alaska Plan, funding recipients must certify as to whether any terrestrial backhaul or other satellite backhaul became commercially available in the previous calendar year in areas that were previously served exclusively by performance-limiting satellite backhaul. To the extent that such new terrestrial backhaul facilities are constructed, or other satellite backhaul become commercially available, or existing facilities improve sufficiently to meet the relevant speed, latency and capacity requirements then in effect for broadband service supported by the Alaska Plan, the funding recipient must provide a description of the backhaul technology, the date at which that backhaul was made commercially available to the carrier, and the number of locations that are newly served by the new terrestrial backhaul or other satellite backhaul. Within twelve months of the new backhaul facilities becoming commercially available, funding recipients must certify that they are offering broadband service with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to comparable offerings in urban areas. Funding recipients' minimum speed deployment obligations will be reassessed as specified by the Commission.

* * * * *

(g) *Areas with no terrestrial backhaul.* Carriers without access to terrestrial backhaul that are compelled to rely exclusively on satellite backhaul in their study area must certify annually that no terrestrial backhaul options exist. Any such funding recipients must certify they offer broadband service at actual speeds of at least 1 Mbps downstream and 256 kbps upstream within the supported area served by satellite middle-mile facilities. To the extent that new terrestrial backhaul facilities are constructed, or existing facilities improve sufficiently to meet the relevant speed, latency and capacity requirements then in effect for broadband service supported by the Connect America Fund, within twelve months of the new backhaul facilities becoming commercially available, funding recipients must provide the certifications required in paragraphs (e) or (f) of this section in full. Carriers subject to this paragraph must comply with all other requirements set forth in the remaining paragraphs of this section. These obligations may be modified for carriers participating in the Alaska Plan.

* * * * *

(l) In addition to the information and certifications in paragraph (a) of this section, any competitive eligible telecommunications carrier participating in the Alaska Plan must provide the following:

(1) Funding recipients that have identified in their approved performance plans that they rely exclusively on satellite backhaul for a certain portion of the population in their service area must certify as to whether any terrestrial backhaul or other satellite backhaul became commercially available in the previous calendar year in areas that were previously served exclusively by satellite backhaul. To the extent that new terrestrial backhaul facilities are constructed or other satellite backhaul become commercially available, the funding recipient must:

(i) Provide a description of the backhaul technology;

(ii) Provide the date on which that backhaul was made commercially available to the carrier;

(iii) Provide the number of the population within their service area that are served by the newly available backhaul option; and

(iv) To the extent the funding recipient has not already committed to providing 4G LTE at 10/1 Mbps to the population served by the newly available backhaul by the end of the plan term, submit a revised performance commitment factoring in the availability of the new backhaul option no later than the due date of the Form 481 in which they have certified that such backhaul became commercially available.

(2) [Reserved]

■ 5. Section 54.316 is amended by revising paragraph (a)(1) and adding paragraphs (a)(5) and (6) and (b)(6) to read as follows:

§ 54.316 Broadband deployment reporting and certification requirements for high-cost recipients.

(a) * * *

(1) Recipients of high-cost support with defined broadband deployment obligations pursuant to § 54.308(a), 54.308(c), or § 54.310(c) shall provide to the Administrator on a recurring basis information regarding the locations to which the eligible telecommunications carrier is offering broadband service in satisfaction of its public interest obligations, as defined in either § 54.308 or § 54.309.

* * * * *

(5) Recipients subject to the requirements of § 54.308(c) shall report the number of newly deployed and upgraded locations and locational information, including geocodes, where they are offering service providing speeds they committed to in their adopted performance plans pursuant to § 54.306(b).

(6) Recipients subject to the requirements of § 54.308(c) or § 54.317(e) shall submit fiber network maps or microwave network maps covering eligible areas. At the end of any calendar year for which middle-mile facilities were deployed, these recipients shall also submit updated maps showing middle-mile facilities that are or will be used to support their services in eligible areas.

(b) * * *

(6) A rate-of-return carrier authorized to receive Alaska Plan support pursuant to § 54.306 shall provide:

(i) No later than March 1, 2022 a certification that it fulfilled the deployment obligations and is offering service meeting the requisite public interest obligations as specified in § 54.308(c) to the required number of locations as of December 31, 2021.

(ii) No later than March 1, 2027 a certification that it fulfilled the deployment obligations and is offering service meeting the requisite public interest obligations as specified in § 54.308(c) to the required number of locations as of December 31, 2026.

* * * * *

■ 6. Section 54.317 is added to read as follows:

§ 54.317 Alaska Plan for competitive eligible telecommunications carriers serving remote Alaska.

(a) *Election of support.* Subject to the requirements of this section, certain competitive eligible telecommunications carriers serving remote areas in Alaska, as defined in § 54.307(e)(3)(i), shall have a one-time option to elect to participate in the Alaska Plan. Carriers exercising this option with approved performance plans shall have their support frozen for a period of ten years beginning on or after January 1, 2017, at a date set by the Wireless Telecommunications Bureau, notwithstanding § 54.307.

(b) *Carriers eligible for support.* A competitive eligible telecommunications carrier shall be eligible for frozen support pursuant to the Alaska Plan if that carrier serves remote areas in Alaska as defined by § 54.307(e)(3)(i) and if that carrier certified that it served covered locations in Alaska in its September 30, 2011, filing of line counts with the Administrator and submitted a performance plan by August 23, 2016.

(c) *Interim support for remote areas in Alaska.* From January 1, 2012, until December 31, 2016, competitive eligible telecommunications carriers subject to the delayed phase down for remote areas in Alaska pursuant to § 54.307(e)(3) shall receive support as calculated in § 54.307(e)(3)(v).

(d) *Support amounts and support term.* For a period of 10 years beginning on or after January 1, 2017, at a date set by the Wireless Telecommunications Bureau, notwithstanding § 54.307, each Alaska Plan participant shall receive monthly Alaska Plan support in an amount equal to the annualized monthly support amount it received for December 2014. Alaska Plan participants shall no longer be required to file line counts.

(e) *Use of frozen support.* Frozen support allocated through the Alaska Plan may only be used to provide mobile voice and mobile broadband service in those census blocks in remote areas of Alaska, as defined in § 54.307(e)(3)(i), that did not, as of December 31, 2014, receive 4G LTE service directly from providers that were either unsubsidized or ineligible to claim the delayed phase down under § 54.307(e)(3) and covering, in the aggregate, at least 85 percent of the population of the block. Nothing in this section shall be interpreted to limit the use of frozen support to build or upgrade middle-mile infrastructure outside such remote areas of Alaska if such middle mile infrastructure is necessary to the provision of mobile voice and mobile broadband service in such remote areas. Alaska Plan participants may use frozen support to provide mobile voice and mobile broadband service in remote areas of Alaska served by competitive eligible telecommunications carrier partners of ineligible carriers if those areas are served using the competitive eligible telecommunications carrier's infrastructure.

(f) *Performance plans.* In order to receive support pursuant to this section, a competitive eligible telecommunications carrier must be subject to a performance plan approved by the Wireless Telecommunications Bureau. The performance plan must indicate specific deployment obligations and performance requirements sufficient to demonstrate that support is being used in the public interest and in accordance with paragraph (e) of this section and the requirements adopted by the Commission for the Alaska Plan. For each level of wireless service offered (2G/Voice, 3G, and 4G LTE) and each type of middle mile used in connection with that level of service, the performance plan must specify minimum speeds that will be offered to a specified population by the end of the fifth year of support and by the end of the tenth year of support. Alaska Plan participants shall, no later than the end of the fourth year of the ten-year term, review and modify their end-of-term commitments in light of any new developments, including newly available infrastructure. The Wireless Telecommunications Bureau may require the filing of revised commitments at other times if justified by developments that occur after the approval of the initial performance commitments. If the specific performance obligations are not achieved in the time period identified in the approved performance plans the carrier shall be subject to § 54.320(c) and (d).

(g) *Phase down of non-participating competitive eligible telecommunications carrier high-cost support.* Notwithstanding § 54.307, and except as provided in paragraph (h) of this section, support distributed in Alaska on or after January 1, 2017 to competitive eligible telecommunications carriers that serve areas in Alaska other than remote areas of Alaska, that are ineligible for frozen support under paragraphs (b) or (e) of this section, or that do not elect to receive support under this section, shall be governed by this paragraph. Such support shall be subject to phase down in three years as provided in paragraph (g) of this section, except that carriers that are not signatories to the Alaska Plan will instead be subject to a three-year phase down commencing on September 1, 2017, and competitive eligible telecommunications carriers that are signatories to the Alaska Plan but did not submit a performance plan by August 23, 2016 shall not receive support in remote areas beginning January 1, 2017.

(1) From January 1, 2017, to December 31, 2017, each such competitive eligible telecommunications carrier shall receive two-thirds of the monthly support amount the carrier received for December 2014 for the relevant study area.

(2) From January 1, 2018, to December 31, 2018, each such competitive eligible telecommunications carrier shall receive one-third of the monthly support amount the carrier received for December 2014 for the relevant study area.

(3) Beginning January 1, 2019, no such competitive eligible telecommunications carrier shall receive universal service support for the relevant study area pursuant to this section or § 54.307.

(h) *Support for unserved remote areas of Alaska.* Beginning January 1, 2017, support that, but for paragraph (g) of this section, would be allocated to carriers subject to paragraph (g) of this section shall be allocated for a reverse auction, with performance obligations established at the time of such auction, for deployment of mobile service to remote areas of Alaska, as defined in § 54.307(e)(3)(i), that are without commercial mobile radio service as of December 31, 2014.

■ 7. Section 54.320 is amended by revising paragraphs (d)(1) through (3) to read as follows:

§ 54.320 Compliance and recordkeeping for the high-cost program.

* * * * *

(d) * * *

(1) *Interim build-out milestones.* Upon notification that an eligible telecommunications carrier has defaulted on an interim build-out milestone after it has begun receiving high-cost support, the Wireline Competition Bureau—or Wireless Telecommunications Bureau in the case of mobile carrier participants—will issue a letter evidencing the default. For purposes of determining whether a default has occurred, a carrier must be offering service meeting the requisite performance obligations. The issuance of this letter shall initiate reporting obligations and withholding of a percentage of the eligible telecommunication carrier's total monthly high-cost support, if applicable, starting the month following the issuance of the letter:

(i) *Tier 1.* If an eligible telecommunications carrier has a compliance gap of at least five percent but less than 15 percent of the number of locations that the eligible telecommunications carrier is required to have built out to or, in the case of Alaska Plan mobile-carrier participants, population covered by the specified technology, middle mile, and speed of service in the carrier's approved performance plan, by the interim milestone, the Wireline Competition Bureau or Wireless Telecommunications Bureau, will issue a letter to that effect. Starting three months after the issuance of this letter, the eligible telecommunications carrier will be required to file a report every three months identifying the geocoded locations to which the eligible telecommunications carrier has newly deployed facilities capable of delivering broadband meeting the requisite requirements with Connect America support in the previous quarter, or, in the case of Alaska Plan mobile-carrier participants, the populations to which the competitive eligible telecommunications carrier has extended or upgraded service meeting their approved performance plan and obligations. Eligible telecommunications carriers that do not file these quarterly reports on time will be subject to support reductions as specified in § 54.313(j). The eligible telecommunications carrier must continue to file quarterly reports until the eligible telecommunications carrier reports that it has reduced the compliance gap to less than five percent of the required number of locations (or population, if applicable) for that interim milestone and the Wireline Competition Bureau or Wireless Telecommunications Bureau issues a letter to that effect.

(ii) *Tier 2.* If an eligible telecommunications carrier has a compliance gap of at least 15 percent but less than 25 percent of the number of locations that the eligible telecommunications carrier is required to have built out to or, in the case of Alaska Plan mobile-carrier participants, population covered by the specified technology, middle mile, and speed of service in the carrier's approved performance plan, by the interim milestone, USAC will withhold 15 percent of the eligible telecommunications carrier's monthly support for that state and the eligible telecommunications carrier will be required to file quarterly reports. Once the eligible telecommunications carrier has reported that it has reduced the compliance gap to less than 15 percent of the required number of locations (or population, if applicable) for that interim milestone for that state, the Wireline Competition Bureau or Wireless Telecommunications Bureau will issue a letter to that effect, USAC will stop withholding support, and the eligible telecommunications carrier will receive all of the support that had been withheld. The eligible telecommunications carrier will then move to Tier 1 status.

(iii) *Tier 3.* If an eligible telecommunications carrier has a compliance gap of at least 25 percent but less than 50 percent of the number of locations that the eligible telecommunications carrier is required to have built out to by the interim milestone, or, in the case of Alaska Plan mobile-carrier participants, population covered by the specified technology, middle mile, and speed of service in the carrier's approved performance plan, USAC will withhold 25 percent of the eligible telecommunications carrier's monthly support for that state and the eligible telecommunications carrier will be required to file quarterly reports. Once the eligible telecommunications carrier has reported that it has reduced the compliance gap to less than 25 percent of the required number of locations (or population, if applicable) for that interim milestone for that state, the Wireline Competition Bureau or Wireless Telecommunications Bureau will issue a letter to that effect, the eligible telecommunications carrier will move to Tier 2 status.

(iv) *Tier 4.* If an eligible telecommunications carrier has a compliance gap of 50 percent or more of the number of locations that the eligible telecommunications carrier is required to have built out to or, in the case of Alaska Plan mobile-carrier participants, population covered by the specified technology, middle mile, and speed of service in the carrier's approved performance plan, by the interim milestone:

(A) USAC will withhold 50 percent of the eligible telecommunications carrier's monthly support for that state, and the eligible telecommunications carrier will be required to file quarterly reports. As with the other tiers, as the eligible telecommunications carrier reports that it has lessened the extent of its non-compliance, and the Wireline Competition Bureau or Wireless Telecommunications Bureau issues a letter to that effect, it will move down the tiers until it reaches Tier 1 (or no longer is out of compliance with the relevant interim milestone).

(B) If after having 50 percent of its support withheld for six months the eligible telecommunications carrier has not reported that it is eligible for Tier 3 status (or one of the other lower tiers), USAC will withhold 100 percent of the eligible telecommunications carrier's monthly support and will commence a recovery action for a percentage of support that is equal to the eligible telecommunications carrier's compliance gap plus 10 percent of the ETC's support that has been disbursed to that date.

(v) If at any point during the support term, the eligible telecommunications carrier reports that it is eligible for Tier 1 status, it will have its support fully restored, USAC will repay any funds that were recovered or withheld, and it will move to Tier 1 status.

(2) *Final milestone.* Upon notification that the eligible telecommunications carrier has not met a final milestone, the eligible telecommunications carrier will have twelve months from the date of the final milestone deadline to come into full compliance with this milestone. If the eligible telecommunications carrier does not report that it has come into full compliance with this milestone within twelve months, the Wireline Competition Bureau—or Wireless Telecommunications Bureau in the case of mobile carrier participants—will issue a letter to this effect. In the case of Alaska Plan mobile carrier participants, USAC will then recover the percentage of support that is equal to 1.89 times the average amount of support per location received by that carrier over the 10-year term for the relevant percentage of population. For other recipients of high-cost support, USAC will then recover the percentage of support that is equal to 1.89 times the

average amount of support per location received in the state for that carrier over the term of support for the relevant number of locations plus 10 percent of the eligible telecommunications carrier's total relevant high-cost support over the support term for that state.

(3) *Compliance reviews.* If subsequent to the eligible telecommunications carrier's support term, USAC determines in the course of a compliance review that the eligible telecommunications carrier does not have sufficient evidence to demonstrate that it is offering service to all of the locations required by the final milestone or, in the case of Alaska Plan participants, did not provide service consistent with the carrier's approved performance plan, USAC shall recover a percentage of support from the eligible telecommunications carrier as specified in paragraph (d)(2) of this section.

■ 8. Section 54.321 is added to subpart D to read as follows:

§ 54.321 Reporting and certification requirements for Alaska Plan participants.

Any competitive eligible telecommunications carrier authorized to receive Alaska Plan support pursuant to § 54.317 shall provide:

(a) No later than 60 days after the end of each participating carrier's first five-year term of support, a certification that it has met the obligations contained in the performance plan approved by the Wireless Telecommunications Bureau, including any obligations pursuant to a revised approved performance plan and that it has met the requisite public interest obligations contained in the Alaska Plan Order. For Alaska Plan participants receiving more than $5 million annually in support, this certification shall be accompanied by data received or used from drive tests analyzing network coverage for mobile service covering the population for which support was received and showing mobile transmissions to and from the carrier's network meeting or exceeding the minimum expected download and upload speeds delineated in the approved performance plan.

(b) No later than 60 days after the end of each participating carrier's second five-year term of support, a certification that it has met the obligations contained in the performance plan approved by the Wireless Telecommunications Bureau, including any obligations pursuant to a revised approved performance plan, and that it has met the requisite public interest obligations contained in the Alaska Plan Order. For Alaska Plan participants receiving more than $5 million annually in support, this certification shall be accompanied by data received or used from drive tests analyzing network coverage for mobile service covering the population for which support was received and showing mobile transmissions to and from the carrier's network meeting or exceeding the minimum expected download and upload speeds delineated in the approved performance plan.

PART 69—ACCESS CHARGES

■ 9. The authority citation for part 69 continues to read as follows:

Authority: 47 U.S.C. 154, 201, 202, 203, 205, 218, 220, 254, 403.

■ 10. Section 69.104 is amended by revising paragraph (s) to read as follows:

§ 69.104 End user common line for non-price cap incumbent local exchange carriers.

* * * * *

(s) End User Common Line Charges for incumbent local exchange carriers not subject to price cap regulation that elect model-based support pursuant to § 54.311 of this chapter or Alaska Plan support pursuant to § 54.306 of this chapter are limited as follows:

(1) The maximum charge a non-price cap local exchange carrier that elects model-based support pursuant to § 54.311 of this chapter or Alaska Plan support pursuant to § 54.306 of this chapter may assess for each residential or single-line business local exchange service subscriber line is the rate in effect on the last day of the month preceding the month for which model-based support or Alaska Plan support, as applicable, is first provided.

(2) The maximum charge a non-price cap local exchange carrier that elects model-based support pursuant to § 54.311 of this chapter or Alaska Plan support pursuant to § 54.306 of this chapter may assess for each multi-line business local exchange service subscriber line is the rate in effect on the last day of the month preceding the month for which model-based support or Alaska Plan support, as applicable, is first provided.

■ 11. Section 69.115 is amended by revising paragraph (f) to read as follows:

§ 69.115 Special access surcharges.

* * * * *

(f) The maximum special access surcharge a non-price cap local exchange carrier that elects model-based support pursuant to § 54.311 of this chapter or Alaska Plan support pursuant to § 54.306 of this chapter may assess is the rate in effect on the last day of the month preceding the month for which model-based support or Alaska Plan support, as applicable, is first provided.

■ 12. Section 69.130 is amended by revising paragraph (b) to read as follows:

§ 69.130 Line port costs in excess of basic analog service.

* * * * *

(b) The maximum charge a non-price cap local exchange carrier that elects model-based support pursuant to § 54.311 of this chapter or Alaska Plan support pursuant to § 54.306 of this chapter may assess is the rate in effect on the last day of the month preceding the month for which model-based support or Alaska Plan support, as applicable, is first provided.

■ 13. Section 69.132 is amended by revising paragraphs (c) and (d) to read as follows:

§ 69.132 End user Consumer Broadband-Only Loop charge for non-price cap incumbent local exchange carriers.

* * * * *

(c) For carriers not electing model-based support pursuant to § 54.311 of this chapter or Alaska Plan support pursuant to § 54.306 of this chapter, the single-line rate or charge shall be computed by dividing one-twelfth of the projected annual revenue requirement for the Consumer Broadband-Only Loop category (net of the projected annual Connect America Fund Broadband Loop Support attributable to consumer broadband-only loops) by the projected average number of consumer broadband-only service lines in use during such annual period.

(d) The maximum monthly per line charge for each Consumer Broadband-Only Loop provided by a non-price cap local exchange carrier that elects model-based support pursuant to § 54.311 of this chapter or Alaska Plan support pursuant to § 54.306 of this chapter shall be $42.

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DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 32

[Docket No. FWS–HQ–NWRS–2016–0007; FXRS12650900000–167–FF09R26000]

RIN 1018–BB31

2016–2017 Refuge-Specific Hunting and Sport Fishing Regulations

Correction

In rule document 2016–23190 appearing on pages 68874–68921 in the issue of Tuesday, October 4, 2016, make the following correction: