



**CHURCHILL COUNTY COMMISSIONERS
CC COMMUNICATIONS MANAGEMENT
CHURCHILL COUNTY, NEVADA**

**899 South Maine Street
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**Contact Person: Shelly Bunyard, Administrative Assistant
E-mail: shelly.bunyard@cccomm.co**

******NOTICE OF PUBLIC MEETING******

AGENDA
PLEASE POST

PLACE OF MEETING: Churchill County Administrative Building, Commission Chambers,
155 North Taylor Street Suite 145, Fallon, Nevada

DATE & TIME: September 7, 2023 at 1:45 PM

TYPE OF MEETING: Regularly Scheduled CC Communications Management Meeting

If you wish to make public comment, you may provide them at the meeting or via email, no later than 4:30 PM the day before the meeting, to shelly.bunyard@cccomm.co.

Notes:

- I. These meetings are subject to the provisions of Nevada Open Meeting Law (NRS Chapter 241). Except as otherwise provided for by law, these meetings are open and public.***
- II. Action will be taken on all Agenda items, unless otherwise noted.***
- III. The Agenda is a tentative schedule. The CC Communications Management Board may act upon Agenda items in a different order than is stated in this notice – so as to affect the people’s business in the most efficient manner possible.***
- IV. In the interest of time, the CC Communications Management Board reserves the right to impose uniform time limits upon matters devoted to public comment.***
- V. Any statement made by a member of the CC Communications Management Board during the public meeting is absolutely privileged.***
- VI. All persons participating in the meetings are put on notice that an audio and video***

recording is made of these meetings.

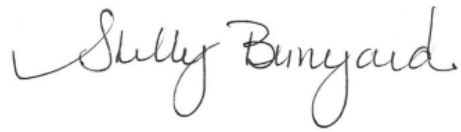
AGENDA:

1. **Call to Order.**
2. **Public Comment.**
3. **Verification of Posting of Agenda.**
4. **Consideration and possible action re: Approval of Agenda as submitted or revised.**
5. **Consideration and possible action re: Approval of Minutes of the meeting held on:**
 - A. July 6, 2023
6. **New Business.**
 - A. Consideration and possible action re: Enhanced ACAM II election by Rate of Return Carriers.
 - B. Consideration and possible action re: selection and purchase of upgraded transport equipment.
 - C. Consideration and possible action re: selection and purchase of upgraded switch equipment.
7. **Consent Items:** (Action Items generally not requiring discussion or explanation)
 - A. Consideration and possible action re: PO#19239 IT Dynamix LTD., \$61,142.65 for Forcepoint firewall, license, maintenance and support. NRS 332.115(1)(a).
 - B. Consideration and possible action re: PO#19241 Walker & Associates, Inc., \$153,248.98 for prepaid Support/Maintenance Contract for BTI/Juniper equipment to Las Vegas Link. NRS 332.115(1)(a).
8. **Reports: General Manager Report.**
9. **Affidavit of Posting:**
10. **Public Comment.**
11. **Adjournment.**

STATE OF NEVADA)
 : ss.
County of Churchill)

*I, Shelly Bunyard, Administrative Assistant, do hereby affirm that I posted, or caused to be posted, a copy of this notice of public meeting, on or before the **31st day of August, 2023** between the hours of 1 pm and 5 pm, at the following locations in Churchill County, Nevada:*

1. *Churchill County Administration Building, 155 N. Taylor St., Fallon, NV;*
2. *The CC Communications Website @ www.cccomm.info;*
3. *The State of Nevada Website @ <https://notice.nv.gov/>.*



Shelly Bunyard, Administrative Assistant

Shelly Bunyard, Administrative Assistant, who was subscribed and sworn to before me this August 31, 2023



Pamela D. Moore, Deputy Clerk to the Board

Endnotes:

Disclosures:

**CC Communications is an equal opportunity provider and employer.*

Accommodations/Nondiscrimination:

**Notice to Persons with Disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the CC Communications Executive Office in writing at P.O. Box 1390, Fallon, NV 89407 (Attn: Shelly Bunyard), or by calling 775-423-7171 ext. 1215 at least two days in advance.*

**In accordance with federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies or complaint filing deadlines vary by program or incident. Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible agency [(775)423-4092] or USDA's TARGET Center at (202)720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800)877-8339. Additionally, program information may be available in languages other than English. To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at: http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To*

request a copy of the Complaint Form, call (866)632-9992. Submit your completed form or letter to USDA by:

1. Mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;
2. Fax: (202)690-7442; or
3. Email: program.intake@usda.gov.

Procedures:

**The public meetings may be conducted according to rules of parliamentary procedure.*

**Persons providing public comment will be asked to state their name for the record.*

**The CC Communications Management Board reserves the right to restrict participation by persons in the public meeting where the conduct of such persons is willfully disruptive to the people's business.*

**All supporting materials for this Agenda, previous Agendas, or Minutes are available by requesting a copy from the CC Communications Office, 775-423-7171 ext. 1215. During the meeting, there will be one copy available for public inspection. Additional copies are available by making the request from the CC Communications Office. You are entitled to one copy of the supporting materials free of charge.*

MINUTES OF THE CC COMMUNICATIONS MANAGEMENT

**155 N. Taylor St., Fallon, NV 89406
July 6, 2023**

Call to Order:

The regular meeting of the CC Communications was called to order at 1:45 PM on July 6, 2023.

PRESENT: Commissioner Myles Getto
Commissioner Harry Scharmann
Commissioner Justin Heath
General Manager Mark Feest
Chief Financial Officer Jamie Hyde
Administrative Assistant Shelly Bunyard

ABSENT:

Public Comment:

Chairman Myles Getto asked if there was any public comment but there was none.

Verification of Posting of Agenda:

It was verified by Shelly Bunyard, Administrative Assistant, that the Agenda for this meeting was posted on the 28th day of June, 2023 between the hours of 1 pm and 5 pm at all of the locations listed on the Agenda, in accordance with NRS 241.

Consideration and possible action re: Approval of Agenda as submitted or revised:

Commissioner Justin Heath made a motion to approve the Agenda as submitted. Commissioner Harry Scharmann seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Approval of Minutes of the meeting held on:

A- April 28, 2023 - Budget Workshop Meeting

Commissioner Harry Scharmann made a motion to approve the Minutes of the budget workshop meeting held on April 28, 2023 as submitted. Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

B- May 4, 2023

Commissioner Harry Scharmann made a motion to approve the Minutes of the meeting held on May 4, 2023 as submitted. Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

C- May 4, 2023 - Closed Session

Commissioner Harry Scharmann made a motion to approve the Minutes of the closed session meeting held on May 4, 2023 Closed Session as submitted. Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

New Business:

A- Consideration and possible action re: CC Communications 2nd Quarter Write Offs FY 2022/2023 in the amount of \$6,121.86

Jamie Hyde, CC Communications. We are asking for the approval of the 2nd Quarter Write Offs for FY 2022/2023, in the amount of \$6,121.86.

Commissioner Harry Scharmann made a motion to approve the CC Communications 2nd Quarter Write Offs for FY 2022/2023 Commissioner Justin Heath seconded the motion, which carried by unanimous vote.

B- Consideration and possible action re: CC Communications 3rd Quarter Write Offs for FY 2022/2023.

Jamie Hyde, CC Communications. We are asking for approval of the 3rd Quarter Write Offs for FY 2022/2023 in the amount of \$4,573.51.

Commissioner Justin Heath made a motion to approve the CC Communications 3rd Quarter Write Offs FY 2022/2023 in the amount of \$4,573.51. Commissioner Harry Scharmann seconded the motion, which carried by unanimous vote.

C- Consideration and possible action re: authorization to create Assistant General Manager - CEO/GM in waiting job description and authorization to recruit.

Mark Feest, CC Communications. We have recruited for a COO position for over two years, having done so using internal human resources as well as two recruiting agencies. This has resulted in multiple zoom interviews, six in-person interviews, and four job offers. To date, the position remains unfilled. One candidate received a promotion and counter-offer from their then current employer. I talked to that candidate yesterday morning, he has already left the then current employer and has gone out on his own as a consultant. There are so many opportunities for people in this field with these credentials. Two candidates failed to come to agreement on salary and benefits. One candidate expressed, after the in-person interview, that they wanted a hybrid remote position where their family would remain out of state.

It is the view of the CEO/General Manager that the very tight job market, which specifically affects network engineers, accountants, and senior management positions in telecom, requires a repositioning of all difficult to fill and retain jobs to make them more attractive. Obstacles to hiring these types of positions include lack of job advancement opportunities in a small company. This has been expressed to us by a couple of candidates, specifically one in the accounting field. At their level of work to that point, they felt there would be no opportunity to ever move up within the company. They were not interested in the position.

Multiple candidates for the COO position have asked me how long I plan to stay with the company. I think when they look at my position, they're thinking of a one promotion opportunity. The lack of job advancement in a small company, salary, benefits (lack of flexibility with PERS and the significant reduction in benefits for new hires). One candidate was really into how PERS worked. The employer and employee side pay that some organizations do. For example, at a place like Oasis Academy, as an employee you can choose employee/employer paid or employer paid. If you choose employee/employer paid, they essentially take your salary and increase it by 50% of the total PERS contribution and pull it back out of your check for your 50%. If you leave that employment without vesting, you can cash out that money, if you believe that 2.3% is not valuable to you. Employees that are more senior and are closer to their retirement are not interested in the 2.3% per year for a place they might be at for the next five to ten years. This candidate wanted to know if they can do the employer/employee paid option, which we can't do. Once that selection is made, you have to stay in that program.

One candidate asked if there was equity or profit sharing with the company. On NTCA's website, I saw where they are advertising for a COO position that includes equity. In this industry you're either acquiring companies or companies are being acquired. The main goal of acquisition is to be large enough to do an IPO or large enough to merge with another entity that is on this acquisition path to do an IPO too. I believe they are giving people stock options to attract them. That is something we couldn't do.

The PERS benefit, now that the target is 36%.

Joseph Sanford, Chief Civil Deputy District Attorney. This year it's 32.5%, but the audit suggested 36% was the correct amount. It's expected it will be that in two years.

Mark Feest, CC Communications. As we bring these employees on, we are paying into a system at 32% to 36% where that audit also says the actual benefit to them is as if you're only paying 18%. The entirety of everything above 18% is paying people who have already been in the system. When we look at these employees in senior positions, they will look at the value they are getting out of this. They do not see the value that it costs us. They are seeing more value in other places.

The significant reduction in benefits for new hires and housing prices have been mentioned. Most rural companies that are in the Midwest and the South have historically low housing prices.

While network engineering and accounting positions are not before the Board today, we plan to ask for changes in recruitment and retention for those positions at a future date. A major sticking point for the COO position, which we feel we can address here, is that there are actually many CEO/GM positions and COO positions advertised within the rural telecom industry, and candidates often receive more than one offer. Moreover, candidates for COO positions are looking to fill a CEO/GM position in the near future. In an effort to make the position more attractive, the CEO/GM would like to create an Assistant GM job description that is a CEO/GM in waiting position. The incumbent intends to retire between 1.5 and 2.5 years from filling this position. Recruiting an Assistant GM where the candidate understands the intention is for that hire to transition into the CEO/GM position upon the incumbent's retirement, may provide a greater applicant pool, as well as make the position more attractive. Once the job is created, CC Communications HR would begin recruiting for the position, possibly utilizing recruiting firm(s) on a contingency basis. After initial screening of candidates, all formal interviews would be conducted by the Board and the incumbent CEO/GM. The candidates would be clearly notified that while the position is a CEO/GM in waiting, final confirmation would have to be made by the Board of County Commissioners upon a firm retirement date established by the incumbent. The Chief Deputy DA would craft an acknowledgment addressing the foregoing. The 2023 NTCA Salary and Benefits Report came out in June and reflects calendar year 2022 numbers. NTCA is a national telecommunications cooperative association. You don't have to be a cooperative to be a member, but you have to be an independent company not affiliated with AT&T and Lumen types of companies. When I first started in this industry, there were 1200 members in NTCA and now there are a little over 700 members. It's because people are either acquiring or being acquired. They send out questionnaires to their members and compile a very

comprehensive study, it includes retirement plans, bonuses, equity and salaries for various different positions. They break down the study essentially by companies that have under \$5 million in revenue, \$5 million to \$10 million, \$10 million to \$15 million, \$15 million to \$20 million, \$20 million to \$25 million and over \$25 million in revenue. They also break it down by number of employees, number of broadband connections, etc. They then create a report that tags each job description at 25th, 50th, 75th and 95th percentiles.

Prior to me having this position, it was established that non-union employees are pegged to the 50th and 75th percentile of the NTCA study. We are represented by a union, and the top of their scales are in between the 75th and 95th percentiles. You can't get management of non-union employees or people who moved into those positions, if it's not pegged this way.

Looking at the Assistant GM position at companies of our size (revenue, employees, and broadband customer count), and represented by a union, indicates the 2022 salary at the 50th % is \$174,500 and 75th % is \$241,000. This is slightly higher than the approved salary scale for the COO. The most impactful factors of the report are broadband customer count and whether the company is represented by a union. Currently, we are at 102 customers short of moving into the highest tier of small company broadband count, which would trigger a raise. If we were to move up to the highest tier, NTCA shows 50th % = \$187,000 and 75th % = 265,000.

We are asking the board's approval to adopt a new job description for the Assistant GM positions and tagging it to the 50th to 75th percentile in the NTCA study and recruit for that position. The alternative is to continue recruitment under the COO job description and salary rate at the 50th percentile. We did shed a position that will not be refilled. The position has been absorbed into Stewart Nichols' position, which was previously filled by Jay Lingenfelter. The offset for the position not being refilled and this position 50th to 75th percentile along with the PERS costs of \$58,547 to \$80,735 along with the increase/decrease to the approved budget, is somewhere between \$87,071 more and \$1,617.00 less.

Commissioner Justin Heath. Does this eliminate the COO position?

Mark Feest, CC Communications. That is correct that position is eliminated.

Commissioner Justin Heath. Are you having problems recruiting from within? I was just wondering if we don't have qualified people within CC Communications. It seems like everything we're doing is going outside of CC Communications.

Mark Feest, CC Communications. It's a combination of a really tight job market. This specific position has been posted and no one attempted to apply for it. The COO position has been open since Ed Rybold was an employee here. The technical positions are a huge challenge internally. As a progression in your job, we try to establish a progression that leads into the inside plant engineering group. I think people see the difficulty of the job and especially at a time right now where are having network issues and these employees are working around the clock to get the network running. I don't know if that answered your question, but this position has been open and it hasn't generated any applications.

Jamie Hyde, CC Communications. I think to answer that question too, are the people that could have succeeded into that role were less than five years from retirement or retiring right now.

Commissioner Justin Heath. Mark, when are you going to retire.

Mark Feest, CC Communications. I think it's in there. My plan is 1.5 to 2.5 years from the time we can employ someone, who looks like they are interested in the position. I can't imagine myself being here more than 2.5 years.

Commissioner Myles Getto. That scares me. Are there any other questions and seeing none can I get a motion.

Commissioner Justin Heath made a motion to authorize creating an Assistant General Manager - CEO/GM in waiting job description and authorization to recruit. Planning Commissioner Myles Getto seconded the motion, which carried by unanimous vote.

Reports: General Manager Report:

1. Grants

a. SCA

1. Start July 10, 2023
2. Official groundbreaking July 17, 2023

b. Tribal

- i. We continue to try to move these along
- ii. No significant progress with Awardees

2. Network

- i. An RFP for transport gear has received responses from 4 vendors (one was non-responsive in breadth).
 1. Vantage Point (an engineering firm) is helping us evaluate
 2. Slowed due to trouble issues, however, we also refined the ask and received modified proposals from two vendors
- ii. Trouble Issues
 1. Workaround and long-term fix planning

3. Human Resources

- a. Jobs posted for
 - i. COO

- ii. CTO
- iii. Network engineers
- iv. CSR
- v. Installer
- vi. Sales Engineer
- vii. Accountant

Affidavit of Posting:

Public Comment:

Chairman Myles Getto asked if there was any public comment but there was none.

Adjournment:

The meeting was adjourned at 2:18 p.m.

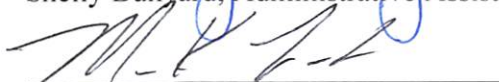
APPROVED: _____
Myles Getto, Chairman

APPROVED: _____
Harry Scharmann, Vice, Chairman

APPROVED: _____
Justin Heath, Commissioner



Shelly Bunyard, Administrative Assistant



Mark Feest, General Manager/CEO



CC Communications Agenda Report

Date Submitted: August 29, 2023

Agenda Item #: New Business - A

Meeting Date Requested: September 7, 2023

To: Board of Churchill County Commissioners

From: Mark Feest, General Manager / CEO

Subject Title: Consideration and possible action re: Enhanced ACAM II election by Rate of Return Carriers.

Type of Action Requested: Accept

Does this action require a Business Impact Statement? No

Recommend Board Action: No recommended motion

Discussion: The FCC released an Order and FNPRM regarding Enhanced ACAM II and rural study area disaggregation. Thereafter, on August 30, 2023, the FCC released a Public Notice, E ACAM II offer methodology, and company specific E ACAM II offers (\$3,855,470).

Enhanced Alternative Connect America Cost Model II (E ACAM II) is a cost model developed by the FCC to provide support for Provider of Last Resort carriers in Incumbent Local Exchange Carrier (ILEC) locations that are not served by a competitive carrier at 100/20Mbps. The model indicates what the FCC determines to be the capital and operational expenses to deploy and maintain the designated locations. Carriers offered E ACAM II have until October 1, 2023 to elect to participate or not. Election to participate would move the carrier from Rate of Return CAF - BLS to E ACAM II universal service support. Election of support under E ACAM II mandates additional service obligations and timelines over what is currently required under RoR CAF - BLS. However, it is theoretically a set amount of subsidy for given locations over 15 years.

It should be noted that there are several adjustments that could be made that reduce, but do not increase the offer.

Fully understanding these potential adjustments is the first hurdle we must get over before a decision can be made.

- While the offer says \$3,855,470, there are various factors in the Order that can negatively effect that number

- These have to be projected without absolute knowledge prior to election and could change thereafter

- There is a safe harbor that reduces impact to carriers whose 2022 USF under CAF - BLS is higher than their offer

- Five years frozen at 2022 USF

- Five years of 4% reduction per year
- Five years frozen at 80% of 2022 support

The second hurdle, is understanding the costs and timelines of new service obligations.

- Locations are designated in the offer as not being served. We must determine if these locations are served and, if not, the cost to meet the increased requirements.
- We must determine if we will be able to meet the timeline with the available support
- We must determine the decrease in the offer in the event we cannot meet the requirements.

The third hurdle is forecasting what the RoR subsidy would be over those same 15 years.

- We must make our best projection of USF CAF -BLS over 15 years, as well as where we see that program funding being over 15 years

Finally, we must project the potential for (1) ongoing operational support after 15 years, and (2) additional CAPEX support for increased mandated speeds after 15 years.

- E ACAM II follows ACAM and ACAM II. ACAM II and enhanced ACAM II increased required service obligations for ACAM recipients along with additional funding. One might anticipate that at some point over the next 15 years, Enhanced A CAM II recipients would receive an A CAM II offer to take speeds from 100/20 to 1Gbps.

- Additionally, one might anticipate that the operational support of E ACAM II goes away, or is increased because of inflation.

Given that we received the methodology and offer on August 30, 2023, and there are many factors and scenarios to be considered, it will take most of the next month to come to a recommendation to the Board. Therefore, we will need to have a special meeting towards the end of September to meet the October 1, 2023 election deadline.

Alternatives: NA

Fiscal Impact: NA

Explanation of Impact: NA

Funding Source: NA

Prepared By: Shelly Bunyard, Administrative Assistant

Reviewed By:



Mark Feest, General Manager

Date: August 31, 2023

The submission of this agenda report by county officials is not intended, necessarily, to reflect agreement as to a particular course of action to be taken by the board; rather, the submission hereof is intended, merely, to signify completion of all appropriate review processes in readiness of the matter for consideration and action by the board.

Jamie L. Hyde

Jamie Hyde, Chief Financial Officer

Date: September 05, 2023

Board Action Taken:

Motion: _____

| | | |
|----|------|---------------|
| 1) | None | <u>Aye: 0</u> |
| 2) | None | <u>Nay: 0</u> |

Sully Binyard

(Vote Recorded By)

The submission of this agenda report by county officials is not intended, necessarily, to reflect agreement as to a particular course of action to be taken by the board; rather, the submission hereof is intended, merely, to signify completion of all appropriate review processes in readiness of the matter for consideration and action by the board.



PUBLIC NOTICE

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45 L Street NE
Washington, DC 20554

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Internet: <https://www.fcc.gov>
TTY: 1-888-835-5322

DA 23-779

Released: August 30, 2023

WIRELINE COMPETITION BUREAU ANNOUNCES ENHANCED ALTERNATIVE CONNECT AMERICA COST MODEL SUPPORT AMOUNTS OFFERED TO RATE-OF-RETURN CARRIERS TO EXPAND RURAL BROADBAND

WC Docket No. 10-90

Today, the Wireline Competition Bureau (Bureau) announces the offers of model-based Enhanced A-CAM support based on a revised version of the Alternative Connect America Cost Model (A-CAM) 2.6.0 to existing A-CAM carriers and other carriers that are still receiving legacy support to fund the deployment of voice and broadband-capable networks in their service territories, and provides further guidance regarding Enhanced A-CAM processes and procedures.¹ Carriers have until **Friday, September 29, 2023** to indicate, on a state-by-state basis, whether they elect to receive Enhanced A-CAM support.²

Offers. The model results and offer amounts we release today are predicated upon carriers receiving support for Enhanced A-CAM required locations calculated using a monthly funding threshold of \$63.69, a funding cap per location of \$350, and an alternative funding percentage of 80%, except that required locations in Tribal lands are subject to a funding threshold of \$47.76 and a funding cap of \$365.93.

The offer amounts also include support based on what the carrier (i.e., the incumbent local exchange carrier, or ILEC) currently receives for locations to which it has already deployed 100/20 Mbps or faster broadband but which unsubsidized competitors neither already serve nor are subject to enforceable commitment to serve.³ Specifically, a carrier's offer includes 60% of the carrier's current A-CAM support level for existing ILEC-only served locations,⁴ including those locations for which the ILEC may have received a loan or grant to deploy broadband, but excluding locations for which an unsubsidized competitor is receiving funding (e.g., a loan or grant). The offer includes 33% of the carrier's current support level for (a) ILEC-only served locations for which a competitor is receiving

¹ See *Connect America Fund; ETC Annual Reports and Certifications; Telecommunications Carriers Eligible to Receive Universal Service Support; Connect America Fund – Alaska Plan; Expanding Broadband Service Through the ACAM Program*, WC Docket Nos. 10-90, 14-58, 09-197, and 16-271; RM-1168, Report and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, FCC 23-60, at 42, para. 98 (July 24, 2023) (*Enhanced A-CAM Order*).

² Carriers that decline the Enhanced A-CAM offer will continue to receive existing A-CAM or CAF BLS support and will continue to be subject to the same broadband deployment obligations.

³ See *Enhanced A-CAM Order* at 31-33, paras. 73-75. The offers also include support for locations served with 100/20 Mbps service by the ILEC only, but which were ineligible for prior A-CAM offers. *Id.* at 32, para. 74.

⁴ See *Connect America Fund; ETC Annual Reports and Certifications; Telecommunications Carriers Eligible to Receive Universal Service Support; Connect America Fund – Alaska Plan; Expanding Broadband Service Through the ACAM Program*, WC Docket Nos. 10-90, 14-58, 09-197, and 16-271; RM-1168, Order, DA 23-778, at 4-6, para. 9-13 (WCB Aug. 30, 2023) (*Enhanced A-CAM Implementation Order*).

funding to deploy 100/20 Mbps or faster broadband service, and (b) locations currently served by both the ILEC and a competitor with 100/20 Mbps or faster broadband.⁵ The locations included in the initial offers are based on location data from the Broadband Serviceable Location Fabric (Fabric) v.2 and account for broadband coverage data from the National Broadband Map, as well as federal broadband funding data from the Broadband Funding Map.⁶

The information released today includes four reports.⁷ Report 1.1 shows the state-level offer of model-based support for each carrier that is eligible to elect Enhanced A-CAM support, including the amount of annual support that would be provided over the 15-year term beginning January 1, 2024, subject to any transitional support amounts as discussed below. Report 1.1 also shows the total number of locations in the carrier service area covered by the offer of support, and the number of supported locations, which includes both required locations with estimated costs above the \$63.69 support threshold (\$47.76 for Tribal locations) and ILEC-served locations above the existing A-CAM support thresholds. Finally, Report 1.1 breaks out Enhanced A-CAM support amounts and supported locations by Tribal and Non-Tribal locations.

All carriers authorized to receive Enhanced A-CAM support will be subject to defined deployment obligations that must be met by the final deployment milestone in 2028, with an additional 12 months to come into compliance for the final deployment milestone,⁸ and with annual reporting of their progress. Report 1.2 shows the number of required locations – both above and below the support threshold – to which an electing carrier will be required to deploy 100/20 Mbps service, in total and by Tribal or Non-Tribal status. Report 1.2 also summarizes locations by ILEC- and competitor-served status. Carriers that elect Enhanced A-CAM will commit to maintaining at least existing levels of service to locations to which they currently provide 100/20 Mbps or faster service. For completeness, Report 1.2 also shows other categories of locations that do not factor into the support calculation, such as locations served with 100/20 Mbps that have estimated costs below the A-CAM I or II support thresholds, or locations served solely by an unsubsidized competitor or subject to an enforceable commitment to deploy.⁹ In addition to the summary information provided in Report 1.2, carriers considering electing Enhanced A-CAM can identify their required locations and the locations that they currently serve and to which they must maintain service on the ACAM website, <https://cacm.usac.org/>.¹⁰ Required locations

⁵ See *Enhanced A-CAM Order* at 32-33, para. 75.

⁶ See *id.* at 20, para. 42. To avoid unnecessarily duplicating federal broadband funding, the Bureau also uses data from other federal agencies to exclude from the set of Enhanced A-CAM required locations any locations that are subject to enforceable commitments to deploy 100/20 Mbps or faster broadband service. See *id.* As more complete data on federal and state commitments become available, the Bureau and the Office of Economics and Analytics will also adjust carriers' list of required locations, with all adjustments to be completed no later than December 31, 2025. See *id.* at 21, para. 43. "[T]he Bureau and the Office of Economics and Analytics will ultimately rely on Fabric v.3 and the National Broadband Map showing broadband serviceable locations as of June 30, 2023 for these adjustments." See *id.* at 21 n.146. The support amounts associated with each Enhanced A-CAM carrier may also be adjusted pursuant to the methodologies outlined in the Order we concurrently adopt today. See *Enhanced A-CAM Implementation Order* at 6-7, paras. 14-16.

⁷ Available at <https://docs.fcc.gov/public/attachments/DOC-396477A1.xlsx>.

⁸ See 47 CFR § 54.320(d)(2) (providing carriers an additional 12 months to come into compliance for their final milestones). The Commission also delegated to the Bureau the authority to extend the final deployment milestone by an additional year. See *Enhanced A-CAM Order* at 22, para. 46.

⁹ In Report 1.2, locations that are currently unserved and also subject to an enforceable commit to deploy by the ILEC due to a grant from another federal agency are included with competitor-served locations, which also receive no support under Enhanced A-CAM.

¹⁰ Access to the A-CAM data are subject to the Third Supplemental Protective Order, a licensing agreement and a non-disclosure agreement (respectively Appendices B and C) available at <https://docs.fcc.gov/public/attachments/DA-12-1995A1.pdf>. Parties who have signed the licensing and non-

(continued....)

(i.e., locations where voice and terrestrial broadband services of speeds 100 Mbps downstream/20 Mbps upstream or faster are not yet available or lack an enforceable commitment for deployment of such broadband service) and ILEC-served locations (to which an electing carrier would be required to maintain existing 100/20 Mbps or faster service) are identified by location ID.

Report 1.3 shows the amount of support, by year, that a CAF BLS recipient electing Enhanced A-CAM will receive over the term of Enhanced A-CAM. As discussed in greater detail below, this includes all transitions provided by the Commission's rules.

Carriers will receive a single offer of support for all affiliates within a state.¹¹ If a carrier offer for a state either includes an unaffiliated entity or excludes an affiliated ILEC in that state, the ILEC should report this by sending an email to ConnectAmerica@fcc.gov notifying the Commission of this error prior to accepting an Enhanced A-CAM offer. If a carrier has multiple affiliates in a single state, some of which receive A-CAM support and some of which receive Connect America Fund Broadband Loop Support (CAF BLS) (mixed support carriers), Report 1.1 shows separately Enhanced A-CAM support amounts for A-CAM and CAF BLS affiliates. However, consistent with the transition payments adopted by the Commission for CAF BLS carriers, the actual amount of support received annually will be reflected in Report 1.3. Therefore, to understand the amount of support that would be authorized, mixed support carriers must review the transitional payments for the relevant state. Mixed support carriers that elect to participate in the Enhanced A-CAM mechanism, must elect for both their A-CAM and CAF BLS components. A list of known mixed support carriers is shown in Report 1.4.

Carriers considering electing Enhanced A-CAM need to evaluate on a state-level basis whether the support to be received is sufficient to serve all their required locations with 100/20 Mbps or faster broadband service. For administrative ease, compliance with the broadband deployment obligations will be validated at the state level.

Elections. Carriers shall submit their election letters to the Bureau at ConnectAmerica@fcc.gov.¹² To elect Enhanced A-CAM for a state or states, a carrier must submit a letter signed by an officer of the company confirming that the carrier elects the Enhanced A-CAM support amount as specified in Report 1.1 released today and commits to satisfy the specific service obligations associated with that amount of model support, including both the deployment of 100/20 Mbps or faster service to all required locations and the maintenance of 100/20 Mbps or faster service to currently served locations. Carriers are required to identify in their election letters the technologies they plan to use to meet their Enhanced A-CAM deployment obligations.¹³ Election letters filed by mixed support carriers should explicitly acknowledge that the election applies to both their A-CAM and CAF BLS study areas within a state. As directed by the Commission, the Bureau will publish Enhanced A-CAM offer acceptances "to inform, among other processes, the BEAD Program challenges conducted by states or eligible entities and prevent any duplication of support to a location where it is determined that the Enhanced A-CAM service provider plans to deploy a technology that would satisfy the requirements for being deemed an enforceable commitment for the deployment of qualifying broadband to a location."¹⁴

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disclosure agreements, can login to A-CAM, click on Posted Data Sets, and scroll down to Current Version Model Outputs. The E_ACAM_CBSummary Point File, developed for A-CAM 2.6.0 is a file containing FCC location_id, Census Block, Study Area Code, Tribal and Broadband Funding (bfm) indicators, and flags indicating whether the location is required or currently served by the incumbent carrier.

¹¹ See *Enhanced A-CAM Order* at 45, para. 98 ("Like with A-CAM II, elections will be voluntary, irrevocable, and made on a state-by-state basis.").

¹² Carriers are encouraged to submit their election letter prior to the deadline to the extent feasible.

¹³ See *Enhanced A-CAM Order* at 42-43, para. 100.

¹⁴ *Id.* at 43, para. 100.

We emphasize that carriers accepting the Enhanced A-CAM offer should therefore *not* include any confidential trade secrets or commercial information in their election letters.¹⁵

If a carrier fails to submit any final election letter by the **September 29, 2023** deadline, the carrier will be deemed to have declined the Enhanced A-CAM offer and will continue to receive support under its existing program and be subject to its existing A-CAM I, Revised A-CAM I, A-CAM II, or CAF BLS deployment obligations. Carriers submitting election letters will receive an e-mail confirming that their letters have been received and reviewed for completeness and should contact the Bureau no later than 4:00 p.m. Eastern Daylight Time on **October 2, 2023** if they do not receive such confirmation. Confirmation of receipt does not constitute authorization to receive Enhanced A-CAM support pursuant to the terms of the offer. Carriers electing the Enhanced A-CAM support will not begin receiving such support until the Bureau issues a public notice authorizing the Universal Service Administrative Company (USAC) to disburse the appropriate amounts.

Legacy rate-of-return carriers electing Enhanced A-CAM support must exit the National Exchange Carrier Association, Inc. (NECA) common line tariff pool before they will be authorized to receive model-based support.¹⁶ These carriers, however, may continue to tariff non-pool rates for common line and consumer broadband-only loops pursuant to NECA tariffs. NECA carriers electing Enhanced A-CAM support must notify NECA by the date specified in the public notice announcing Enhanced A-CAM authorizations that they will no longer participate in the NECA common line tariff pool.¹⁷ USAC may disburse Enhanced A-CAM support once it confirms that the electing Enhanced A-CAM carrier notified NECA that they will exit the NECA common line tariff pool.¹⁸

Enhanced A-CAM support recipients that have not already done so are also eligible to transition certain business data service (BDS) offerings to incentive regulation under section 61.50 of the Commission's rules.¹⁹ All rate-of-return carriers accepting Enhanced A-CAM support and electing BDS incentive regulation must notify the Bureau of their BDS election by May 1, 2024 to be effective concurrent with the July 2024 annual access charge tariff filing.²⁰ These carriers should file a letter in WC Docket No. 17-144 notifying the Bureau of their BDS election including the carrier, study area, state, and study area code.²¹ Enhanced A-CAM carriers that elect BDS incentive regulation may begin detariffing their BDS offerings after the effective date of their BDS election but must detariff their BDS offerings within 36 months after the effective date of their election of BDS incentive regulation.²²

¹⁵ See *id.*

¹⁶ *Id.* at 39, para. 91 (citing *2016 Rate-of-Return Reform Order*, 31 FCC Rcd at 3159-60, paras. 194-96). NECA Tariff F.C.C. No. 5 covers the carrier common line tariff pool.

¹⁷ See 47 CFR § 69.3(e)(9).

¹⁸ *Enhanced A-CAM Order* at 39, para. 91.

¹⁹ 47 CFR § 61.50; *Regulation of Business Data Services for Rate-of-Return Local Exchange Carriers, et al.*, WC Docket No. 17-144 et al., Report and Order, Second Further Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, 33 FCC Rcd 10403, 10421-22, para. 44 (2018) (*Rate-of-Return BDS Order*).

²⁰ 47 CFR § 61.50(l)(3); *Rate-of-Return BDS Order*, 33 FCC Rcd at 10445, para. 119.

²¹ See *Wireline Competition Bureau Announces Rate-of-Return Carriers Electing Incentive Regulation for their Business Data Services*, WC Docket No. 17-144, Public Notice, 35 FCC Rcd 7037, 7037 (WCB 2020) (a total of 136 rate-of-return carriers serving 227 study areas in 40 states and one territory elected BDS incentive regulation).

²² 47 CFR § 61.50(k)(3) (“A rate-of-return carrier electing incentive regulation for its business data services must detariff: (i) All packet-based and time division multiplexed business data services above a DS3 bandwidth within thirty-six months after the effective date of its election of incentive regulation; and (ii) All time division multiplexed end user channel termination business data services at or below a DS3 bandwidth in any study area deemed competitive by the competitive market test within thirty-six months after such services shall be deemed competitive in a study area.”).

Additionally, NECA carriers accepting Enhanced A-CAM support and electing BDS incentive regulation must notify NECA by March 1, 2024 that they will not participate in the NECA traffic-sensitive tariff pool for their BDS offerings.²³ Such carriers may continue to participate in the NECA traffic sensitive pool and tariff for access services other than BDS.²⁴ In its notices to NECA and the Bureau, each carrier should specify whether it is choosing to update its separation category relationships.²⁵

Transitional Support for Legacy Carriers. The Commission in the *Enhanced A-CAM Order* adopted rules allowing for the extension of offers for Enhanced A-CAM support amounts to electing legacy carriers pursuant to a fixed support transition, or “glide path,” process.²⁶ The Enhanced A-CAM offers, and the methodology used to calculate the support amounts, reflect the transition process adopted by the Commission. We provide the following informational guidance for legacy carriers considering electing Enhanced A-CAM support.

- **Transitioning from Higher to Lower Support Amounts.** When transitioning from receiving higher to lower amounts of support, electing legacy carriers will receive frozen support equal to their year 2022 support claims for six years, beginning January 1, 2024.²⁷ Over the next five years, beginning January 1, 2030, their support will step down to 80% of their 2022 support amount, in 4% increments.²⁸ Finally, beginning January 1, 2035, and ending on December 31, 2038, electing carriers will then transition to model-based Enhanced A-CAM support, following the three-tiered transition schedule set forth in section 54.311(e)(1)-(3) of the Commission’s rules.²⁹

The transition payments are based on the percentage difference between model support and legacy support: if the difference between legacy and model-based support is 10% or less, the carrier will have a one-year transition; if greater than 10% but not more than 25%, then the transition period will be four years; and if the difference is greater than 25%, then the transition will occur over the full-term of the plan, with no extra transition support only in the final year of the term.³⁰ As the Commission stated in the *Enhanced A-CAM Order*, “[f]or the purpose of calculating transitional support pursuant to this final stage, we adopt a base year support amount equal to 80% of 2022 claims.”³¹

²³ See 47 CFR § 69.3(i)(1); see also *id.* § 69.3(e)(6); *Rate-of-Return BDS Order*, 33 FCC Rcd at 10445, para. 119. The NECA traffic-sensitive pool is contained in NECA F.C.C. Tariff No. 5.

²⁴ 47 CFR § 61.50(d).

²⁵ *Rate-of-Return BDS Order*, 33 FCC Rcd at 10445, para. 119.

²⁶ *Enhanced A-CAM Order* at 35-38, paras. 79-87. While carriers that previously elected A-CAM I or II were required to elect for all affiliated study areas in the state, there may be cases where, due to intervening transactions, a legacy carrier is affiliated with an existing A-CAM participant that elects Enhanced A-CAM. If this situation arises, then the Bureau, for the purpose of calculating transitional support amounts, will assign to the legacy CAF BLS study area(s) the Enhanced A-CAM amount calculated for only the CAF BLS study areas and assign to the A-CAM study areas the difference between the amount calculated for all affiliated study areas in the state and the CAF BLS-only amount.

²⁷ *Id.* at para. 80. For reference, legacy carriers’ 2022 support claims are available at <https://www.fcc.gov/sites/default/files/Updated%20Claims%20for%20Web%202022%20%2804%202023%29.xlsx>.

²⁸ *Enhanced A-CAM Order* at 35-38, paras. 79-87 (codified at 47 CFR 54.311(e)(4)-(5)(i)).

²⁹ *Id.* (codified at 47 CFR § 54.311(e)(5)(ii)-(vi)).

³⁰ *Id.* (codified at 47 CFR § 54.311(e)(1)-(3)).

³¹ *Id.* at 35-36, para. 81.

While the transition process provided for in section 54.311(e)(1)-(3) envisions a ten-year transition period, there will only be a four-year period over which legacy carriers will transition pursuant to these subsections during years 2035-2038, i.e., over the last four years of the Enhanced A-CAM term of support.³² Accordingly, as the Commission stated, “[i]n those cases, [where] the carriers’ support would begin to approach the amount of the Enhanced A-CAM offer, but would not reach that level before the end of the term of support,” then “[w]e do not intend for such carriers to have a longer term of support than we adopt for Enhanced A-CAM generally.”³³ That is, the transition support amount in year 2038 would be the final year in the Enhanced A-CAM term of support so that the legacy carrier could conceivably never fully transition to the Enhanced A-CAM support amount by the end of the term.

As an illustrative example, assume an electing legacy carrier’s 2022 support claims total \$1,000,000 and the Enhanced A-CAM support amount is \$700,000. In this case, the transition path would be as follows:

| Calendar Year | Support Amount | Explanation |
|---------------|----------------|--|
| 2024-2029 | \$1,000,000 | 2022 support claim amount |
| 2030 | \$960,000 | $\$1,000,000 - (\$1,000,000 \times .04)$ |
| 2031 | \$920,000 | $\$1,000,000 - (\$1,000,000 \times .08)$ |
| 2032 | \$880,000 | $\$1,000,000 - (\$1,000,000 \times .12)$ |
| 2033 | \$840,000 | $\$1,000,000 - (\$1,000,000 \times .16)$ |
| 2034 | \$800,000 | $\$1,000,000 - (\$1,000,000 \times .20)$ |
| 2035 | \$760,000 | Per 47 CFR § 54.311(e)(3), reduction is the greater of either: a) $5\% \times \$800,000$ (i.e., the base period amount) = \$40,000, or b) $10\% \times \$100,000$ (i.e., the difference between the Enhanced ACAM amount, \$700,000 and the base period amount, \$800,000) = \$10,000. |
| 2036 | \$720,000 | $\$40,000 > \$10,000$ and $\$760,000 - \$40,000 = \$720,000$ |
| 2037 | \$700,000 | As above except that $\$720,000 - \$40,000 = \$680,000$, which is less than \$700,000, the Enhanced A-CAM support amount, so the \$700,000 applies |
| 2038 | \$700,000 | Enhanced A-CAM support amount |

- **Transitioning from Lower to Higher Support Amounts.** For an electing legacy carrier whose 2022 claims are less than its Enhanced A-CAM support offer, the Commission provided a transition to the carrier’s full Enhanced A-CAM support over a five-year period after an initial six-year freeze.³⁴ In years 2024-2029, the electing legacy carrier will receive

³² See 47 CFR § 54.311(c).

³³ *Enhanced A-CAM Order* at 36, para. 81 n.236.

³⁴ See *id.* at 82, para. 82 (codified at 47 CFR § 54.311(f)).

its 2022 frozen base year support.³⁵ Support will then be increased by 20% of the difference between its base year support and its Enhanced A-CAM support, each year during the 2030-2033 period.³⁶ Starting in 2034 and throughout the remainder of the support term, i.e., until December 31, 2038, the legacy carrier will receive the Enhanced A-CAM support amount.³⁷

- **Carriers Currently Receiving A-CAM Transition Payments.** Some current A-CAM carriers are receiving transition payments from their previous legacy support to their model-based support. Pursuant to section 54.311(e)(6), this transitional support will not be adjusted to reflect Enhanced A-CAM support amounts.³⁸ Accordingly, A-CAM I and A-CAM II carriers that are currently transitioning from their legacy support amounts to A-CAM I, Revised A-CAM I, or A-CAM II support amounts will continue receiving transitional support on their current glide path until their transitional support is less than their authorized Enhanced A-CAM support amount.³⁹ If a carrier is currently receiving transitional support, and its authorized Enhanced A-CAM support is less than its authorized A-CAM I or A-CAM II support, it will receive the Enhanced A-CAM support amount in the first year after its current glide path ends.

Mutual Agreements to Forgo Support and Obligations in Tribal Areas. In situations where “a state awards BEAD funds to another service provider to serve locations subject to an Enhanced A-CAM authorization,” the Commission “permit[s] the Enhanced A-CAM carrier and the Tribal government to notify the Bureau that they mutually agree to forego the A-CAM deployment obligation,” after which the Bureau will adjust the Enhanced A-CAM recipient’s support and deployment obligations.⁴⁰ Any such adjustments will not be considered a default under the Enhanced A-CAM program.⁴¹

To streamline administrative processing of such mutual agreements, we require that any such notice of an agreement be submitted to the Bureau at ConnectAmerica@fcc.gov, and must include signatures by an officer of the Enhanced A-CAM carrier as well as a representative of the Tribal government.⁴² Such notices must also be submitted before July 1, 2025, to provide ample time for the Bureau and the Office of Economics and Analytics to account for the changes in obligations and support before December 31, 2025.⁴³

Comments Regarding Coverage by Unsubsidized Competitors. Given that the Commission has required that carriers accept offers before September 29, 2023, and that the Bureau will announce accepted offers to inform other programs’ challenge processes and help prevent duplicative funding, there

³⁵ *Id.* (codified at 47 CFR § 54.311(f)(1)(i)).

³⁶ *Id.* (codified at 47 CFR § 54.311(f)(1)(ii)-(v)).

³⁷ *Id.* (codified at 47 CFR § 54.311(c), (f)(1)(vi)).

³⁸ *Id.* (codified at 47 CFR § 54.311(e)(6)).

³⁹ See A-CAM Support Authorized April 29, 2019 – Revised Offers for Carriers That Elected Initial A-CAM Offer with Legacy Transition Payments, May 1, 2019, available at <https://www.usac.org/wp-content/uploads/high-cost/documents/spreadsheets/A-CAM-Support-Authorized-April.29.2019.xlsx>; ACAM II Support with Legacy Transition Payments, June 5, 2019, available at <https://www.usac.org/wp-content/uploads/high-cost/documents/spreadsheets/ACAM-II-Support-with-Legacy-Transition-Payments.xlsx>.

⁴⁰ *Enhanced A-CAM Order* at 45, para. 105.

⁴¹ *Id.* at 45 n.301.

⁴² See *id.* at 45 n.301 (“We direct the Bureau to specify the form, substance, and timing of such letters.”).

⁴³ See *id.* at 21, para. 43 (“We anticipate that the Bureau will make all adjustments to the required deployment locations no later than December 31, 2025.”).

will not be an opportunity to make changes to any offers prior to the Bureau's announcement.⁴⁴ Adjustments to support amounts and location counts will be made at a later date consistent with the *Enhanced A-CAM Order*.⁴⁵ Any concerns regarding the deployment areas or speed of unsubsidized competitors should be addressed through the Broadband Data Collection processes. To the extent that interested parties may have concerns about an unsubsidized competitor's usage or the provision of voice service, we will accept comments in this proceeding's docket, WC Docket No. 10-90, regarding whether particular unsubsidized competitors may not be providing the minimum amount of usage set forth in the Urban Rate Survey⁴⁶ or whether unsubsidized competitors may not be providing standalone voice service.⁴⁷

For additional information on this proceeding, please contact Stephen Wang (Stephen.Wang@fcc.gov) of the Wireline Competition Bureau, Telecommunications Access Policy Division, (202) 418-7400.

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⁴⁴ See *id.* at 43, para. 100.

⁴⁵ See *id.* at 16-17, para. 34; *supra* note 4.

⁴⁶ The 2023 Urban Rate Survey specifies a minimum usage amount of 600 GB. See *Wireline Competition Bureau And Office of Economics and Analytics Announce Results of 2023 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for Eligible Telecommunications Carriers*, Public Notice, WC Docket No. 10-90, DA 22-1338 (WCB Dec. 16, 2022).

⁴⁷ See *Enhanced A-CAM Order* at 19, para. 39.

Enhanced A-CAM Support Calculations Methodology and Data Sources

This document describes the methodology and data sources that Commission staff employed to calculate Enhanced Alternative Connect America Model (Enhanced A-CAM) illustrative offers for eligible carriers.¹ The illustrative results were announced in a Public Notice on August 7, 2023 in WC Docket No. 10-90 and can be found at <https://docs.fcc.gov/public/attachments/DOC-395738A1.xlsx>.

The purpose of these illustrative results is to make interested parties aware of the potential impact on support for various Enhanced A-CAM support parameters, consistent with the Commission's instructions in the *Enhanced A-CAM Order*, and to permit carriers to understand the relationship between current location and coverage data and the support calculations. These results present three examples of offers for Enhanced A-CAM support using different assumptions in the support ranges adopted by the Commission. The three combinations are:

- A funding cap to \$300 per unserved location or 80% of the uncapped support amount, when that would provide more support; 50% of prior support for incumbent local exchange carrier (ILEC)-only served locations; and 33% of prior support for ILEC and competitor-served locations;
- A funding cap to \$350 per unserved location or 80% of the uncapped support amount, when that would provide more support; 50% of prior support for ILEC-only served locations; and 33% of prior support for ILEC and competitor-served locations; and
- A funding cap to \$300 per unserved location or 80% of the uncapped support amount, when that would provide more support; 65% of prior support for ILEC-only served locations; and 33% of prior support for ILEC and competitor-served locations.

Due to data limitations, each of these combinations is calculated in two ways: the first assumes there are no enforceable commitments to deploy broadband that would eliminate an otherwise eligible location from Enhanced A-CAM eligibility and the second assumes zero funding for any location that is reported in the Broadband Funding Map as receiving funding that could potentially have an enforceable commitment to deploy at speeds at or above 100/20 Mbps. The inclusion of Broadband Funding Map commitments is both overinclusive because we have considered some commitments, such as federal loans to ILECs, that will not ultimately be included and underinclusive because not all existing federal and state funding are currently included in the Broadband Funding Map. Thus, we have both included and excluded these commitments in different examples to provide a broader picture of what Enhanced A-CAM offers will look like. These calculations are preliminary and do not necessarily reflect either what Enhanced A-CAM offers will be made or what support will be with post-offer adjustments. The information below provides additional detail on how the illustrative results were calculated.

Data Sources

The following describes the data sources used in the calculations and where they may be obtained.

- A-CAM Version 2.6.0 Cost Model: Version 2.6.0 of the A-CAM model now relies on fabric location data to calculate the network topology rather than Census housing unit and GeoResults business data. The new model also employs the latest study area boundary data filed by Enhanced A-CAM eligible carriers and corrects these boundaries so that each fabric location is in

¹ *Connect America Fund, et al.*, WC Docket No. 10-90 et al., Report and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, FCC 23-60 (rel. July 24, 2023) (*Enhanced A-CAM Order*).

only one study area. No changes to the underlying assumptions in the A-CAM model have been made. Interested parties may download the new A-CAM data at cacm.usac.org.²

- **Potentially Eligible Locations File:** The locations based on Version 2 of the Broadband Serviceable Locations Fabric that are potentially eligible for Enhanced A-CAM support are available to authorized users at cacm.usac.org.³ This file is restricted to broadband serviceable locations (BSLs) within each eligible carrier's footprint and includes the following variables: (1) fabric location identifier; (2) 2020 Census block of the location; (3) study area code for the location; (4) the number of units associated with the BSL; (5) an indicator for whether the location is in a Tribal area; and (6) an indicator for whether the location has an enforceable commitment to deploy broadband at speeds of 100/20 or greater in the National Broadband Funding Map.⁴
- **Broadband Data Collection (BDC) Version 2:** Staff use Version 2 of the BDC to determine Enhanced A-CAM eligibility for each potentially eligible location. This data is publicly available and can be downloaded from the following link: <https://broadbandmap.fcc.gov/data-download/>.
- **Voice Service by Provider and State:** Only locations that receive broadband service with download speeds of at least 100 Mbps and upload speeds of at least 20 Mbps from a provider that is also offering facilities-based voice service are considered "served" under the Enhanced A-CAM program. Similar to past offers, whether a provider offers facilities-based voice service will be determined using FCC Form 477 voice subscription data. If the provider reports at least one voice subscriber in the state that is not subscribing to an "over-the-top" voice service then that provider is coded as offering voice service within the state.⁵ This data is publicly available at: <https://docs.fcc.gov/public/attachments/DOC-395787A1.xlsx>.
- **Broadband Funding Map:** The Broadband Funding Map data is used to determine whether the location is under another enforceable commitment to deploy broadband at speeds at or above 100/20 Mbps. As explained below, such an enforceable commitment changes the funding levels for such locations. This data is publicly available at: <https://fundingmap.fcc.gov/>.
- **Study Area Boundaries:** The study area boundary shapefiles for each incumbent local exchange carrier (ILEC) are used to determine which study area code is associated with each fabric location. These study area boundaries are adjusted to eliminate overlaps between providers, but

² Access to the A-CAM data is subject to the Third Supplemental Protective Order, a licensing agreement and a non-disclosure agreement (respectively Appendices B and C) available at <https://docs.fcc.gov/public/attachments/DA-12-1995A1.pdf>. Parties who have already signed the licensing and non-disclosure agreements, but have forgotten or not used their password recently can email CACMsupport@costquest.com. Block level costs have been rounded to the nearest \$5 increment in this dataset and therefore support amounts calculated using this data will not exactly match the illustrative results because these rely on unrounded cost data.

³ Access to these data will require the same licensing and non-disclosure agreement as the new A-CAM data. See n.2.

⁴ We use "unit" or "location" throughout to refer to the number of units associated with a BSL in the broadband fabric.

⁵ Over-the-top interconnected VoIP is defined as service delivered to the end-user customer over a high-capacity connection that the customer obtains from an entity not affiliated with the interconnected VoIP service provider. See FCC Form 477 Filing Instructions, Fixed Voice Subscription – Interconnect VoIP available at https://transition.fcc.gov/form477/FVS/allocating_voip_subscriptions.pdf.

the original shapefiles are publicly available for download at: <https://www.fcc.gov/reports-research/maps/study-area-boundaries/>.

- **Eligible Carriers:** Current recipients of A-CAM I or A-CAM II support, or Connect America Fund Broadband Loop Support (CAF-BLS) are eligible for Enhanced A-CAM support. The list of study areas and the type of support currently provided is available in the following file: <https://docs.fcc.gov/public/attachments/DOC-392121A1.xlsx>.
- **ILEC Holding Company Information:** Staff used the ILEC holding company name and ILEC holding company number associated with each study area code (SAC) to determine which locations in the BDC were served by the ILEC. Generally, all commonly owned SACs in a state are aggregated into a single state-level offer for each company, called a “State Administrative SAC.” In some cases, such as for companies that currently receive CAF-BLS or for companies that have merged with other companies since their A-CAM I or A-CAM II elections, the State Administrative Study Area Code in a state may not reflect all affiliations that will be included in the Enhanced A-CAM offer. These data are the same as those used for FCC Form 477 and FCC Form 499. The Universal Service Monitoring Report, Supplemental Table 3.4, available at: <https://www.fcc.gov/file/24828/download>, shows all SACs and their associated holding companies and State Administrative SACs.

Illustrative Funding Calculations

This section explains how staff calculated the support levels in the illustrative results for each carrier at the state level.

Determining Served Status

In the *Enhanced A-CAM Order*, the Commission determined that the appropriate funding amount for a given location will be based on the estimated cost of the location, whether the location is located on Tribal lands, and whether the location is currently served by the ILEC, another broadband provider, or both.⁶

The first step is to determine whether each potentially eligible location is served, and whether the ILEC and/or a competing provider serves each location. Staff used the BDC deployment and FCC voice data cited above for this purpose. A BDC record is coded as being served by the ILEC if: (1) the download speed was at least 100 Mbps; (2) the upload speed was at least 20 Mbps; (3) the provider offers facilities-based voice service in the state; (4) the technology code does not equal sixty (geostationary satellite), sixty-one (non-geostationary satellite), or zero (other fixed service); and (5) a holding company number provided in a BDC data filing for that location matched the holding company number that is associated with the ILEC in that study area.⁷ If there is a BDC filing for that location that does not match the ILEC holding company number for the study area, and conditions (1) through (4) were met, then this BDC record is coded as competitively served. For each location identifier, the maximum value for the ILEC-served and competitive-served variable was then taken. With this information, each location is classified into one of the following four mutually exclusive and exhaustive categories: (1) served only by the ILEC; (2) served by the ILEC and another provider; (3) unserved; (4) served only by a competitor. Only the first

⁶ *Enhanced A-CAM Order*, paras. 60-87.

⁷ A very small number of records in the BDC had a technology code of 0, indicating deployment using “fixed service using any other technology not otherwise detailed for another code.” These locations were not considered served even if reported at speeds of at least 100/20 Mbps.

three categories are eligible for funding and, as described below, the support calculation is different for each of these three categories.

The illustrative results do not fully reflect the final evaluation of enforceable commitments to deploy broadband based on the Broadband Funding Map. Instead, staff provides, for each illustrative funding scenario, two sets of estimates for each carrier under the currently available data. The first estimate assumes there are no enforceable commitments to deploy broadband that would eliminate an otherwise eligible location from Enhanced A-CAM eligibility. The second estimate assumes zero funding for any location that is reported in the Broadband Funding Map as receiving funding that could potentially have an enforceable commitment to deploy at speeds at or above 100/20 Mbps.⁸ For this estimate, we use the Broadband Funding Map to determine which potentially eligible locations are subject to an enforceable commitment under another federal program to deploy qualifying broadband by overlaying the Broadband Funding Map layers on top of the potentially eligible locations. This analysis produces a list of locations subject to enforceable commitments and removes these from the location counts described in the preceding paragraph. The location identifiers for the locations that have been adjusted in the second set of estimates can be found in the potentially eligible locations file posted at cacf.usac.org. Staff emphasizes that this second estimate may overestimate the number of locations that will be excluded in the initial offers, and may therefore underestimate the amount of support to be offered under the Enhanced A-CAM program.

To summarize, staff assigned each potentially eligible location to one of four deployment categories, separately for Tribal and non-Tribal, for a total of eight potential categories for each location. These assignments were then also performed a second time but dropping the locations with enforceable commitments. These data were then collapsed to a Census block-study area level and the number of locations summed within each of the eight categories of the two sets of location assignment variables. This process resulted in the sixteen block-level location count variables that are produced in the A-CAM Version 2.6.0 cost model file posted on the A-CAM website.

Support Calculations

Support amounts vary depending on whether a location is in a Tribal area and whether the location is served by the ILEC, a competitor, or both. We now detail the funding calculations for each category of eligible location. Locations served only by a competitive provider are not eligible for funding under the Enhanced A-CAM program.

Locations served only by the ILEC

For all locations within a Census block-study area combination that are served only by the ILEC, the Enhanced A-CAM Order states that these locations will receive at least 50% of their previous support level (based on the prior A-CAM model) but not more than 75% of previous support.⁹ For non-Tribal areas, staff use the A-CAM funding threshold of \$52.50 per month and a monthly support cap of \$200 to determine previous support levels. This implies that locations with model costs at or below \$52.50 per month receive no funding while locations with costs at or above \$252.50 per month receive \$200 per

⁸ Pursuant to the *Enhanced A-CAM Order*, para. 75, a location subject to an enforceable commitment to deploy by a competitor, but to which the ILEC has deployed at least 100/20 Mbps service, will be treated the same as a location served with 100/20 Mbps by both the ILEC and unsubsidized competitor (see discussion below). See *Enhanced A-CAM Order*, para. 75. The illustrative results with potential adjustments exclude support for such locations, however.

⁹ See *Enhanced A-CAM Order*, para. 74.

month in support. Previous support levels for locations with costs that lie between \$52.50 and \$252.50 were determined to be the difference between their costs and \$52.50. For Tribal areas, staff used the A-CAM funding threshold of \$39.38 per month and a monthly support cap of \$213.12, and a parallel calculation was made.¹⁰

Locations served by the ILEC and a Competitor

For locations that are now served by the ILEC and another provider, or that are served by the ILEC and will be served by another provider that is subject to an enforceable commitment, the Commission determined that it is appropriate to complete the A-CAM funding term but not provide additional funding to these locations.¹¹ Given that most providers have five years left on their existing A-CAM I or A-CAM II terms and that the Enhanced A-CAM term is 15 years, the Commission determined that these locations will be provided 33% of their previous support amount.¹² The previous support amounts for these locations are calculated using the same funding thresholds and support caps that we use above for locations served only by the ILEC. One-third of this calculated support amount is then provided for each of the locations in this category at the block level.

Unserved locations

For locations that do not have 100/20 Mbps or better service from any provider, and that are not subject to an enforceable commitment to deploy broadband at or above these thresholds by any provider, the Commission determined that it was appropriate to provide full Enhanced A-CAM support using higher funding thresholds and support caps than applied under the A-CAM I and A-CAM II programs. The calculations for the various funding scenarios are performed similarly, so as an illustrative example, the non-Tribal and Tribal calculations for scenario 1 that has a monthly support cap of \$300 per month or 80% of total estimated uncapped support for all of a carrier's territory within a state, whichever is higher, is provided here. For unserved locations in non-Tribal areas, to calculate support for these locations within a block, the funding threshold is \$63.69, and the monthly support cap is \$300 per month. This implies that unserved locations within blocks with average model costs at or below \$63.69 receive no support while unserved locations in blocks with costs that exceed \$63.69 have their support capped at \$300 per month. For unserved locations in Tribal areas, the funding threshold is \$47.76, and the monthly support cap is \$315.93, assuming a support cap of \$300 in non-Tribal areas.¹³

As a result of funding varying by three categories of served status and two categories of Tribal status, the funding formula is different for six categories of eligible locations. A description of the funding formula for each of the categories using our illustrative example of a \$300 monthly support cap for unserved locations is provided below.

1. Non-tribal ILEC-only served: 60% of support capped at \$200 with a funding threshold of \$52.50
2. Tribal ILEC-only served: 60% of support capped at \$213.12 with a funding threshold of \$39.38
3. Non-tribal ILEC and competitive served: 33% of support capped at \$200 with a funding threshold of \$52.50

¹⁰ *Id.*

¹¹ See *Enhanced A-CAM Order*, para. 75.

¹² See *id.*

¹³ The *Enhanced A-CAM Order* set the Tribal support cap at \$15.93 above the non-Tribal cap and set the funding threshold at 25% less than the non-Tribal threshold. See *Enhanced A-CAM Order*, para. 76. In all scenarios modeled, we set the Tribal support cap for unserved locations \$15.93 higher than the assumed non-Tribal support cap. For example, at a \$350 non-Tribal support cap, the Tribal support cap would be \$365.93.

4. Tribal ILEC and competitive served: 33% of support capped at \$213.12 with a funding threshold of \$39.38
5. Non-Tribal Unserved: Support capped at \$300 with a funding threshold of \$63.69
6. Tribal Unserved: Support capped at \$315.93 with a funding threshold of \$47.76

After calculating the funding for each of the six categories of eligible locations in the block, this funding is summed to produce a block-level support amount. These data are then collapsed to a state administrative study area level and the individual block level support amounts are summed to arrive at a total support amount for each carrier in the state. The total uncapped support amount is also calculated for each carrier within a state using the funding thresholds for each category of eligible area, but assuming no cap on monthly support. This state-level uncapped support amount for each carrier is then multiplied by 80% and compared to the state-level capped support amount. If 80% of uncapped support exceeds the capped support amount, then the carrier is assigned the 80% of uncapped support amount in that state, otherwise it receives the previously calculated capped amount.



CC Communications Agenda Report

Date Submitted: August 29, 2023

Agenda Item #: New Business - B

Meeting Date Requested: September 7, 2023

To: Board of Churchill County Commissioners

From: Mark Feest, General Manager / CEO

Subject Title: Consideration and possible action re: selection and purchase of upgraded transport equipment.

Type of Action Requested: Accept

Does this action require a Business Impact Statement? No

Recommend Board Action: motion to approve the selection and purchase of Ribbon Netptune 2100/2300 transport equipment in the amount of \$2,007,297.

Discussion: CC Communications operates and maintains a transport network that touches Fallon, Reno, TRIC, Las Vegas, and several points between. The electronic equipment along that route is (1) at capacity, and (2) subject to an EOL notice from the vendor. The equipment will need to be decommissioned and upgraded prior to November 2024. While there may appear to be a significant lead time, installation, testing, and training can take 3 months. Further, we currently lack the ability to add customers at certain nodes.

EOL/EOS: 11/24

Noticed: 7/23

Approximate revenue generated annually: \$1,700,000

Bidder #1: \$2,007,297

Bidder #2: \$1,997,324.73

Management recommends Bidder # 1, Ribbon Neptune 2100/2300, as this manufacturer has (1) been much more responsive, (2) fully complied with the RFP, and (3) will provide a discount of approximately \$300,000 on the purchase of a soft switch in the next FY.

Alternatives: Operate an unsupported transport network while having the inability to add customers.

Fiscal Impact:

Explanation of Impact:

Funding Source: FY 23-24 TEL and BB Budget

Prepared By: Shelly Bunyard, Administrative Assistant

Reviewed By:



Mark Feest, General Manager

Date: September 06, 2023



Jamie Hyde, Chief Financial Officer

Date: September 06, 2023

Board Action Taken:

Motion: _____

1) None _____

Aye: 0 _____

2) None _____

Nay: 0 _____



(Vote Recorded By)

The submission of this agenda report by county officials is not intended, necessarily, to reflect agreement as to a particular course of action to be taken by the board; rather, the submission hereof is intended, merely, to signify completion of all appropriate review processes in readiness of the matter for consideration and action by the board.

CC Communications Agenda Report

Sully Binyard

(Vote Recorded By)

The submission of this agenda report by county officials is not intended, necessarily, to reflect agreement as to a particular course of action to be taken by the board; rather, the submission hereof is intended, merely, to signify completion of all appropriate review processes in readiness of the matter for consideration and action by the board.



CC Communications Agenda Report

Date Submitted: August 31, 2023

Agenda Item #: Consent Items - A

Meeting Date Requested: September 7, 2023

To: Board of Churchill County Commissioners

From: Mark Feest, General Manager / CEO

Subject Title: Consideration and possible action re: PO#19239 IT Dynamix LTD., \$61,142.65 for Forcepoint firewall, license, maintenance and support. NRS 332.115(1)(a).

Type of Action Requested: Accept

Does this action require a Business Impact Statement? No

Recommend Board Action: motion to approve consent item as submitted.

Discussion:

Alternatives:

Fiscal Impact:

Explanation of Impact:

Funding Source:

Prepared By: Shelly Bunyard, Administrative Assistant

Reviewed By:

Mark Feest, General Manager

Date: August 31, 2023

Jamie Hyde, Chief Financial Officer

Date: September 05, 2023

Board Action Taken:

Motion: _____

1) None

Aye: 0

2) None

Nay: 0

Sully Binyard

(Vote Recorded By)

The submission of this agenda report by county officials is not intended, necessarily, to reflect agreement as to a particular course of action to be taken by the board; rather, the submission hereof is intended, merely, to signify completion of all appropriate review processes in readiness of the matter for consideration and action by the board.



CC Communications Agenda Report

Date Submitted: August 31, 2023

Agenda Item #: Consent Items - B

Meeting Date Requested: September 7, 2023

To: Board of Churchill County Commissioners
From: Mark Feest, General Manager / CEO
Subject Title: Consideration and possible action re: PO#19241 Walker & Associates, Inc., \$153,248.98 for prepaid Support/Maintenance Contract for BTI/Juniper equipment to Las Vegas Link. NRS 332.115(1)(a).

Type of Action Requested: Accept

Does this action require a Business Impact Statement? No

Recommend Board Action: motion to approve consent item as submitted.

Discussion:

Alternatives:

Fiscal Impact:

Explanation of Impact:

Funding Source:

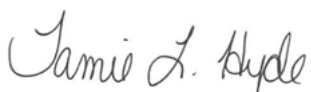
Prepared By: Shelly Bunyard, Administrative Assistant

Reviewed By:



Mark Feest, General Manager

Date: August 31, 2023



Jamie Hyde, Chief Financial Officer

Date: September 05, 2023

Board Action Taken:

Motion: _____

| | | |
|----|------|---------------|
| 1) | None | <u>Aye: 0</u> |
| 2) | None | <u>Nay: 0</u> |



(Vote Recorded By)

The submission of this agenda report by county officials is not intended, necessarily, to reflect agreement as to a particular course of action to be taken by the board; rather, the submission hereof is intended, merely, to signify completion of all appropriate review processes in readiness of the matter for consideration and action by the board.