# Before the KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of (	
)	
APPLICATION OF CEBRIDGE )	CASE NO.
TELECOM KY, LLC D/B/A SUDDENLINK)	2024-00162
COMMUNICATIONS FOR )	
DESIGNATION AS AN ELIGIBLE )	
TELECOMMUNICATIONS CARRIER )	

## VERIFIED APPLICATION OF CEBRIDGE TELECOM KY, LLC D/B/A SUDDENLINK COMMUNICATIONS TO RELINQUISH ITS ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION

In accordance with 47 U.S.C. § 214(e)(4), Federal Communications Commission ("FCC") Rule 54.205, and KAR 5:001, Cebridge Telecom KY, LLC d/b/a Suddenlink Communications ("Cebridge" or the "Company"), by its attorneys, respectfully submits this application to the Kentucky Public Utilities Commission ("Commission") to issue by August 10, 2024, an Order confirming the Company's relinquishment of its eligible telecommunications carrier ("ETC") designation in Kentucky (the "Application"). In support of the Application, the Company provides the following:

#### I. BACKGROUND

The Company is an indirect subsidiary of Altice USA, Inc., a Delaware limited partnership with its principal place of business at One Court Square, Long Island City, New York 11101. The Company is a communications services provider that offers broadband internet, video, and digital phone service to numerous communities across Kentucky. The Company is authorized to provide competitive local exchange and long distance services throughout Kentucky pursuant to notices of intent filed with the Commission on May 10, 2013.

As the Commission is aware, the Company participated in Phase 1 of the Rural Digital Opportunity Fund ("RDOF") Auction¹ and was designated as a winning bidder of \$350,304.00 for twelve census block groups ("CBGs") in Kentucky² – all of which, to the best of the Company's knowledge, are within the geographic areas served by numerous other ETC-designated wireless and incumbent local exchange carrier ("ILEC") providers.<sup>3</sup>

To receive RDOF support, the FCC required the Company (and other RDOF winning bidders) to secure designation as an ETC in the areas where it was identified as a winning bidder in the RDOF proceeding. This Commission subsequently designated the Company as an ETC in its RDOF CBGs on March 31, 2021.<sup>4</sup>

On April 19, 2024, the Company notified the FCC of its intent to surrender its awarded RDOF support for the twelve CBGs in Kentucky where it was identified as a winning bidder and designated as an ETC by the Commission.<sup>5</sup> As the Company noted in its letter, it intends to surrender its RDOF obligations in these CBGs to ensure that the unserved areas therein will be eligible to receive federal funding to support superior symmetric *gigabit* speed service through the Broadband Equity Access and Deployment ("BEAD") Program and other federal or state funding

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<sup>&</sup>lt;sup>1</sup> See Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes, Public Notice, 35 FCC Rcd. 13888 (2020). The designated winning bidder, Altice USA, Inc., formally assigned its winning bids to its subsidiary, the Company, on December 22, 2020, consistent with FCC procedures.

<sup>&</sup>lt;sup>2</sup> See Rural Digital Opportunity Fund Support Authorized for 95 Winning Bids, Public Notice, 37 FCC Rcd. 9317, 9327-28 Attach. A (2002). The twelve (12) CBGs where the Company was designated as an RDOF winning bidder are identified in **Exhibit A**.

<sup>&</sup>lt;sup>3</sup> See infra Section III. See also <u>Exhibit B</u> (identifying the other ETCs operating in the CBGs for which the Company seeks relinquishment of its ETC designation).

<sup>&</sup>lt;sup>4</sup> See In the Matter of Electronic Application of Cebridge Telecom KY, LLC dba Suddenlink Communications for Designation as an Eligible Telecommunications Carrier, Order, Case No. 2020-00421 (Mar. 31, 2021).

<sup>&</sup>lt;sup>5</sup> *In re Rural Digital Opportunity Fund, et al.*, WC Docket No. 10-90, Letter from C. Chou, Vice President, Federal Affairs, Altice USA, Inc., to T. Harkrader, Chief, Wireline Competition Bureau, FCC (April 19, 2024), attached hereto as **Exhibit C**.

programs.<sup>6</sup> On April 24, 2024, the FCC responded to the Company's letter to confirm receipt and to acknowledge that the unserved areas within the CBGs will be removed from the FCC's Broadband Funding Map so they are eligible for federal and state programs.<sup>7</sup> On May 10, 2024, the FCC's Wireline Competition Bureau issued a public notice announcing that the twelve CBGs in Kentucky where the Company was identified as an RDOF winning bidder are now eligible for other funding programs.<sup>8</sup>

Because the Company has surrendered its awarded RDOF support for the twelve awarded Kentucky CBGS and will not be providing service in these geographic areas pursuant to any RDOF obligations, there is no longer a need for the Company to hold any ETC designation in Kentucky. Accordingly, the Company files this Application to relinquish its ETC designation in all CBGs in Kentucky where the Company has been designated as an ETC.

#### II. STANDARD

Federal law provides an objective standard for ETC relinquishment, pursuant to which a state commission "shall permit" an ETC to relinquish its ETC designation "in any area" so long as that area is served by more than one ETC<sup>10</sup> and the ETC "give[s] advance notice to the state commission of such relinquishment." The FCC's rules further provide that each state

<sup>&</sup>lt;sup>6</sup> See id. at 1.

<sup>&</sup>lt;sup>7</sup> See Letter from T. Harkrader, Chief, Wireline Competition Bureau, FCC, to C. Chou, Vice President, Federal Affairs, Altice USA, Inc. (April 24, 2024), attached hereto as **Exhibit D**.

<sup>&</sup>lt;sup>8</sup> See WC Docket No. 10-90, Wireline Competition Bureau Announces Certain RDOF Census Block Groups Are Eligible for Other Funding Programs, Public Notice, DA 24-449 (Wireline Comp. Bur. May 10, 2024), attached hereto as **Exhibit E**.

<sup>&</sup>lt;sup>9</sup> While some of the Company's existing passings in the 12 CBGs where it was awarded RDOF support now have access to higher broadband speeds as a result of network upgrades, no significant new deployment activity related to its RDOF obligations had occurred.

<sup>&</sup>lt;sup>10</sup> 47 U.S.C. § 214(e)(4).

<sup>&</sup>lt;sup>11</sup> 47 C.F.R. § 54.205(a).

commission shall permit the ETC to relinquish its designation upon a determination that: (i) federally supported services will continue to be provided to any effected customers by another ETC, and (ii) sufficient notice of relinquishment has been provided to permit the purchase or construction of adequate facilities by any remaining ETCs in the ETC-designated area. As described further below, the Company meets the established standard for ETC relinquishment.

#### III. APPLICATION

The Company hereby requests that the Commission relinquish its ETC designation in the state of Kentucky because it will not receive RDOF support in Kentucky and will therefore not be providing any RDOF-supported services in Kentucky. As such, the original purpose for which the Company sought an ETC designation from the Commission has changed, and ETC designation is no longer necessary. The Company emphasizes that Kentucky residents will not be impacted by the Commission's decision to grant its Application because the Company currently does not serve any Kentucky customers pursuant to its ETC designation, <sup>13</sup> and because public records indicate that numerous other ETCs operate in each of the geographic areas of the CBGs where the Company has been designated as an ETC. <sup>14</sup> Therefore, despite the Company's decision to relinquish its ETC designation, Kentucky consumers in these areas will continue to have access to federally-supported services.

<sup>&</sup>lt;sup>12</sup> *Id.* § 54.205(b). As the Commission has previously recognized, a notice of relinquishment to the remaining ETCs is only necessary "if additional facilities will need to be constructed to serve the customers of the relinquishing entity." *Application of Boomerang Wireless LLC d/b/a Entouch Wireless*, Order, Case No. 2023-00267, 2023 WL 7174660, at \*1 (Ky. P.S.C. Oct. 20, 2023).

<sup>&</sup>lt;sup>13</sup> See Application of T-Mobile Central LLC and PowerTel/Memphis, Inc., Order, Case No. 2020-00415, 2021 WL 667135, at \*2 \*Ky. P.S.C. Feb. 16, 2021) (granting the relinquishment of a provider's ETC designation where the provider "does not serve any Lifeline customers in the relinquishment area").

<sup>&</sup>lt;sup>14</sup> See Exhibit B. See also Petition of AT&T Kentucky, Order, Case No. 2021-00375, 2021 WL 5531421, at \*2 (Ky. P.S.C. Nov. 22, 2021) (granting the relinquishment of a provider's ETC designation where other ETCs will continue to provide Lifeline service throughout the provider's ETC territory).

### IV. CONCLUSION

For the foregoing reasons, the Company respectfully requests that the Commission issue a decision by August 10, 2024, granting this Application and issuing an Order confirming the Company's relinquishment of its ETC designation in all geographic areas of Kentucky, as well as relief from any ongoing duties or obligations associated with the relinquished ETC designation.

Respectfully submitted this 16th day of May, 2024.

/s/ K.C. Halm

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### **CERTIFICATE OF SERVICE**

In accordance with 807 KAR 5:001, Section 8, and the Commission's Order of July 22, 2021, in Case No. 2020-00085, I certify that this document was transmitted to the Commission on May 16, 2024, and that no parties have been excused from electronic filing.

/s/ John C. Nelson, Jr. John C. Nelson, Jr.

## **EXHIBIT A**

# CENSUS BLOCK GROUPS WHERE CEBRIDGE TELECOM KY, LLC DBA SUDDENLINK COMMUNICATIONS IS DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

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#### **EXHIBIT B**

# OVERLAPPING ETC-DESIGNATED PROVIDERS IN CENSUS BLOCK GROUPS WHERE CEBRIDGE TELECOM KY, LLC DBA SUDDENLINK COMMUNICATIONS IS DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

The Company's ETC-designated service territory in Kentucky, along other known ETCs operating in each corresponding geographic area are listed. This list of overlapping ETCs was determined by using the "Companies Near Me" search tool available on the Universal Service Administrative Company ("USAC") website.

County	Census Block Group	Located Near	Other ETCs
Pike	211959302003	Pikeville	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless, Access Wireless, American Assistance, Tag Mobile, Appalachian Wireless, Coalfields Telephone, Q Link Wireless, Assurance Wireless
Pike	211959303002	Pikeville	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless, Access Wireless, American Assistance, Tag Mobile, Appalachian Wireless, Coalfields Telephone, Q Link Wireless, Assurance Wireless
Pike	211959303004	Pikeville	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless, Access Wireless, American Assistance, Tag Mobile, Appalachian Wireless, Coalfields Telephone, Q Link Wireless, Assurance Wireless
Pike	211959304003	Pikeville	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless, Access Wireless, American Assistance, Tag Mobile, Appalachian Wireless, Coalfields Telephone, Q Link Wireless, Assurance Wireless
Pike	211959310001	Elkhorn City	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless

County	Census Block Group	Located Near	Other ETCs
Pike	211959310002	Elkhorn City	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless
Pike	211959311001	Pikeville	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless, Access Wireless, American Assistance, Tag Mobile, Appalachian Wireless, Coalfields Telephone, Q Link Wireless, Assurance Wireless
Pike	211959311002	Pikeville	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless, Access Wireless, American Assistance, Tag Mobile, Appalachian Wireless, Coalfields Telephone, Q Link Wireless, Assurance Wireless
Pike	211959311003	Pikeville	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless, Access Wireless, American Assistance, Tag Mobile, Appalachian Wireless, Coalfields Telephone, Q Link Wireless, Assurance Wireless
Pike	211959319001	Elkhorn City	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless
Pike	211959319002	Elkhorn City	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless
Pike	211959319003	Elkhorn City	Life Wireless, Blue Jay Wireless, Im Telecom, LLC, Amerimex Communications, Tempo Telecom, Air Voice Wireless, Safelink Wireless, Easy Wireless

# **EXHIBIT C**

Letter from C. Chou, Vice President, Federal Affairs, Altice USA, Inc., to T. Harkrader, Chief, Wireline Competition Bureau, FCC (April 19, 2024)



April 19, 2024

#### **VIA ECFS**

Mr. Trent Harkrader Chief, Wireline Competition Bureau Federal Communications Commission 45 L Street, NE Washington, D.C. 20554

Re: Rural Digital Opportunity Fund, WC Docket No. 19-126; Connect America Fund, WC Docket No. 10-90; The Rural Digital Opportunity Fund (Auction 904), AU Docket No. 20-34

#### Dear Mr. Harkrader:

Altice USA, Inc., through its affiliates TCA Communications, LLC, Cebridge Telecom KY, LLC, and Cebridge Telecom WV, LLC ("Altice"), was awarded Rural Digital Opportunity Fund ("RDOF") funding to deploy 100/20 Mbps service to 22 census block groups ("CBGs") in Arkansas, Kentucky, and West Virginia. Through this letter, Altice notifies the Federal Communications Commission of its plans to surrender its awarded RDOF areas as listed below. <sup>2</sup>

Altice is committed to closing the digital divide and delivering high-speed broadband to rural communities, including through expansion of its broadband network in Arkansas, Kentucky, and West Virginia, and had begun connecting unserved locations in some of these RDOF areas. By relinquishing these CBGs now, however, Altice helps ensure that unserved and underserved locations in these areas are eligible to receive federal funding through programs like NTIA's Broadband Equity Access and Deployment ("BEAD") Program. These states are in the process of finalizing their BEAD eligibility maps and removing the below CBGs as federally-funded with enforceable commitments will permit unserved and unserved locations in these areas to receive even higher speeds.

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<sup>&</sup>lt;sup>1</sup> See Rural Digital Opportunity Fund Support Authorized for 95 Winning Bids, Public Notice, 37 FCC Rcd 9317, 9327-28, 9331 Attach. A (2022).

<sup>&</sup>lt;sup>2</sup> Altice previously notified the Commission of its plans to surrender its awarded RDOF areas in Louisiana. *See* Letter from Cristina Chou, Vice President, Federal Affairs, Altice USA, Inc., to Trent Harkrader, Chief, Wireline Competition Bureau, Federal Communications Commission, WC Docket Nos. 19-126, 10-90, AU Docket No. 20-34 (filed March 15, 2024).

Altice understands that it will no longer be entitled to receive further RDOF support for the surrendered CBGs and that it may be subject to the applicable non-compliance rules.<sup>3</sup> Altice reserves and retains its rights to seek relief from any penalties, including waiver of the Commission's rules, as well as seek other relief as may be necessary.

#### **Census Block Groups**

#### Arkansas

## Kentucky

## West Virginia

Please do not hesitate to reach out to the undersigned with any questions.

/s/ Cristina Chou

<sup>&</sup>lt;sup>3</sup> See 47 C.F.R. §§ 54.320(d), § 54.806(c); see also Wireline Competition Bureau Announces Certain RDOF and CAF II Auction Census Block Groups are Eligible For Other Funding Programs at 5-6, Public Notice, WC Docket Nos. 19-126 et al., DA 24-181 (rel. Feb. 28, 2024).

Cristina Chou Vice President, Federal Affairs ALTICE USA, INC. 1 Court Square West Long Island City, NY 11101 (929) 418-4544 Cristina.Chou@AlticeUSA.com

cc: Suzanne Yelen, Federal Communications Commission
 Glen E. Howie, Director, Arkansas State Broadband Office
 Meghan Sandfoss, Executive Director, Kentucky Office of Broadband Development
 K. Collins Workman, Director, West Virginia Office of Broadband

## **EXHIBIT D**

Letter from T. Harkrader, Chief, Wireline Competition Bureau, FCC, to C. Chou, Vice President, Federal Affairs, Altice USA, Inc.(April 24, 2024)



# Federal Communications Commission Washington, D.C. 20554

April 24, 2024

Cristina Chou Vice President, Federal Affairs ALTICE USA, Inc. 1 Court Square West Long Island City, NY 11101

Via Email: Cristina.Chou@AlticeUSA.com

#### Dear Ms. Chou:

I am writing to confirm receipt of your letter stating that TCA Communications, LLC; Cebridge Telecom KY, LLC; and Cebridge Telecom WV, LLC (collectively Altice) will not fulfill their Rural Digital Opportunity Fund (RDOF) obligations in the following Census Block Groups (CBGs) in Arkansas, Kentucky, and West Virginia; and acknowledging that they are not entitled to RDOF support for these CBGs:

Ar	kansas
05	0014807003
05	0479502005
05	0619503001
05	0690003013
05	0690003023
05	0690003031
05	0690024001
05	0839503001
05	0839505001
Ke	ntucky

211959302003

211959303002

211959303004

211959304003

211959310001

211959310002

211959311001

211959311002

211959311003

211959319001

211959319002

211959319003

West Virginia

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Altice was required to serve certain census blocks within these CBGs as a condition of receiving RDOF support. Because Altice will not be meeting its obligations under RDOF, it is subject to the recovery of support and penalties under the Commission's rules.

We appreciate Altice notifying the Commission that it will not be meeting its RDOF obligations in these areas so that they can be removed from the Broadband Funding Map and may therefore be eligible for other federal and state broadband funding. We will share this information with our Broadband Interagency Coordination contacts at the National Telecommunications and Information Administration (NTIA), the Rural Utilities Service (RUS), and the U.S. Treasury, as well as the relevant state broadband offices.

Sincerely,

Trent B. Harkrader, Chief Wireline Competition Bureau

Federal Communications Commission

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## **EXHIBIT E**

WC Docket No. 10-90, Wireline Competition Bureau Announces Certain RDOF Census Block Groups Are Eligible for Other Funding Programs, Public Notice, DA 24-449 (Wireline Comp. Bur. May 10, 2024) Federal Communications Commission 45 L Street NE Washington, DC 20554

News Media Information 202 / 418-0500 Internet: https://www.fcc.gov

TTY: 1-888-835-5322

DA 24-449

**Released: May 10, 2024** 

#### WIRELINE COMPETITION BUREAU ANNOUNCES CERTAIN RDOF CENSUS BLOCK GROUPS ARE ELIGIBLE FOR OTHER FUNDING PROGRAMS

AU Docket No. 20-34 WC Docket No. 19-126 WC Docket No. 10-90

By this Public Notice, the Wireline Competition Bureau (WCB) announces that certain Rural Digital Opportunity Fund (RDOF) census block groups (CBG) are now eligible for other funding programs. Specifically, Charter Fiberlink – Michigan, LLC (Charter Fiberlink Michigan) (Study Area Code (SAC) 319053), Charter Fiberlink – Missouri, LLC (Charter Fiberlink Missouri) (SAC 429051), and Charter Fiberlink CCO, LLC (Charter Fiberlink CCO) (SAC 339064) (collectively Charter) have notified the Commission that they will not fulfill their commitment to offer voice and broadband service to certain CBGs within their RDOF supported service areas in Michigan, Missouri, and Wisconsin. In addition, TCA Communications, LLC (TCA Communications) (SAC 409059), Cebridge Telecom KY, LLC (Cebridge Telecom KY) (SAC 269062), and Cebridge Telecom WV, LLC (Cebridge Telecom WV) (SAC 209040) (collectively, Altice) have notified the Commission of their decisions to withdraw from the RDOF support program in all the CBGs covered by their authorized winning bids in Arkansas, Kentucky, and West Virginia.<sup>2</sup> The carriers will be subject to penalties, as described below, for their defaults.

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<sup>&</sup>lt;sup>1</sup> Letter from Elizabeth Andrion, Senior Vice President, Regulatory Affairs, Charter Communications, to Trent Harkrader, Chief, Wireline Competition Bureau, FCC, WC Docket No. 19-126 et al. (filed Apr. 25, 2024); Letter from Elizabeth Andrion, Senior Vice President, Regulatory Affairs, Charter Communications, to Trent Harkrader, Chief, Wireline Competition Bureau, FCC, WC Docket No. 19-126 et al. (filed Apr. 30, 2024). CCO Holdings, LLC assigned its Michigan, Missouri, and Wisconsin winning bids to Charter Fiberlink Michigan, Charter Fiberlink Missouri, and Charter Fiberlink CCO. Long-Form Applicants in the Rural Digital Opportunity Fund Phase I Auction (Auction 904), AU Docket No. 20-34 et al., Public Notice, 36 FCC Rcd 4140 (WCB/OEA 2021) (Auction 904 Long-Form Applicants Public Notice). Charter Fiberlink Michigan was authorized to receive \$21,332,041.40 in RDOF support over 10 years to serve 35,571 locations in Michigan, Charter Fiberlink Missouri was authorized to receive \$48,155,020.70 in RDOF support over 10 years to serve 60,640 locations in Missouri, and Charter Fiberlink CCO was authorized to receive \$163,258,003.60 in RDOF support over 10 years to serve 140,238 locations in Wisconsin. Rural Digital Opportunity Fund Support Authorized for 5,657 Winning Bids, AU Docket No. 20-34 et al., Public Notice, 37 FCC Rcd 3570 (WCB/OEA 2022); Rural Digital Opportunity Fund Support Authorized for 1,345 Winning Bids, AU Docket No. 20-34 et al., Public Notice, 37 FCC Rcd 4897 (WCB/OEA 2022). Charter Fiberlink Michigan is defaulting on 1,675 locations in Michigan, Charter Fiberlink Missouri is defaulting on 10,438 locations in Missouri, and Charter Fiberlink CCO is defaulting on 11,322 locations in Wisconsin. Charter remains committed to deploying service to the remaining CBGs in its RDOF auction supported areas.

<sup>&</sup>lt;sup>2</sup> Letter from Cristina Chou, Vice President, Federal Affairs, Altice USA, Inc., to Trent Harkrader, Chief, Wireline Competition Bureau, FCC, WC Docket No. 19-126 et al. (filed Apr. 19, 2024) (Altice Withdrawal Letter). Altice USA, Inc. (Altice) assigned its Arkansas, Kentucky, and West Virginia winning bids to its wholly-owned subsidiaries—TCA Communications, Cebridge Telecom KY, and Cebridge Telecom WV. *Auction 904 Long-Form Applicants Public Notice*. In August 2022, TCA Communications was authorized to receive a total of \$58,415 in

By announcing that 1) Charter will not serve the identified eligible census blocks within the defaulted CBGs in Michigan, Missouri, and Wisconsin and 2) Altice is defaulting on the eligible census blocks within the CBGs covered by all its authorized winning bids in Arkansas, Kentucky, and West Virginia,<sup>3</sup> we notify stakeholders that the relevant census blocks are eligible for funding from other federal and state funding programs subject to the rules of the other programs, furthering our responsibility to coordinate with other agencies to maximize the deployment of high-quality broadband service across the United States.<sup>4</sup> To promote the efficient use of broadband funding, a number of funding programs make areas ineligible for broadband deployment funding where a service provider is already subject to an enforceable commitment to serve.<sup>5</sup> Our announcement avoids leaving these areas unserved for the

(Continued from previous page) support over a 10-year term to offer voice and broadband service to 528 locations in Arkansas, Cebridge Telecom KY was authorized to receive a total of \$350,304.10 in support over a 10-year term to offer voice and broadband service to 1,725 locations in Kentucky, and Cebridge Telecom WV was authorized to receive a total of \$120,968 in support over a 10-year term to offer voice and broadband service to 502 locations in West Virginia. Rural Digital Opportunity Fund Support Authorized for 95 Winning Bids; AU Docket No. 20-34 et al., Public Notice, 37 FCC Rcd 9317, Attach. A (WCB/OEA 2022) (Altice Authorization Public Notice). Altice's wholly-owned subsidiary Cebridge Telecom LA, LLC previously withdrew from RDOF for all its authorized winning bids in Louisiana. Wireline Competition Bureau Announces Certain RDOF and CAF Phase II Auction Census Block Groups are Eligible for Other Funding Programs, AU Docket No. 20-34 et al., Public Notice, DA 24-357 (WCB Apr. 15, 2024).

(continued....)

<sup>&</sup>lt;sup>3</sup> The minimum geographic unit for bidding for RDOF was a CBG containing one more eligible census blocks. While bidders were required to bid at the CBG level, they can only use their support to offer service in the eligible census blocks within those CBGs. Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020; Notice and Filing Requirements and Other Procedures for Auction 904, AU Docket No. 20-34 et al., Public Notice, 35 FCC Rcd 6077, 6146, para. 213 (2020).

<sup>&</sup>lt;sup>4</sup> Broadband Interagency Coordination Act of 2020, Pub. L. No. 116-260, § 904, 134 Stat. 1182, 3214 (codified at 47 U.S.C. § 1308 et seq.) (BICA) (requiring the Federal Communications Commission, the Department of Agriculture, and the National Telecommunications and Information Administration to "enter into an interagency agreement requiring coordination between the covered agencies for the distribution of funds for broadband deployment . . . . "). On June 25, 2021, the agencies announced that they had entered into an agreement. Press Release, FCC, FCC, NTIA and USDA Announce Interagency Agreement to Coordinate Broadband Funding Deployment (June 25, 2021), https://www.fcc.gov/document/fcc-ntia-usda-sign-interagency-pact-broadbandfunding-deployment. In an effort to further facilitate broadband deployment funding coordination, on May 9, 2022, the FCC, USDA, and NTIA entered into an interagency agreement with the Department of Treasury. Press Release, FCC, FCC, NTIA, USDA and Treasury Announce Interagency Agreement to Collaborate on Federal Broadband Funding (May 12, 2022), https://www.fcc.gov/document/fcc-ntia-usda-treasury-announce-broadband-info-sharingagreement.

<sup>&</sup>lt;sup>5</sup> See, e.g., Department of Commerce, National Telecommunications and Information Administration, Broadband Equity, Access, and Deployment (BEAD) Program Notice of Funding Opportunity at 36-37 & n.52 (May 13, 2022), https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf (BEAD Program NOFO) (explaining that any location that is already subject to an enforceable commitment for the deployment of qualifying broadband cannot be treated as unserved or underserved); Department of Commerce, National Telecommunications and Information Administration, Tribal Broadband Connectivity Program Round 2 Notice of Funding Opportunity at 10-11, 28 (July 27, 2023), https://www.ntia.gov/sites/default/files/2023-07/ntia-tbcp-round2-nofo.pdf ("A Tribal Government may not certify Tribal Lands covered under an Enforceable Buildout Commitment as defined [in the NOFO] ..., as Unserved"); Department of Agriculture, Rural Utilities Service, Corrected Notice of Funding Opportunity for the Community Connect Grant Program for Fiscal Year 2023, 88 Fed. Reg. 87750, 87751 (Dec. 19, 2023) ("Areas receiving, or areas that have received final approval for, other federal funding to construct terrestrial facilities providing at least 10/1 Mbps service in the project Proposed Funded Service Area as of the date of this notice, and which have been reported to the agency, are ineligible."); Department of Agriculture, Rural Utilities Service, Rural eConnectivity (ReConnect) Program Notice of Funding Opportunity, 89 Fed. Reg. 13035, 13036 (Feb. 21, 2024) (defining an enforceable commitment to mean "a legally enforceable obligation by any federal, state, or local agency, utilizing Federal Funds, to provide broadband service with speeds of at least 100 megabits per

duration of the RDOF deployment terms,<sup>6</sup> because providers may now have access to alternative funding to serve these areas.

These carriers remain subject to all eligible telecommunications carrier (ETC) obligations unless and until they follow the relevant procedures to relinquish their designations.<sup>7</sup> Additionally, they cannot discontinue voice service without Commission approval.<sup>8</sup>

Charter. In Appendix A, we provide a list of all the RDOF eligible census blocks contained within the CBGs that Charter will not serve in Michigan, Missouri, and Wisconsin. In addition, we will also update the Broadband Funding Map to remove these census blocks from Charter's service area. Below, we provide a limited waiver of the Commission's non-compliance rules to adjust support to reflect that these areas will not be served. Charter otherwise remains subject to RDOF non-compliance measures for failure to meet the terms and conditions of support, including support recovery for all unserved locations at the end of the deployment term. We will continue to use the available tools to monitor Charter's compliance with the applicable deployment obligations in its remaining supported service area. 11

While Charter notified the Commission that it will not serve the identified census blocks, Charter is not withdrawing from RDOF. The RDOF support program rules do not provide for partial withdrawals from the program. The Commission takes compliance with the terms and conditions of its high-cost programs seriously and imposes non-compliance measures if the requirements are not met.<sup>12</sup> Charter remains subject to the program rules, including the applicable non-compliance measures, <sup>13</sup> for the duration of the support term except as explained below, and remains committed to serve the eligible

<sup>&</sup>lt;sup>6</sup> RDOF recipients authorized in 2021 and 2022 must offer the required service to 100% of their original location total by December 31, 2027 and December 31, 2028, respectively. *Rural Digital Opportunity Fund et al.*, WC Docket No. 19-126 et al., Report and Order, 35 FCC Rcd 686, 709, para. 45 (2020) (*RDOF Order*). If more locations than the original estimated are identified during the support term, recipients will have an additional two years to serve the additional locations subject to limited exceptions. *Id.* at 710, para. 49.

<sup>&</sup>lt;sup>7</sup> 47 U.S.C. § 214(e)(4).

<sup>8 47</sup> U.S.C. § 214(a); 47 CFR § 63.71.

<sup>&</sup>lt;sup>9</sup> Federal Communications Commission, National Broadband Map, <a href="https://broadbandmap.fcc.gov/home">https://broadbandmap.fcc.gov/home</a> (last visited May 10, 2024).

<sup>&</sup>lt;sup>10</sup> See, e.g., 47 CFR §§ 54.320(c), (d), 54.806(b), (c).

<sup>&</sup>lt;sup>11</sup> See, e.g., 47 CFR §§ 54.316, 54.320(d)(1).

<sup>&</sup>lt;sup>12</sup> See, e.g., 47 CFR §§ 54.320(c), (d), 54.806(b), (c); Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order, 29 FCC Rcd 15644, 15694-700, paras. 142-54 (2014) (2014 Connect America Order) (adopting a framework for support reductions, support recovery, and reporting obligations that are calibrated to the extent of a support recipient's non-compliance with service milestones); RDOF Order, 35 FCC Rcd at 710, para. 48 (explaining that compliance with RDOF deployment obligations would be determined at the state level).

<sup>&</sup>lt;sup>13</sup> See, e.g., 47 CFR §§ 54.320(c), (d), 54.806(b), (c).

census blocks within the remaining CBGs in its supported service area with voice and broadband service meeting program requirements.

On our own motion, we find good cause to waive in part sections 54.320(d) and 54.806(c)(1) of the Commission's rules for the census blocks identified in Appendix A consistent with precedent, <sup>14</sup> and instruct USAC to stop paying support for the identified census blocks pursuant to section 54.320(c) of the Commission's rules. <sup>15</sup> Generally, the Commission's rules may be waived for good cause shown. <sup>16</sup> Waiver of the Commission's rules is appropriate only if both: (1) special circumstances warrant a deviation from the general rule, and (2) such deviation will serve the public interest. <sup>17</sup>

Despite our limited waiver, which is narrowly limited to stopping payments of future support for the identified census blocks, Charter otherwise remains subject to section 54.320(d) and 54.806(c)(1) of the Commission's rules. <sup>18</sup> If Charter fails to meet its interim service milestones by not serving the required number of locations based on its original authorized location total, Charter will be placed in the associated non-compliance tier. <sup>19</sup> If the applicable non-compliance tier requires that we withhold an amount of support that exceeds the amount of support we have stopped paying for the identified census blocks, we will withhold an amount of additional support that equals the difference between: 1) the amount of support required to be withheld pursuant to section 54.320(d)(1), and 2) the amount of support we stopped paying for the identified census blocks. <sup>20</sup> If the applicable non-compliance tier requires that we withhold less support than the amount of support we have stopped paying for the identified census blocks pursuant to our limited waiver, we will make no further adjustments to Charter's monthly disbursement, i.e., we will withhold no support other than the support we stopped paying for the

<sup>&</sup>lt;sup>14</sup> Wireline Competition Bureau Announces Certain RDOF and CAF II Auction Census Block Groups are Eligible for Other Funding Programs, AU Docket No. 20-34 et al., Public Notice, DA 24-181 (WCB Feb. 28, 2014).

<sup>&</sup>lt;sup>15</sup> 47 CFR §§ 54.320(c), (d), 54.806(b), (c)(1). Section 54.320(c) of the Commission's rules states that support recipients that "fail to comply with public interest obligations or any other terms and conditions may be subject to further action, including . . . reductions in support amounts . . . ." 47 CFR § 54.320(c). Future monthly support payments will be reduced pro rata based on the number of locations associated with the CBGs that the support recipient is defaulting on and calculated as follows, subject to any applicable non-compliance tiers: ((total monthly authorized support/total authorized locations) x (total authorized locations – defaulted locations)). Subject to support withholding pursuant to any applicable non-compliance tiers, Charter's monthly support for RDOF will be approximately \$169,396.15, in Michigan, \$332,217 in Missouri, and \$1,250,645.85 in Wisconsin.

<sup>&</sup>lt;sup>16</sup> 47 CFR § 1.3.

<sup>&</sup>lt;sup>17</sup> See Northeast Cellular Tel. Co. v. FCC, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (citing WAIT Radio v. FCC, 418 F.2d 1153, 1157-59 (D.C. Cir. 1969), cert. denied, 93 S.Ct. 461 (1972) (WAIT Radio)) (Northeast Cellular).

<sup>&</sup>lt;sup>18</sup> 47 CFR §§ 54.320(d), 54.806(c)(1).

<sup>&</sup>lt;sup>19</sup> 47 CFR §§ 54.320(d)(1), 54.806(c).

 $<sup>^{20}</sup>$  *Id.* As a simplified example, if a carrier receiving \$100 per month in support is required to serve 100 locations and has indicated it will not serve eligible census blocks within CBGs covering 20 of those locations, we will reduce the carrier's ongoing monthly support by a pro rata amount to stop future payments for the defaulted census blocks so that the carrier is now receiving \$80 per month (i.e., the Commission will no longer pay the \$20 per month associated with the identified census blocks) ((\$100/100\$) x (100-20\$) = \$80 a month). If the carrier is in noncompliance Tier 3 so that we are required to withhold 25% of support (i.e., \$25; .25 x \$100), we would withhold an extra \$5 a month so that we are not paying the carrier \$25 in total each month (i.e., \$20 for the defaulted census blocks + \$5 additional). If the carrier comes back into compliance so that it is entitled to have its support restored, we would only restore the additional monthly amount of support that we withheld (i.e., \$5 a month) and would not restore the \$20 we have stopped paying for the identified census blocks. 47 CFR \$54.320(d)(1)(iii).

identified census blocks.  $^{21}$  At the end of the deployment period, we will apply section 54.806(c)(1) to recover support for all unserved locations, including the locations covered by the identified census blocks.  $^{22}$  Any additional issues related to the support recovery required by section 54.320(c)(1) of the Commission's rules will be addressed in a separate release.  $^{23}$ 

*Altice*. We consider Altice to have defaulted on its RDOF service milestones in Arkansas, Kentucky, and West Virginia. Altice will receive no further RDOF auction support payments,<sup>24</sup> and is subject to support recovery and non-compliance measures consistent with the Commission's rules.<sup>25</sup> We will also remove its RDOF service areas from the Broadband Funding Map.<sup>26</sup>

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<sup>&</sup>lt;sup>21</sup> Assuming the same simplified example as in the prior footnote, if the carrier is in non-compliance Tier 2 so that we are required to withhold 15% a month (i.e., \$15, .15 x \$100), we would not withhold any additional monthly support since we have already stopped paying the carrier \$20 a month for defaulted census blocks, and \$20 exceeds the \$15 we are required to withhold. 47 CFR § 54.320(d)(1)(ii).

<sup>&</sup>lt;sup>22</sup> 47 CFR § 54.806(c)(1).

 $<sup>^{23}</sup>$  *Id*.

<sup>&</sup>lt;sup>24</sup> See 47 CFR § 54.804(c)(4) ("Authorization to receive Rural Digital Opportunity Fund support is conditioned upon full and timely performance of all of the requirements set forth in this section, and any additional terms and conditions upon which the support was granted."). See also Altice Authorization Public Notice, 37 FCC Rcd at 9317-24 (providing a non-comprehensive summary of the RDOF requirements). After Altice notified WCB of its intent to withdraw from the RDOF support program, WCB instructed USAC to suspend Altice's RDOF support payments. 47 CFR §§ 54.320(c), 54.806(b).

<sup>&</sup>lt;sup>25</sup> 47 CFR §§ 54.804(c)(4), 54.320, 54.806(c). Altice's decision to withdraw from the RDOF support program and not pursue further support constitutes notification that it will not meet the final service milestone and that it will not come into compliance after a 12-month grace period or at any point during the support term. If a support recipient does not repay the required support recovery amount within six months of receiving an invoice from USAC, the Bureau will authorize USAC to draw on the support recipient's letter of credit. *Id.* § 54.804(c)(4)(i). Carriers seeking relief from applicable support recovery measures have the option of submitting a request for waiver. *Id.* § 1.3.

<sup>&</sup>lt;sup>26</sup> The census blocks covered by Altice's authorized winning bids are available on the "Results" tab of the Auction 904 website at <a href="https://www.fcc.gov/auction/904">https://www.fcc.gov/auction/904</a> in the document "Historical Authorized Auction 904 Long-Form Applicants Data."