BEFORE THE

FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, DC 20554

In the Matter of	)	
	)	
Reforming the High-Cost Program for an All-IP Future	)	WC Docket No. 26-96
	)	
Connect America Fund: A National Broadband Plan for our Future High-Cost Universal Support	)	WC Docket No. 10-90

COMMENTS BY ICORE CONSULTING, LLC

The consulting firm of ICORE Consulting, LLC ("ICORE"), on behalf of many small rural local exchange Companies ("RLECs")[1], hereby submits its comments in response to the Notice of Proposed Rulemaking ("NPRM") in the above captioned proceedings[2].

[1] RLECs participating in this filing include: Doylestown Telephone Company (Doylestown, OH), Kaleva Telephone Company (Kaleva, MI), Lennon Telephone Company (Lennon, MI), Richmond Telephone Company (Richmond, MA), Waldron Communications Company (Waldron, MI)

[2] Notice of Proposed Rulemaking FCC Docket 26-96 and FCC Docket 10-90 (May 20, 2026).

EXECUTIVE SUMMARY

In this proceeding the Commission properly recognizes the critical role played by the Universal Service High-Cost Program in supporting connectivity in America, particularly in rural areas. Section 254 of the Communications Act (Act) directs the Commission to establish programs designed to ensure that access to advanced telecommunications is available to end user customers in all regions of the Nation at affordable rates. Further, the Act requires that the Universal Service Fund (USF) Programs support not only the deployment of advanced networks, but also the ongoing sustainability of these critical investments.

To that end, in this Notice of Proposed Rulemaking (NPRM) the Commission seeks comments on needed updates to certain of the Commission's high-cost USF mechanisms. Specifically, the NPRM addresses the high-cost mechanisms that provide support to legacy Rate of Return carriers, i.e. the Connect America Fund Broadband Loop Support (CAF BLS) and the High-Cost Loop Support (HCLS) programs. In addition, the NPRM seeks input regarding the sunsetting Alternative Connect America Cost Model (A-CAM) programs, including the A-CAM I, Revised A-CAM I, and the A-CAM II program. The A-CAM I program is scheduled to sunset at the end of 2026. The Revised A-CAM I and A-CAM II programs are scheduled to sunset at the end of 2028. The Commission, in this NPRM, is not seeking comment regarding the Enhanced A-CAM (EA-CAM) program, which provides support over 15 years to carriers that previously transitioned from A-CAM I, Revised A-CAM I, A-CAM II, and CAF BLS in exchange for new broadband service obligations at a broadband speed of at least 100/20 Mbps.

We believe the Commission is correct in revisiting and seeking comment regarding the legacy Rate of Return mechanisms, CAF-BLS and HCLS, and the sunsetting A-CAM programs. The NPRM proposes three potential paths forward for these critical programs: (1) update these programs to align with the current landscape; (2) establish a new single modernized fixed support mechanism replacement; or (3) take no further action and maintain the status quo for the legacy Rate of Return mechanisms and allow the A-CAM support mechanisms to sunset.

A NEW MODEL OFFER

In 2023, the Commission adopted the EA-CAM mechanism as a voluntary path for supporting deployment of 100/20 Mbps or better broadband service throughout the rural areas served by legacy Rate of Return carriers and carriers participating in the A-CAM support mechanisms. Over 300 carriers elected to participate in the EA-CAM program. Beginning in January, 2024, these carriers began receiving support under the EA-CAM mechanism with support continuing through the end of 2038. In exchange for this extended support, these carriers agreed to provide broadband service at speeds of at least 100/20 Mbps to a required number of locations by the end of 2028 including deployment milestones.

ICORE believes that, at this time, to address the current legacy Rate of Return mechanisms and the sunsetting A-CAM programs, the Commission should establish a new support mechanism patterned closely after the EA-CAM mechanism as follows:

1. As an initial step, the Commission should adopt a short-term extension of the A-CAM I program through the end of 2028. This would align terms of the three sunsetting A-CAM programs to conclude at the end of 2028.

2. Next, the Commission should develop a new voluntary support mechanism, EA-CAM II, and extend offers to participate in this program to all legacy Rate of Return (CAF-BLS and HCLS) and A-CAM carriers. The Commission itself has asserted the fact that the data has gotten cleaner. In looking back at the establishment of A-CAM and all of its subsequent versions, the supporting mechanisms, such as the bi-annual Broadband Data Collection ("BDC") and the High-Cost Universal Broadband system ("HUBB") were primitive and riddled with insufficient, erroneous and inaccurate data on which A-CAM funding was based. Over the past several years these systems and data have been moving towards

more sustainable reliability. Along with this progression, advancements in technology continue to make great strides allowing for more affordable broadband connectivity, although all options have not been 100% proven to fully function over the vast terrain, especially where many Rural Local Exchange Carriers ("RLECs") reside.

3. Carriers electing to participate in this new voluntary mechanism must commit to provide voice and broadband service at speeds of at least 100/20 Mbps to 100% of unserved locations by the end of 2030 with applicable deployment milestones. A one-year extension is provided for the final deployment milestone. Unserved locations are locations where 100/20 Mbps broadband service is not available from the RLEC or exclusively from an unsubsidized competitor. Per Section 54.5. of the Commission's rules, an unsubsidized competitor is a facilities-based provider of residential fixed voice service and broadband service that does not receive high-cost support. In addition, unserved locations do not include locations that are subject to an enforceable commitment to provide 100/20 Mbps because of a state or federal grant program. These criteria would remain consistent with the current EA-CAM model in place.

4. Carriers electing EA-CAM II must continue to provide 100/20 Mbps service to those locations currently served only by the RLEC and those locations where 100/20 Mbps service is available from both the RLEC and an unsubsidized competitor, again, remaining consistent with current EA-CAM responsibilities.

5. EA-CAM II support amounts for unserved locations and those currently served locations should be at least equal to the corresponding levels of support provided by the EA-CAM mechanism.

6. EA-CAM II support is provided beginning in 2028 and continues through the end of 2038. Consistent with the EA-CAM mechanism, electing carriers receive the

full measure of support for providing 100/20 Mbps service to unserved locations and reduced levels of support for maintaining the provision of 100/20 Mbps service to locations currently served only by the RLEC and for those locations currently served by both the RLEC and an unsubsidized competitor.

7. Locations currently served only by an unsubsidized competitor with 100/20 Mbps service and locations subject to an enforceable commitment to provide 100/20 Mbps service are not supported or subject to deployment obligations.

8. EA-CAM II electing carriers would be subject to performance testing obligations and supply chain and cybersecurity risk management requirements consistent with the relative requirements of the EA-CAM mechanism.

9. The EA-CAM II mechanism would include a transition or "glide path" mechanism consistent with that provided by the EA-CAM program to address cases when an EA-CAM II electing carriers' support level declines because of its election to participate in the EA-CAM II program.

CONCLUSION

It is ICORE's and our supporting Carriers belief that enacting the proposed EA-CAM II support mechanism would allow for greater continuity, uniformity and consistency.

Rural Local Exchange Carriers remain at a disadvantage in today's market. Although there are fewer RLECs today than there were at the time of divestiture many have remained able to keep their doors open despite the limitations and burdens placed upon them. The Commission truly needs to not forget about these small Independent Rural Telephone Companies that are Carriers of last resort to their serving territories.

USF support, including model-based and CAF-BLS support, is a necessity to many Carriers and without this effort to assist in continued development of broadband there will be many territories that will not survive for much longer, placing all of their customers at risk. The basic fundamental principals of Universal Service in all of rural America demand these options for continued support.

Respectfully Submitted,

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