local exchange carrier Base Period Lines in a study area.

[65 FR 38690, June 21, 2000; 65 FR 57739, Sept. 26, 2000]

§54.801 General.

(a) The total amount of universal service support under this subpart, excluding administrative expenses, for areas served by price cap local exchange carriers as of June 30, 2000, is targeted to be \$650 million per year, if no exchanges, other than those offered for sale prior to January 1, 2000, are sold to non-price-cap local exchange carriers or purchased from non-price cap local exchange carriers by price cap local exchange carriers.

(b) In the event that all or a portion of a study area served by a price cap local exchange carrier is sold to an entity other than a price cap local exchange carrier, and the study area or portion thereof was not offered for sale prior to January 1, 2000, then the support that would otherwise be provided under this subpart, had such study area or portion thereof not been sold, will not be distributed or collected. Subsequent calculations will use the last reported data for the study area or portion thereof that was sold to determine the amount that will not be distributed or collected.

(c) In the event that a price cap local exchange carrier acquires additional exchanges, from an entity other than a price cap local exchange carrier, that acquisition should be reported to the Administrator pursuant to \$54.802 and included in the determination of study area support pursuant to \$54.806 for the areas served by the acquiring price cap LEC, beginning with the next support recalculation pursuant to \$54.808.

(d) In the event that a price cap local exchange carrier acquires additional exchanges from an entity that is also a price cap local exchange carrier, the acquiring price cap local exchange carrier will receive support under this subpart at the same level as the selling price cap local exchange carrier formerly received, and both carriers will adjust their line counts accordingly beginning with the next quarterly report to the Administrator. At the subsequent report to the Administrator for purposes of recalculating support as re-

quired by §54.808, the acquiring and selling price cap local exchange carriers will reflect the acquired and sold lines, and will adjust the Average CMT Revenue per Line month for the affected study areas accordingly.

(e) The Administrator for the fund created by this subpart shall be the Universal Service Administrative Company.

[65 FR 38690, June 21, 2000; 65 FR 57739, Sept. 26, 2000]

§54.802 Obligations of local exchange carriers and the Administrator.

Each Eligible Telecommunications Carrier that is providing service within an area served by a price cap local exchange carrier shall submit to the Administrator, on a quarterly basis on the last business day of March, June, September, and December of each year line count data showing the number of lines it serves for the period ending three months prior to the reporting date, within each price cap local exchange carrier study area disaggregated by UNE Zone if UNE Zones have been established within that study area, showing residential/ single-line business and multi-line business line counts separately. For purposes of this report, and for purposes of computing support under this subpart, the aggregated residential/single-line business class lines reported include single and non-primary residential lines, single-line business lines, ISDN BRI and other related residential class lines. Similarly, the multi-line business class lines reported include multi-line business, centrex, ISDN PRI and other related business class lines assessed the End User Common Line charge pursuant to §69.152 of this chapter. For purposes of this report and for purposes of computing support under this subpart, lines served using resale of the price cap local exchange carrier's service pursuant to section 251(c)(4) of the Communications Act of 1934, as amended, shall be considered lines served by the price cap local exchange carrier only and must be reported accordingly.

(b) In addition to the information submitted pursuant to paragraph (a) of