

§ 54.805

compliance within 12 months will trigger a recovery action by the Universal Service Administrative Company. If the Remote Areas Fund recipient does not repay the requisite amount of support within six months, the Universal Service Administrative Company will be entitled to draw the entire amount of the letter of credit and may disqualify the Remote Areas Fund support recipient from the receipt of Remote Areas Fund support or additional universal service support.

(ii) The default will be evidenced by a letter issued by the Chief of the Wireline Competition Bureau or the Wireless Telecommunications Bureau, or their respective designees, which letter, attached to a standby letter of credit draw certificate, shall be sufficient for a draw on the standby letter of credit for the entire amount of the standby letter of credit.

EFFECTIVE DATE NOTE: At 81 FR 44452, July 7, 2016, §54.804 was added. However, paragraphs (b) through (d) contain information collection and recordkeeping requirements and will not become effective until approval has been given by the Office of Management and Budget.

§ 54.805 [Reserved]

§ 54.806 Remote Areas Fund reporting obligations.

Recipients of Remote Areas Fund support shall be subject to the reporting obligations set forth in §54.313.

EFFECTIVE DATE NOTE: At 81 FR 44452, July 7, 2016, §54.806 was added. However, this section contains information collection and recordkeeping requirements and will not become effective until approval has been given by the Office of Management and Budget.

Subpart K—Interstate Common Line Support Mechanism for Rate-of-Return Carriers

SOURCE: 66 FR 59728, Nov. 30, 2001, unless otherwise noted.

§ 54.901 Calculation of Connect America Fund Broadband Loop Support.

(a) Connect America Fund Broadband Loop Support (CAF BLS) available to a rate-of-return carrier shall equal the Interstate Common Line Revenue Requirement per Study Area, plus the

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Consumer Broadband-Only Revenue Requirement per Study Area as calculated in accordance with part 69 of this chapter, minus:

(1) The study area revenues obtained from end user common line charges at their allowable maximum as determined by §69.104(n) and (o) of this chapter;

(2) Imputed Consumer Broadband-only Revenues, to be calculated as:

(i) The lesser of \$42 * the number of consumer broadband-only loops * 12 or the Consumer Broadband-Only Revenue Requirement per Study Area; or

(ii) For the purpose of calculating the reconciliation pursuant to §54.903(b)(3), the greater of the amount determined pursuant to paragraph (a)(2)(i) of this section or the carrier's allowable Consumer Broadband-only rate calculated pursuant to §69.132 of this chapter * the number of consumer broadband-only loops * 12;

(3) The special access surcharge pursuant to §69.115 of this chapter; and

(4) The line port costs in excess of basic analog service pursuant to §69.130 of this chapter.

(b) For the purpose of calculating support pursuant to paragraph (a) of this section, the Interstate Common Line Revenue Requirement and Consumer Broadband-only Revenue Requirement shall be subject to the limits on operating expenses and capital investment allowances pursuant to §54.303.

(c) For purposes of calculating the amount of CAF BLS, determined pursuant to paragraph (a) of this section, that a non-price cap carrier may receive, the corporate operations expense allocated to the Common Line Revenue Requirement or the Consumer Broadband-only Loop Revenue Requirement, pursuant to §69.409 of this chapter, shall be limited to the lesser of:

(1) The actual average monthly per-loop corporate operations expense; or

(2) The portion of the monthly per-loop amount computed pursuant to §54.1308(a)(4)(iii) that would be allocated to the Interstate Common Line Revenue Requirement or Consumer Broadband-only Loop Revenue Requirement pursuant to §69.409 of this chapter.