

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Connect America Fund	)	WC Docket No. 10-90
	)	
Federal-State Joint Board on	)	CC Docket No. 96-45
Universal Service	)	
	)	
Petition for Waiver of the Definition of “Study	)	
Area” of the Appendix-Glossary of Part 36 of	)	
the Commission’s Rules filed by	)	
	)	
West River Telecommunications Cooperative	)	
and	)	
CenturyLink	)	

**Petition for Study Area Waiver**

West River Telecommunications Cooperative (WRT) is an Incumbent Local Exchange Carrier based in Hazen, North Dakota (SAC 381637). WRT files this Petition for Waiver of Boundary Change from the CenturyLink exchange of Morristown in North Dakota to the WRT Elgin exchange in North Dakota and from the CenturyLink exchange of Mandan in North Dakota to the WRT St. Anthony exchange in North Dakota. The new proposed Exchange Service Territory Maps and CenturyLink’s concurrence with said boundary change are attached hereto. (See Attachment 1).

WRT has received requests for broadband service from three individuals (five locations) close, but just outside of its Elgin exchange boundary in North Dakota. These locations are currently in the Morristown exchange served by CenturyLink but do not receive broadband

access from CenturyLink. WRT has also received requests for broadband service from three individuals (three locations) close, but just outside of its St. Anthony exchange boundary in North Dakota. These locations are currently in the Mandan exchange served by CenturyLink but do not receive broadband access from CenturyLink. WRT is ready to proceed with constructing facilities and provide service to these individuals conditioned upon approval by the Commission.

### **Standard for Study Area Waiver**

In the *USF/ICC Transformation Order*, the Commission revised its approach for evaluating petitions for study area waivers, concluding that it would apply two standards; the state commission having regulatory authority over the transferred exchanges does not object to the transfer, and the transfer is in the public interest. The evaluation of the public interest benefits of a proposed study area waiver will include: 1) the number of lines at issue; 2) the projected universal service fund cost per line; and 3) whether such a grant would result in consolidation of study areas that facilitates reductions in cost by taking advantage of the economies of scale, i.e. reduction in cost per line due to increased number of lines.

As outlined below, WRT meets all of the standards for a Study Area Waiver.

#### **1. State Approval**

On May 29, 2018, the North Dakota Public Service Commission approved a change in the exchange boundary between WRT's Elgin's local exchange and Qwest Corporation's (CenturyLink) Morristown local exchange in Case No. PU-18-90 (Attachment 2). On May 29, 2018, the North Dakota Public Service Commission also approved a change in the exchange boundary between WRT's St. Anthony's local exchange and Qwest Corporation's (CenturyLink) Mandan local exchange in Case No. PU-18-90 (Attachment 2). The approved boundary change

and amendment to the certificate of Public Convenience and Necessity are contingent upon the FCC's providing WRT adequate FUSF to serve the end user subscribers that would be served by the boundary change.

## **2. Universal Service**

For reasons unknown to WRT, CenturyLink does not receive federal universal service support for the subscriber locations at issue. These locations were not included in CenturyLink's CAF phase II universal service support and they were not included as part of the CAF Phase II Auction. Since these locations were excluded in the calculation of CenturyLink's universal service support, WRT calculates universal service support below.

WRT estimates the total cost to build to the locations in the Elgin exchange is \$54,858. WRT estimates the total cost to build to the locations in the St. Anthony exchange is \$32,301 (See Attachment 3). The incremental investment amounts were ran through the WRT cost study to determine the impact on WRT's universal service. The maximum impact was calculated to be an annual increase of \$1,162 for CAF-BLS and \$6,764 for HCLS (See Attachment 4). These numbers could decline depending on any impact caused by the Budget Control Mechanism and the Capped Expense Adjustment for HCLS. WRT's average CAF-ICC per line was \$109 in 2018. Based on this average, WRT estimates the total impact on CAF-ICC for 8 locations to be \$872. Thus, the Universal Service Fund will not be adversely affected by granting this study area waiver.

## **3. The Consolidation Will Result in a Reduction of Cost Per Line**

WRT's expenses will not increase as a result of the consolidation. WRT will not add personnel or see an increase in other operating expenses as a result of the consolidation. Thus by

adding eight locations to its study area will facilitate reductions in the average cost per line by taking advantage of the economies of scale, i.e reduction in cost per line due to increased number of lines.

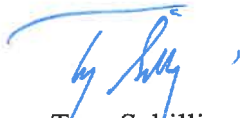
### **Conclusion**

WRT has met the burden of proving that the proposed study area boundary waiver has met the three part standard applied by the Commission to evaluate Study Area Boundary Waiver Petitions. WRT requests that the Commission grant the petition to waive its study area boundaries to allow the households currently located in the CenturyLink exchange to be transferred to WRT exchange.

Respectfully Submitted,

DATE:

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### **CenturyLink**



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