

FCC Forbearance Order

Order Link: <https://docs.fcc.gov/public/attachments/FCC-19-72A1.pdf>

Order Specifics and Timing:

The FCC granted USTelecom's Forbearance request with an effective date of 8-2-19. Essentially, this order removes the continuing obligation for LECs to provide both UNE Analog Loop Requirements and Avoided Cost Resale Requirements which are offered and governed through Interconnection Agreements (ICAs). The timing requirements allow for the continued purchase of these services for new customers for a six (6) month period ending 2-2-20. There is also a 3-year concurrent transition period window for all lines/services to be transitioned to an alternative service solution by 8-2-22.

Expected Impacts:

It is expected that Resale services will continue to be available after 2-2-20 but at a higher cost basis since there will be a loss of the mandated discount. However, it is also expected that the LECs will remove the current resale mandated discounts on the base (ordered prior to 2-2-20) on 8-2-22 as part of a 3-year transition plan. It is also expected that prior to the 8-2-22 deadline that all resale and lines/services need to be transitioned to alternative arrangements if services are no longer available through the LEC. The language in the FCC order assumes that carriers will migrate customers served via resale to another service alternative once the costs to serve via resale increase.

Customer Alternatives:

Customers can immediately mitigate their service and rate exposure associated with the FCC order by moving away from resale services where possible, including transitioning to BullsEye's industry leading VoIP service as a more robust and cost-effective solution. In addition, Customers can also migrate from complex and high cost local services like Centrex, PBX, BRI, Foreign Exchange, etc. to standard POTS solutions.

Please contact your BullsEye sales or support representative for more information or assistance.