



ISSUE: 15-07
DATED: 11/06/2015

RURAL EXEMPTION EXCLUDES SMALL TELEPHONE COMPANIES FROM FCC'S NEW COPPER RETIREMENT NOTICE REQUIREMENT RULES

On October 19, 2015, the Federal Communications Commission's ("FCC") new Copper Retirement Notice Requirement Rules, adopted August 7, 2015, were published in the *Federal Register*. It was hoped by many in the industry that along with the publication of the rules there would be a clarification that small carriers whose rural exemption remains intact are exempt from the new copper retirement notice requirements. Although the *Federal Register* publication could have been clearer on this issue, FCC staff has assured industry representatives that the publication sufficiently states that Section 251 (c) of the Telecommunications Act of 1996 ("Telecommunications Act") is the basis for the FCC's scope of authority for the notification requirements and that small companies whose rural exemption pursuant to Section 251 (f)(1) is intact do not have to comply with the copper retirement notice requirements. The *Federal Register* publication of the rules can be viewed at the following address: <http://www.gpo.gov/fdsys/pkg/FR-2015-10-19/pdf/2015-24505.pdf>.

Small Carriers With An Intact Rural Exemption

The Telecommunications Act provides small carriers with a rural exemption pursuant to Section 251 (f)(1). Further, Section 251 (f)(1)(A) states that "Subsection (c) of this section shall not apply to a rural telephone company until (i) such company has received a bona fide request for interconnection, services, or network elements, and (ii) the State commission determines (under subparagraph (B)) that such request is not unduly economically burdensome, is technically feasible, and is consistent with section 254 (other than subsections (b)(7) and (c)(1)(D) thereof)." Therefore, unless a carrier's rural exemption has been formally terminated by a commission pursuant to Section 251 (f)(1)(A), the FCC's new copper retirement notice requirement rules do not apply.

GVNW believes that most small carriers' rural exemption should still be intact and, therefore, those carriers do not have to comply with the copper retirement notice requirements. However, if your company has had its rural exemption terminated (or you're not sure if it has been terminated) by a commission, GVNW can help your company to understand the new copper retirement notice requirement rules to help ensure your company is in compliance. For assistance, please contact your GVNW consultant or Steve Gatto at 830-895-7226.