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## Funding Status – FY 2018

USAC issued Wave 17 for FY 2018 on Friday, August 3<sup>rd</sup> for \$49.2 million. Cumulative funding as of Wave 17 is \$1.52 billion, including \$69.0 million for North Carolina.

## FCC Releases Proposed Eligible Services List for FY 2019

The FCC is seeking comments on its proposed Eligible Services List (“ESL”) for FY 2019 ([DA 18-789](#)). Comments are due August 29<sup>th</sup>; reply comments are due September 13<sup>th</sup>.

The proposed FY 2019 ESL is essentially the same as the FY 2018 ESL. There are several minor changes, namely:

1. As indicated in the cover memorandum, a small note has been added to the ESL clarifying, now that voice services have been fully phased out, that dedicated ISDN voice channels are no longer eligible.
2. “Cabling” is broken out as a separate eligible item under Category 2. Previously, cabling was included as part of the broader “Antenna, cabling, connectors, and related components” item. This is a small, but welcome, step to more closely align the ESL structure with the Form 470 drop-down menus.
3. A parenthetical addition has been made to the Category 2 Software bullet stressing that “applicants should request software in the same category as the associated service being obtained or installed.” This seemingly minor clarification may indicate that USAC will be looking more closely for references to supporting software in applicant Form 470s and RFPs. This would be a bit ironic because the Form 470 Category 2 drop-down menu does not include a software option, suggesting that software requirements must be included in Form 470 Narrative sections.

Historically, many of the comments received on draft ESLs have proposed the eligibility of new products and services — or, in recent years, the reversal of the FCC’s policy to phase out the discount on voice services. Normally, the FCC does little more than acknowledge such comments in the final ESL, indicating that this is the wrong forum for addressing new (or renewed) eligibility.

We expect that the final ESL for FY 2019 will be released in the October-November timeframe and will track closely with the draft.

## **E-Rate Updates and Reminders**

### *Upcoming 2018 E-Rate Dates:*

August 6 FY 2017 Form 486 deadline for funding committed in Wave 50. Other upcoming Form 486 deadlines include:

Wave 51	08/13/2018
Wave 52	08/29/2018

Applicants missing these (or earlier) deadlines should watch carefully for “Form 486 Urgent Reminder Letters” in EPC. The Reminders will afford applicants with 15-day extensions to submit their Form 486s without penalty.

The first Form 486 deadline for FY 2018 is not until October 29, 2018.

August 22 USAC webinar on [Understanding Competitive Bidding](#).

August 29 Deadline to submit comments on the FCC’s Proposed Eligible Services List for FY 2019 ([DA 18-789](#)). Reply comments are due September 13<sup>th</sup>.

September 10 Deadline to submit comments on the Department of Agriculture’s Rural Utilities Service proposal for the implementation of its pilot broadband program ([e-Connectivity Pilot](#)).

### *FCC Decision Watch:*

The FCC issued another set of “streamlined,” precedent-based decisions ([DA 18-786](#)). Applicants facing similar problems as addressed in these decisions may garner useful information by carefully reading the additional FCC explanations found in the footnotes. The original appeal and waiver requests can be found online in the FCC’s [Search for Filings](#).

In last week’s decisions, the FCC:

#### 1. Dismissed:

- a. Four Requests for Waiver deemed moot for which USAC had already taken the actions requested or for which the applicant had already been fully compensated.
- b. Two requests not meeting the FCC’s basic filing requirements.
- c. Two Petitions for Reconsideration already fully considered and rejected by the Wireline Competition Bureau.

#### 2. Granted:

- a. Five Requests for Waiver giving applicants additional time to respond to USAC’s requests for information.
- b. Two Requests for Waiver involving late FY 2018 Form 471s filed within two weeks of the window deadline.

- c. Six Requests for Waiver for ministerial and/or clerical errors.
3. Denied:
- a. Three Requests for Waiver for invoice deadline extensions.
  - b. Fifty-one Requests for Waiver for applications filed more than two weeks after the close of the FY 2018 window.
  - c. Two Requests for Waiver for ministerial and/or clerical “errors” for which the petitioners had not demonstrated good cause to justify changes to their E-rate applications.
  - d. Eight Requests for Waiver for untimely-filed waivers or appeals.

In a separate action — not directly related to E-rate, but important for applicants and their service providers seeking to expand networks into new areas — the FCC [adopted new pole attachment rules](#), to speed the process and reduce the cost, preempting state and local regulatory barriers if necessary.

### **USAC News Brief Dated August 3 – Preparing for Invoicing**

[USAC’s Schools and Libraries News Brief of August 3, 2018](#), summarizes the prerequisites for FY 2017 invoicing for both applicants planning to submit BEAR forms and service providers planning to submit SPI forms. The News Brief also reviews the key forms that must be filed prior to, or as a part of, the invoice process. These forms include:

- Form 473 (“SPAC”): Service provider form but, importantly, one that must have been submitted before either an applicant or vendor can invoice USAC for any FRN associated with that provider (see our [newsletter of July 23<sup>rd</sup>](#)).
- Form 486: Applicant form — most likely already filed during FY 2017 following receipt of a funding decision (see [USAC’s Schools and Libraries News Brief of July 27, 2018](#)).
- Form 498: Applicant and service provider form (albeit different versions) — also likely to have been filed earlier to provide electronic deposit information for BEAR or SPI payments.
- Form 472 (“BEAR”): Applicant invoicing form.
- Form 474 (“SPI”): Service provider invoicing form.

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*Additional North Carolina specific E-rate information is available through our Web site — <http://www.e-ratecentral.com/us/stateInformation.asp?state=NC>. Note that this site provides easy access to formatted North Carolina applicant E-rate histories via the Billed Entity Number (“BEN”) search mechanism in the upper left-hand corner. Detailed information can be obtained by “drilling down” using the links for specific funding years and individual FRNs.*

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