

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

In the Matter of
Connect America Fund
Connect America Fund Phase II Auction
WC Docket No. 10-90
AU Docket No. 17-182

ORDER

Adopted: June 12, 2024

Released: June 12, 2024

By the Chief, Wireline Competition Bureau:

1. In this Order, we grant RiverStreet Communications of North Carolina, Inc. (RiverStreet) a limited waiver of the Commission’s Connect America Fund (CAF) Phase II auction service milestone and non-compliance rules to permit RiverStreet to pay early a portion of the required support recovery for defaulting on eligible census blocks within census block groups (CBGs) in its CAF Phase II auction-funded service area. Our grant of this limited waiver serves the public interest because we are able to safeguard the public’s funds by recovering support early for CBGs RiverStreet will not serve pursuant to its CAF Phase II auction obligations. At the same time, our limited waiver enables RiverStreet to come into compliance with its CAF Phase II auction obligations in its remaining CBGs, allowing RiverStreet to continue receiving support, so that RiverStreet can serve consumers with voice and broadband in these CBGs.

I. BACKGROUND

2. For the CAF Phase II auction, carriers must offer voice and broadband service meeting the relevant performance requirements to a set number of locations by certain interim service milestones. The number of locations they are required to serve is based on the Connect America Cost Model’s estimate of how many locations are in the eligible census blocks in the carrier’s service area, and compliance with service milestones is determined on a state-level basis—i.e., the Bureau will confirm a carrier is serving the required location totals across all of its eligible census blocks within a state, rather than on a census block-by-census block basis. More specifically, CAF Phase II auction carriers must offer voice and broadband service meeting the relevant performance obligations to 40% of the required number of locations by December 31, 2022; 60% of the required number of locations by December 31,

1 Petition for Waiver of RiverStreet Communications of North Carolina, Inc., WC Docket No. 10-90 (filed May 22, 2024) (RiverStreet Waiver Petition).

2 47 CFR § 54.310(a), (c); Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order et al., 31 FCC Rcd 5949, 5964, para. 40 (2016) (CAF Phase II Auction Order); Connect America Fund et al., WC Docket No. 10-90 et al., Order, 35 FCC Rcd 109, 112, para. 9 (2020).

3 CAF Phase II Auction Order, 31 FCC Rcd at 5966, para. 46.

2023; 80% of the required number of locations by December 31, 2024; and 100% of the required number of locations by December 31, 2025.<sup>4</sup>

3. The Commission takes compliance with the terms and conditions of the CAF Phase II auction support program seriously and imposes non-compliance measures if the requirements are not met. If a CAF Phase II auction carrier fails to meet the interim service milestones, it will be subject to non-compliance measures that scale with the extent of non-compliance, including additional reporting requirements, withholding of future support, and recovery of support already paid.<sup>5</sup> For the final 100% service milestone, if a CAF Phase II auction carrier fails to serve at least 95% of its required number of locations, the Commission requires that the Bureau recover “an amount of support that is equal to 1.89 times the average amount of support per location received in the state over the six-year period for the relevant number of locations the [carrier] has failed to offer service to, plus 10 percent of the [carrier’s] total [CAF] Phase II support received in the state over the six-year period for deployment.”<sup>6</sup> Carriers must pay the required support recovery within six months after support recovery is initiated, or the Bureau will direct the Universal Service Administrative Company (USAC or Administrator) to draw on the carrier’s letter of credit.<sup>7</sup> CAF Phase II auction carriers are also subject to other non-compliance measures including, but not limited to, the Commission’s enforcement procedures and penalties, reductions in support amounts, potential revocation of Eligible Telecommunications Carrier (ETC) designation, and suspension or debarment.<sup>8</sup>

4. In July 2019, RiverStreet was authorized to receive \$679,130.10 over 10 years to serve 368 locations in North Carolina with voice and broadband at the Gigabit performance tier with Low Latency.<sup>9</sup> RiverStreet sent a letter in March 2024 to the Bureau notifying us that it would not serve three North Carolina CBGs in its CAF Phase II auction-funded area.<sup>10</sup> The Bureau announced in April 2024 that RiverStreet defaulted on the eligible census blocks within these North Carolina CBGs, covering 234 locations.<sup>11</sup> At the same time, we directed USAC to stop future support payments for the defaulted area and indicated that recovery of support already paid for these areas would occur at the end of the deployment period consistent with the Commission’s rules.<sup>12</sup> When RiverStreet notified the Bureau

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<sup>4</sup> 47 CFR § 54.310(c); *CAF Phase II Auction Order*, 31 FCC Rcd at 5964, para. 40.

<sup>5</sup> 47 CFR § 54.320(d); *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order, 29 FCC Rcd 15644, 15694-700, paras. 142-54 (2014) (*2014 Connect America Order*) (adopting a framework for support reductions, support recovery, and reporting obligations that are calibrated to the extent of a carrier’s non-compliance with service milestones).

<sup>6</sup> 47 CFR § 54.320(d)(2); *CAF Phase II Auction Order*, 31 FCC Rcd at 6017, para. 191. If a CAF Phase II auction carrier serves at least 95% of its total number of required locations but less than 100%, it will be required to return support for the unserved locations that is equal to the average support per location in the state times 1.89. 47 CFR § 54.310(c)(2); *CAF Phase II Auction Order*, 31 FCC Rcd at 5966, para. 45. A CAF Phase II auction carrier has one year after the final service milestone to cure its non-compliance before we will initiate support recovery. 47 CFR § 54.320(d)(2).

<sup>7</sup> 47 CFR § 54.315(c)(4)(i); *CAF Phase II Auction Order*, 31 FCC Rcd at 6017, para. 191.

<sup>8</sup> 47 CFR § 54.320(c).

<sup>9</sup> *Connect America Fund Phase II Auction Support Authorized for 2,413 Winning Bids*, AU Docket No. 17-182 et al., Public Notice, 34 FCC Rcd 5966, Attach. A (WCB/OEA 2019).

<sup>10</sup> Letter from Carri Bennet, Counsel to RiverStreet Communications of North Carolina, Inc., to Trent Harkrader, Chief, Wireline Competition Bureau, FCC, WC Docket No. 10-90 et al. (filed Mar. 13, 2024).

<sup>11</sup> *Wireline Competition Bureau Announces Certain RDOF and CAF Phase II Auction Census Block Groups are Eligible for Other Funding Programs*, AU Docket No. 20-34 et al., Public Notice, DA 24-357 (WCB Apr. 15, 2024) (*RiverStreet Post-Authorization Default Public Notice*).

<sup>12</sup> *Id.* at 3-5.

before the six-year deployment period had ended that it would not serve the identified census blocks, we were able to notify other federal agencies and the North Carolina Division of Broadband and Digital Equity that the census blocks were eligible for funding from other federal and state funding programs subject to the rules of those programs, furthering our responsibility to coordinate with other agencies to maximize the deployment of high-quality broadband service to consumers across the United States.<sup>13</sup> To promote the efficient use of broadband funding, a number of funding programs make areas ineligible for broadband deployment funding where a service provider is already subject to an enforceable commitment to serve.<sup>14</sup> Our announcement avoided leaving consumers in these areas unserved for the duration of the CAF Phase II auction deployment period,<sup>15</sup> because providers in these areas may now have access to alternative funding to serve these areas.<sup>16</sup>

5. *RiverStreet's Waiver Petition.* On May 22, 2024, after consulting with Bureau staff regarding its support recovery options, RiverStreet filed a petition seeking waiver of section 54.320 of the Commission's rules and requested to pay the required support recovery early rather than wait until the end of the six-year deployment period and then have the number of locations in the defaulted census blocks

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<sup>13</sup> Broadband Interagency Coordination Act of 2020, Pub. L. No. 116-260, § 904, 134 Stat. 1182, 3214 (codified at 47 U.S.C. § 1308 *et seq.*) (BICA) (requiring the Federal Communications Commission, the Department of Agriculture, and the National Telecommunications and Information Administration to “enter into an interagency agreement requiring coordination between the covered agencies for the distribution of funds for broadband deployment . . .”). On June 25, 2021, the agencies announced that they had entered into an agreement. Press Release, FCC, FCC, NTIA and USDA Announce Interagency Agreement to Coordinate Broadband Funding Deployment (June 25, 2021), <https://www.fcc.gov/document/fcc-ntia-usda-sign-interagency-pact-broadband-funding-deployment> (last visited Feb. 28, 2024) (FCC, NTIA and USDA Interagency Agreement Press Release). In an effort to further facilitate broadband deployment funding coordination, on May 9, 2022, the FCC, USDA, and NTIA entered into an interagency agreement with the Department of Treasury. Press Release, FCC, FCC, NTIA, USDA and Treasury Announce Interagency Agreement to Collaborate on Federal Broadband Funding (May 12, 2022), <https://www.fcc.gov/document/fcc-ntia-usda-treasury-announce-broadband-info-sharing-agreement>.

<sup>14</sup> See, e.g., Department of Commerce, National Telecommunications and Information Administration, Broadband Equity, Access, and Deployment (BEAD) Program Notice of Funding Opportunity at 36-37 & n.52 (May 13, 2022), <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf> (explaining that any location that is already subject to an enforceable commitment for the deployment of qualifying broadband cannot be treated as unserved or underserved); Department of Commerce, National Telecommunications and Information Administration, Tribal Broadband Connectivity Program Round 2 Notice of Funding Opportunity at 10-11, 28 (July 27, 2023), <https://www.ntia.gov/sites/default/files/2023-07/ntia-tbcp-round2-nofo.pdf> (“A Tribal Government may not certify Tribal Lands covered under an Enforceable Buildout Commitment as defined [in the NOFO] . . ., as Unserved”); Department of Agriculture, Rural Utilities Service, Corrected Notice of Funding Opportunity for the Community Connect Grant Program for Fiscal Year 2023, 88 Fed. Reg. 87750, 87751 (Dec. 19, 2023) (“Areas receiving, or areas that have received final approval for, other federal funding to construct terrestrial facilities providing at least 10/1 Mbps service in the project Proposed Funded Service Area as of the date of this notice, and which have been reported to the agency, are ineligible.”); Department of Agriculture, Rural Utilities Service, Rural eConnectivity (ReConnect) Program Notice of Funding Opportunity, 89 Fed. Reg. 13035, 13036 (Feb. 21, 2024) (defining an enforceable commitment to mean “a legally enforceable obligation by any federal, state, or local agency, utilizing Federal Funds, to provide broadband service with speeds of at least 100 megabits per second (Mbps) downstream and 20 (Mbps) upstream”); Department of Treasury, Guidance for the Coronavirus Capital Projects Fund for States, Territories, and Freely Associated States, at 3-4 (Sept. 2021), <https://home.treasury.gov/system/files/136/Capital-Projects-Fund-Guidance-States-Territories-and-Freely-Associated-States.pdf> (“To the extent Recipients are considering deploying broadband to locations where there are existing enforceable federal or state funding commitments for reliable wireline service at speeds of at least 100 Mbps of download speed and 20 Mbps of upload speed, the Recipient should ensure that the Capital Projects Fund grant funding will not be used for costs that will be reimbursed by the other federal or state funding stream(s). That is, Capital Projects Fund grant funds must be used only for complementary purposes.”).

<sup>15</sup> 47 CFR § 54.310(c); *CAF Phase II Auction Order*, 31 FCC Rcd at 5964, para. 40.

<sup>16</sup> See RiverStreet Waiver Petition at 3.

removed from RiverStreet's required location total.<sup>17</sup> RiverStreet missed the 40% and 60% service milestones and is currently in non-compliance Tier 4.<sup>18</sup> RiverStreet claims that if the defaulted locations were removed from its required location total, RiverStreet will have deployed to enough other locations to come into compliance with its service milestones and no longer be subject to the withholding and potential recovery of support required by Tier 4.<sup>19</sup>

## II. DISCUSSION

6. Generally, the Commission's rules may be waived for good cause shown.<sup>20</sup> Waiver of the Commission's rules is appropriate only if both: (1) special circumstances warrant a deviation from the general rule, and (2) such deviation will serve the public interest.<sup>21</sup>

7. We grant a limited waiver to the extent described herein of sections 54.310(a) and (c), 54.315(c)(4)(i), and 54.320(d) of the Commission's rules and the requirement that compliance be determined at the state level.<sup>22</sup> Rather than wait until the end of the deployment period to determine compliance with the final service milestone at a state-level basis and initiate support recovery as contemplated by the rules,<sup>23</sup> we direct USAC to initiate the recovery of a portion of the required support now, which is subject to a later true-up process, and then recover the remaining required support recovery at the end of the sixth year deployment process, as described in more detail below. Pursuant to section 54.320(c) of the Commission's rules, we have already suspended support associated with the census blocks where RiverStreet has defaulted, and we will make no further support payments associated with those census blocks.<sup>24</sup> Once RiverStreet has paid the required early support recovery for defaulted census blocks, we will remove the defaulted locations from its required location total for purposes of determining compliance with service milestones moving forward.

8. We find good cause to provide a limited waiver of the Commission's service milestone and support recovery rules to initiate a portion of the required support recovery now and adjust the required location totals to remove locations in the defaulted census blocks. We conclude special circumstances exist.<sup>25</sup> The Commission specifically adopted the non-compliance tiers and support recovery rules to

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<sup>17</sup> See generally RiverStreet Waiver Petition. RiverStreet also requested "waiver of any other relevant FCC rules that may be needed to be waived to allow for the relief requested herein." *Id.* at 1 n.1.

<sup>18</sup> RiverStreet Waiver Petition at 2. A carrier is in Tier 4 because it has a compliance gap of 50% or more of the number of locations that it is required to have built out to by the interim service milestone. USAC will withhold 50% of such carrier's monthly support for the state and the carrier must file quarterly reports on its deployment status. 47 CFR § 54.320(d)(1)(iv)(A). If after having 50% of its support withheld for six months, a CAF Phase II auction carrier has not certified serving more than 50% of the required number of locations, USAC will withhold 100% of the carrier's CAF Phase II auction monthly support and will commence a recovery action for a percentage of support that is equal to the carrier's compliance gap plus 10% of the support that has been disbursed to date. 47 CFR § 54.320(d)(1)(iv)(B).

<sup>19</sup> RiverStreet Waiver Petition at 2.

<sup>20</sup> 47 CFR § 1.3.

<sup>21</sup> See *Northeast Cellular Tel. Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (citing *WAIT Radio v. FCC*, 418 F.2d 1153, 1157-59 (D.C. Cir. 1969), *cert. denied*, 93 S.Ct. 461 (1972)).

<sup>22</sup> 47 CFR §§ 54.310(a) & (c), 54.315(c)(4)(i), 54.320(d); *CAF Phase II Auction Order*, 31 FCC Red at 5966, para. 46.

<sup>23</sup> 47 CFR § 54.320(d)(2); *CAF Phase II Auction Order*, 31 FCC Red at 6017, para. 191.

<sup>24</sup> 47 CFR § 54.320(c); *RiverStreet Post-Authorization Default Public Notice* at 3-5.

<sup>25</sup> Letter from Carri Bennet, Counsel to RiverStreet Communications of North Carolina, Inc., to Trent Harkrader, Chief, Wireline Competition Bureau, FCC, WC Docket No. 10-90 et al. (filed Mar. 13, 2024).

encourage carriers to come back into compliance with the service milestones.<sup>26</sup> However, the incentives are not applicable to the census blocks where RiverStreet has already defaulted, because RiverStreet has no intention of coming back into compliance and serving these census blocks pursuant to its CAF Phase II auction obligations.

9. We also conclude it serves the public interest to provide RiverStreet with the opportunity to pay a portion of the support recovery early and then be able to demonstrate compliance with its future service milestones for its remaining locations. By permitting RiverStreet to pay a portion of the support recovery early and having its location total adjusted to remove the defaulted locations, RiverStreet will be in compliance for the remainder of the six-year deployment CAF Phase II auction period to the extent it otherwise meets its deployment obligations in its remaining census blocks.<sup>27</sup> This means RiverStreet will not be subject to the support withholding that may otherwise be required if RiverStreet were unable to meet future interim service milestones due to defaulting early in the census blocks.<sup>28</sup> Instead, RiverStreet will continue to receive CAF Phase II auction support payments for its remaining census blocks to serve consumers as required.<sup>29</sup> Moreover, access to other financing needed to serve consumers will not be disrupted due to being out of compliance with CAF Phase II auction obligations. Recovering support early also has the benefit of furthering our role as stewards of the public's funding and our obligation to implement safeguards to ensure that high-cost funds are being used for their intended purpose.<sup>30</sup> By recovering support that has been allocated to areas RiverStreet has no intention of serving, we reduce the risk that the public's funds will be used improperly.

10. The approach we take here also underscores the importance the Commission places on ensuring that service providers meet their service milestones. Although RiverStreet will pay some of the required support recovery early, it will still be subject to the similar support recovery as if it had notified the Commission after the deployment period that it would not serve the required number of locations. The Commission will fully recover support paid for the defaulted locations, and in the future the Commission would recover support for any additional locations that RiverStreet failed to serve. While there may be some benefits to the carrier associated with us stopping support for the early defaulted CBGs early and reducing the location total for purposes of determining compliance with service milestones moving forward, we conclude that any benefits to RiverStreet are incidental and outweighed by the administrative simplicity of being able to determine compliance based on locations that RiverStreet still intends to serve and ensuring that support is being recovered for areas that RiverStreet has already indicated it will not serve.

11. To implement the early support recovery path, we direct USAC to recover support as follows for RiverStreet. Section 54.320(d)(2) of the Commission's rules requires that we initiate support recovery for three different components at the end of the six-year deployment period after an opportunity to cure: 1) "support received"—i.e., average amount of support per location received for unserved locations over the six-year deployment period, 2) a "multiplier" calculation—i.e., .89 times the average amount of

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<sup>26</sup> 2014 *Connect America Order*, 29 FCC Rcd at 15697, para. 148 n.328 ("Our overriding objective is to create a framework that incents full performance.").

<sup>27</sup> RiverStreet Waiver Petition at 2. RiverStreet claims that "within the next several months" RiverStreet expects to meet the 80% interim service milestone in its remaining census blocks. *Id.* at 2 n.6.

<sup>28</sup> 47 CFR § 54.320(d)(1).

<sup>29</sup> RiverStreet Waiver Petition at 3 ("[T]o deny a waiver would impose undue financial burdens on RiverStreet, and potentially slow its buildout efforts for the remainder of the process.").

<sup>30</sup> 47 U.S.C. § 254(e) ("A carrier that receives [universal service] support shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.").

support per location received over the six-year deployment period,<sup>31</sup> and 3) an “extra percentage”—i.e., 10% of CAF Phase II auction support received over the six-year deployment period.<sup>32</sup>

12. Pursuant to this limited waiver, rather than wait until the end of the six-year deployment period, we direct USAC to initiate recovery upon release of this Order: 1) “support received”—CAF II auction support that the carrier has already received for the early defaulted census blocks,<sup>33</sup> and 2) the “extra percentage”—10% of support that we project over the six-year deployment period.<sup>34</sup> At the end of the six-year deployment period and after the year cure period, we direct USAC to recover: 1) “support received” for any additional unserved locations over the six-year deployment period and 2) the “multiplier”—an amount of support that is equal to .89 times the average amount of support per location received in the state over the six-year period for all locations that the carrier did not serve, including the locations in the early defaulted census blocks.<sup>35</sup>

13. At the end of the six-year deployment period and after the year cure period, USAC shall also recalculate the “extra percentage” based on support the carrier has actually received at the end of six years. If this amount is lower than the amount of “extra percentage” support we recovered earlier when we projected 10% of support received over the six-year deployment period, USAC shall true up the carrier’s support so that it is reimbursed for the difference between what we projected versus what it actually received. If the actual amount is more than the amount of “extra percentage” support we collected earlier, the carrier shall pay the difference as part of its support recovery.<sup>36</sup>

14. We direct USAC to issue an invoice to RiverStreet for the support issued for the defaulted locations as soon as practicable. RiverStreet has six months from the date of USAC’s invoice to repay the support for the defaulted locations.<sup>37</sup> If it does not repay the required support amount within six months, it will remain subject to the Commission’s service milestone and non-compliance rules, and support

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<sup>31</sup> 47 CFR § 54.320(d)(2) requires that we recover support that is “equal to 1.89 times the average amount of support per location received in the support area for that carrier over the term of support for the relevant number of locations,” but we already recover the “1” portion of the 1.89 when we recover “support received,” so the “multiplier” is “.89” rather than 1.89.

<sup>32</sup> 47 CFR § 54.320(d)(2); *CAF Phase II Auction Order*, 31 FCC Rcd at 6017, para. 191.

<sup>33</sup> This support recovery will be calculated as (all disbursements up to when we stopped payments for the early defaulted census blocks/total number of originally authorized locations) x (number of early defaulted locations).

<sup>34</sup> In projecting the support that the carrier would receive over the six-year deployment period, we direct USAC to recover: .10 x support projected over the six-year deployment period (i.e., all support received to date + full originally authorized monthly support amount for the remaining months of the six-year deployment period). Because we are unable to estimate how much support a carrier will actually receive over the six-year deployment period, we find that it serves the public interest to protect the funds by calculating projected support as if the carrier was in full compliance for the remainder of the six-year deployment period and then true up the carrier’s support at the end of the six-year deployment period as described herein.

<sup>35</sup> For administrative simplicity and to minimize the true-ups we would have to do at the end of the deployment period as we would otherwise have to project the support that the carrier would receive by the end of the deployment period, we will recover the “multiplier” calculation for locations in the early defaulted census blocks at the end of the deployment period so that we can base the calculation on support actually received.

<sup>36</sup> Because RiverStreet has already defaulted on more than 5% of its total locations in North Carolina, the 95% flexibility will not be an option for RiverStreet at the end of the deployment term. 47 CFR § 54.310(c)(2); *CAF Phase II Auction Order*, 31 FCC Rcd at 5965-66, paras. 44-46.

<sup>37</sup> The requirement that RiverStreet pay the support recovery within six months is consistent with the requirement that CAF Phase II auction carriers pay within six months the section 54.320(d)(2) support recovery that USAC will initiate after the six-year deployment period and one year cure period. 47 CFR § 54.315(c)(4)(i); *CAF Phase II Auction Order*, 31 FCC Rcd at 6017, para. 191.

recovery will occur at the end of the deployment period.<sup>38</sup> Once RiverStreet has paid the required support recovery, we will remove the locations associated with the defaulted census blocks from its deployment obligation. The new location total will be used to determine if RiverStreet has met interim service milestones and the final service milestone. RiverStreet can also reduce the value of its letter of credit to reflect its reduced support amounts moving forward.<sup>39</sup> RiverStreet remains subject to the Commission's rules for its remaining CAF Phase II auction-funded census blocks, including the requirement that it test and certify compliance with the relevant performance requirements and pay the associated support recovery if it does not comply.<sup>40</sup>

### III. ORDERING CLAUSES

15. Accordingly, IT IS ORDERED, pursuant to sections 1, 4(i), 5(c), and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 155(c), 254, and sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 1.3, that this Order IS ADOPTED.

16. IT IS FURTHER ORDERED that the petition for limited waiver of RiverStreet Communications of North Carolina, Inc. is GRANTED to the extent described herein.

17. IT IS FURTHER ORDERED that, pursuant to section 54.320(d)(2) of the Commission's rules, 47 CFR § 54.320(d)(2), and the limited waiver granted by the Bureau, the Administrator will recover high-cost support from RiverStreet Communications of North Carolina, Inc. as described herein.

18. IT IS FURTHER ORDERED that, pursuant to section 1.102(b)(1) of the Commission's rules, 47 CFR § 1.102(b)(1), this Order SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Trent B. Harkrader  
Chief  
Wireline Competition Bureau

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<sup>38</sup> 47 CFR § 54.320(d)(2).

<sup>39</sup> 47 CFR § 54.315(c)(1). Carriers that are out of compliance and that move to the Tier 1 non-compliance tier or come into compliance with their service milestones are entitled to receive withheld or recovered support pursuant to section 54.320(d)(1) of the Commission's rules. 47 CFR § 54.320(d)(1). For any support that was withheld or recovered prior to USAC stopping support for early defaulted CBGs, USAC should reduce the support that is restored on a pro rata basis so that an early defaulting carrier does not receive withheld or recovered support that was allocated to CBGs it will not serve.

<sup>40</sup> 47 CFR § 54.320(d)(2); *Performance Measures for Connect America High-Cost Universal Service Support Recipients*, WC Docket No. 10-90, Order, 33 FCC Rcd 6509 (WCB/WTB/OET 2018).