

OKLAHOMA CORPORATION COMMISSION

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Date: November 20, 2017

To: Oklahoma Universal Service Fund (“OUSF”) Beneficiaries

Subject: OUSF: School and library guidance for requesting eligible services on the FCC Form 470.

Purpose

This guidance and education was developed to address part of the ongoing OUSF audit recommendations¹. Any variance from the guidance may result in funding based on the discretion of the OUSF Administrator and may be subject to final order of the Commission. Examples in this guidance do not necessarily show all requirements for receiving federal funding or OUSF funding.

It is **not** the OUSF Administrator’s intention for this document to be a “rule” as that term is defined in the Administrative Procedures Act². The Commission did not request, review, or approve this document, and this document does not necessarily reflect the views of the Commission, who is the final arbiter.

Summary

The Universal Services Administrative Company (“USAC”) has issued new requirements for selecting broadband service. The intent of this memorandum is to provide guidance on ways

¹ Ostrander Group, Audit of the Oklahoma Universal Service Fund, November 4, 2016

² See 75 O.S. § 250.5(17)(C)

schools and libraries may meet E-rate requirements for selecting services while also meeting the OUSF fair and open competitive bidding requirement to not limit bidders based on technology³.

Guidance

For FCC Forms 470 posted on or after August 26, 2017, USAC determined that *Leased Lit Fiber* must be selected in order for an E-rate applicant to receive funding for any services that are delivered over a fiber optic cable. USAC also re-defined *Internet Access & Transport Bundled* and *Transport Only - No ISP Service* to be only for non-fiber (cable, microwave, etc.) services. The guidance given in the tables below will allow Beneficiaries to address the new USAC requirements while also meeting the requirement for OUSF that request for bids not limit bidders based on technology.

Almost all OUSF Beneficiaries should use the guidance in Table 1 for determining which service selections should be made on the FCC Form 470. Very rare situations are addressed in Table 2. In all cases, Beneficiaries should not express a preference for a particular type of service as that will violate both E-rate and OUSF fair and open competitive bidding requirements.

Table 1. Guidance for almost all OUSF Beneficiaries.

Service	FCC Form 470 Selections (select all shown)	Notes
Internet access that includes a connection to the library or district, or individual school	<ul style="list-style-type: none"> • Internet Access & Transport Bundled • Leased Lit Fiber 	<ul style="list-style-type: none"> • Verify that maximum and minimum bandwidths are the same for each service. • Use narrative or RFP to explain that Leased Lit Fiber must include Internet Access.
Wide Area Network (WAN) between sites.	<ul style="list-style-type: none"> • Transport Only – No ISP Service • Leased Lit Fiber 	<ul style="list-style-type: none"> • Verify that maximum and minimum bandwidths are the same for each service.

³ See 17 O.S. § 139.109.1(B)(5)(b)

Table 2. Guidance for special circumstances.

Service	FCC Form 470 Selections (select all shown)	Notes
Internet access where an entity already owns fiber to a service provider's POP (very rare).	<ul style="list-style-type: none"> • Internet Access & Transport Bundled • Leased Lit Fiber • Internet Access - ISP Service only 	<ul style="list-style-type: none"> • Verify that maximum and minimum bandwidths are the same for each service. • All service providers must have access to the demarc on an equal basis. If necessary, specify an alternate demarc location. • Use narrative or RFP to explain that Leased Lit Fiber must include Internet Access.
Dark fiber or self-provisioned service (very rare).	Contact PUD before posting an FCC Form 470.	The E-rate rules are complex for these services, and which also require special selections to comply with OUSF requirements.

Conclusion

If you have any questions about this guidance, please contact the Public Utility Division at PUDSubmissions@occemail.com or (405) 521-4114. Additional guidance on OUSF has been provided through webinars or training sessions throughout Oklahoma. If you would like a dedicated presentation on OUSF for your professional group or organization, please contact the Public Utility Division.