

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

Joint Application of TDS Telecommunications,)
LLC, Transferor, and Hilliary Acquisition)
Oklahoma II, LLC, Transferee, for Grant of) WC Docket No. 25-232
Authority Pursuant to Section 214 of the)
Communications Act of 1934, as amended, and)
Section 63.04 of the Commission’s Rules to)
Complete a Transfer of Control)

**COMMENTS OF
NTCA—THE RURAL BROADBAND ASSOCIATION**

NTCA hereby urges the Federal Communications Commission (the “Commission”) to grant the relief sought by the Application for Review submitted by Hilliary Acquisition Oklahoma II, LLC (“Hilliary”) and Oklahoma Communication Systems, LLC (“OCS” and, together with Hilliary, the “Applicants”) in the above-captioned proceeding.¹ In the AFR, the Applicants seek review and reversal of the determination by the Wireline Competition Bureau (the “Bureau”) that locations served by both OCS and Hilliary’s affiliate, Southern Plains Cable, LLC (“Southern Plains”) as of June 30, 2023 at broadband speeds equal to or greater than 100/20 Mbps are “served *only* by a competitor” for purposes of finalizing support under the Enhanced Alternative Connect America Cost Model (“Enhanced ACAM”) program.²

By way of background, a location is eligible for Enhanced ACAM support if it was not served only by an unsubsidized competitor delivering 100/20 Mbps or better broadband as of the date of the offer of such support and as long as there was no enforceable commitment as of the

¹ Application for Review, WC Docket No. 25-232 (dated Jan. 16, 2026) (“AFR”).

² *Domestic Section 214 Application Granted for the Transfer of Control of Oklahoma Communication Systems, LLC and Mid-America Telephone, LLC from TDS Telecommunications, LLC to Hilliary Acquisition Oklahoma II, LLC*, WC Docket No. 25-232, Public Notice, DA 25-1074 (rel. Dec. 17, 2025) (“*Oklahoma Section 214 Consent*”).

date of the offer to deliver such service to that location. Because such information was not available as of the initial date of the offers, however, the Bureau was directed to make adjustments to the offered support amounts based upon updated information by no later than the end of 2025.

³ The Bureau in turn determined that it would use Broadband Data Collection (“BDC”) availability data as of June 30, 2023 to identify the status of service at such locations as of the date of the offers,⁴ and then proceeded to process challenges to availability and Fabric data and to gather information related to pre-existing third party enforceable commitments with the aim of finalizing Enhanced ACAM support adjustments by December 31, 2025.

The status of a location as either “served” as of June 30, 2023 or subject to a pre-existing enforceable commitment as of that date is material in this adjustment process because the *Enhanced ACAM Order* defined differing levels of support based upon these parameters. Specifically, the order (as clarified by a subsequent implementation order)⁵ indicated that support would be available in the following manner based upon such classifications:

Unserved by ILEC or Unsubsidized Competitor	100% of model-determined support
Served by ILEC Only	60% of model-determined support
Served by ILEC and Unsubsidized Competitor	33% of model-determined support
Served by Unsubsidized Competitor Only or Subject to Pre-Existing Third Party Enforceable Commitment	No support

³ *Connect America Fund, et al.*, WC Docket No. 10-90, *et al.*, Report and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, (“*Enhanced ACAM Order*”), at ¶ 34.

⁴ *Wireline Competition Bureau Updates Guidance Regarding Locations and Broadband Coverage for Enhanced Alternative Connect America Model Mechanism*, WC Docket No. 10-90, Public Notice, DA 24-423 (rel. May 3, 2024).

⁵ *See Enhanced ACAM Order*, at ¶¶ 69-75; *Connect America Fund, et al.*, WC Docket No. 10-90, *et al.*, Order (rel. Aug. 30, 2023), at ¶ 9.

A final piece of background relevant to the AFR is that, in the *Enhanced ACAM Order*, the Commission indicated that support adjustments would vary depending on the percentage change in the number of “obligated” locations. If a carrier’s obligated locations were reduced by 5% or less, then the carrier would see no adjustment to support, while a carrier whose obligated locations were less than 95% but greater than 85% of the authorization would be subject to “a methodology to gradually reduce support” – and a carrier whose obligated locations were ultimately less than 85% of those identified in its authorization would have support recalculated.⁶

Against this backdrop, the AFR raises questions regarding the specific classification of locations in the study area served by OCS and the final adjustments then applied to Enhanced ACAM support based upon such classifications. As the Applicants explain, *both* OCS (as the incumbent) *and* Southern Plains Cable (as a competitor) offered 100/20 Mbps or better broadband to a number of common locations as reflected in BDC availability data as of June 30, 2023.⁷ By the plain terms of the *Enhanced ACAM Order*, these locations should have been viewed as “obligated” for OCS as the incumbent (because OCS was already serving them and was required to continue to do so), but subject to a reduction in support (to 33% of model-based support) given that they were *also* served by Southern Plains Cable. The *Oklahoma Section 214 Consent*, however, disregarded the service offered by OCS as the incumbent and instead treated these locations as *only* served by Southern Plains Cable – such that no support would be provided. Moreover, in doing so, the Bureau reduced the number of obligated locations beyond 5% from the original authorization, triggering unwarranted support adjustments that otherwise would not have applied because the locations in question were (and still are) served by the incumbent.

⁶ *Enhanced ACAM Order*, at ¶ 77.

⁷ AFR, at 5.

Nothing in the *Enhanced ACAM Order* justifies or enables the kinds of changes to support made in the *Oklahoma Section 214 Consent*. The facts on their face show the existence of service by an incumbent and a competitor as of the relevant date for support determinations, thereby defining both the number of “obligated” locations and the level of support due at each. While a subsequent transaction may have led to the incumbent acquiring the competitor,⁸ nothing justifies the decision to disregard *the incumbent’s* prior and current service as a result – indeed, if anything, one could just as easily determine that *the competitor’s* service should be disregarded as there is no competitor now. In the end, however, the *Enhanced ACAM Order* provides no basis for disregarding either operator’s service, and the AFR does not ask the Commission to do so. To the contrary, all that the AFR reasonably asks is that the Commission take the facts as they stood on June 30, 2023 consistent with the terms of the *Enhanced ACAM Order* and to follow the process for support adjustments based upon those facts consistent with that order.

For the foregoing reasons, consistent with the *Enhanced ACAM Order*, NTCA supports treating the locations in question as “obligated” and a calculation of support that recognizes these locations as served by both the incumbent and the competitor as of the relevant date.

Respectfully submitted,

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⁸ It is also worth noting that the acquisition in question did not close until *after* the recalculation was applied and final support adjustments made. *See* Petition for Reconsideration or Waiver of the Oklahoma incumbent local exchange carrier affiliates of Hilliary Acquisition Oklahoma II, LLC, WC Docket No. 10-90 (filed Jan. 29, 2026), at 6 and n.3.