

**§ 1751.105 Amending a Modernization Plan.**

(a) RUS understands that changes in standards, technology, regulation, and the economy could indicate that an RUS-approved Modernization Plan should be amended.

(b) The Plan Developer of the Modernization Plan may amend the Modernization Plan if RUS finds the proposed changes continue to conform to the provisions of this subpart.

(c) The procedure for requesting approval of an amended Modernization Plan is identical to the procedure for a proposed Modernization Plan except that there are no time limits on the eligibility of the Plan Developer.

(d) The existing Modernization Plan remains in force until RUS has approved the proposed amended Modernization Plan.

(e) RUS may from time to time revise these regulations to incorporate newer technological and economic standards that RUS believes represent more desirable goals for the future course of telecommunications services. Such revisions will be made in accordance with the Administrative Procedure Act. These revisions shall not invalidate Modernization Plans approved by RUS but shall be used by RUS to determine whether to approve amendments to Modernization Plans presented for RUS approval after March 15, 1995.

**§ 1751.106 Modernization Plan; requirements.**

(a) The requirements for a Modernization Plan as stated in RELRA are:

(1) The plan must provide for the elimination of party line service.

(2) The plan must provide for the availability of telecommunications services for improved business, educational, and medical services.

(3) The plan must encourage and improve computer networks and information highways for subscribers in rural areas.

(4) The plan must provide for—

(i) Subscribers in rural areas to be able to receive through telephone lines—

- (A) Conference calling;
- (B) Video images; and

(C) Data at a rate of at least 1,000,000 bits of information per second; and

(ii) The proper routing of information to subscribers.

(5) The plan must provide for uniform deployment schedules to ensure that advanced services are deployed at the same time in rural and nonrural areas.

(6) The plan must provide for such additional requirements for service standards as may be required by the Administrator.

(b) To implement the requirements of the law described in paragraph (a) of this section, RUS has set minimum requirements as described in paragraphs (i) and (j) of this section. They are grouped into short-term and medium-term requirements. RUS has also included long-term goals which are not requirements. The Modernization Plan must meet all of the statutory requirements of RELRA and shall provide that short- and medium-term requirements be implemented as set forth in this section of the regulation except that the PUC, if it is the Plan Developer, or RUS, if a majority of Borrowers is the Plan Developer, may approve extensions of time if the required investment is not economically feasible or if the best available telecommunications technology lacks the capability to enable the Telecommunications Provider receiving the extension to comply with the Modernization Plan. Extensions shall be granted only on a case-by-case basis and generally shall not exceed a total of five years from the first such extension granted to the Telecommunications Provider.

(c) Each State's Modernization Plan shall be a strategic development proposal for modernizing the telecommunications network of the Telecommunications Providers covered by the Modernization Plan. In addition to implementing the requirements described in paragraphs (a), (i), and (j) of this section, the Modernization Plan shall include a short engineering description of the characteristics of a future telecommunications structure that would enable all Telecommunications Providers to achieve the requirements and goals of the Modernization Plan.

(d) Within the scope of § 1751.101(d), if the Plan Developer is the PUC, the

Modernization Plan shall name the Telecommunications Providers in the State, in addition to Borrowers, that are covered by the Modernization Plan.

(e) The Modernization Plan must require that the design of the network provided by Telecommunications Providers allow for the expeditious deployment and integration of such emerging technologies as may from time to time become commercially feasible.

(f) The Modernization Plan must provide guidelines to Telecommunications Providers for the development of affordable tariffs for medical links and distance learning services.

(g) With regard to the uniform deployment requirement of the law restated in paragraph (a)(5) of this section, if services cannot be deployed at the same time, only the minimum feasible interval of time shall separate availability of the services in rural and nonrural areas.

(h) The Modernization Plan must make provision for reliable powering of ordinary voice telephone service operating over those portions of the telecommunications network which are not network powered. In the event of electric utility power outages, an alternative source of power must be available to ensure reliable voice service.

(i) *Short-term requirements.* (1) The "short-term requirements start date" is the date one year after the date RUS approves the Modernization Plan for the State.

(2) All New Facilities providing Wireline Service after the short-term requirements start date, even if the construction began before such date, shall be constructed so that:

(i) Every subscriber can be provided 1-party service.

(ii) The New Facilities are suitable, as built or with additional equipment, to provide transmission and reception of data at a rate no lower than 1 Mb/sec.

(3) All switching equipment installed by a Telecommunications Provider after the short-term requirements start date shall be capable of:

(i) Providing custom calling features. At a minimum, custom calling features must include call waiting, call for-

warding, abbreviated dialing, and three-way calling; and

(ii) Providing E911 service for areas served by the Telecommunication Provider when requested by the government responsible for this service.

(j) *Medium-term requirements.* (1) The "medium-term requirements start date" is the date six years after the date RUS approves the Modernization Plan for the State, or such earlier date as the Modernization Plan shall provide.

(2) All New Facilities providing Wireline Service after the medium-term requirements start date, even if the construction began before such date, shall be capable, as built or with additional equipment, of transmitting video to a subscriber. The video must be capable of depicting a reasonable representation of motion. The frame rate, resolution, and other measures of audio and video quality shall be determined by the Plan Developer.

(3) No later than the medium-term requirements start date, all switching equipment of Telecommunications Providers covered by the Modernization Plan must be capable of providing E911 service when requested by the government responsible for this service.

(4) No later than five years after the medium-term requirements start date, one-party service must be provided upon demand to any subscriber of a Telecommunications Provider covered by the Modernization Plan.

(k) *Long-term goals.* RUS suggests, but does not require, that the provisions of each Modernization Plan be consistent with the accomplishment of the following:

(1) The elimination of party line service.

(2) For subscribers that desire the service, universal availability of:

(i) Digital voice and data service (56-164 kb/sec).

(ii) Service that provides transmission and reception of high bit rate (no less than 1 Mb/sec) data.

(iii) Service that provides reception of video as described in paragraph (j)(2) of this section.