

**723-41-18.5 LOCAL NETWORK SERVICES TARIFF CAP.**

In no event shall the local network services revenue requirement, as defined in 47 CFR 32.5000 through 32.5069 (1995), of Rural Telecommunications Service Providers, be in excess of 130 percent of the average, of such revenue requirement for local exchange providers which are not Rural Telecommunications Service Providers. Such excess shall be considered as a part of the Rural Telecommunications Service Providers HCSM support revenue requirement.

**723-41-18.6 COLORADO HIGH COST FUND ADMINISTRATION.**

723-41-18.6.1 The Commission, acting as Administrator, and pursuant to this Part II of the Rules, shall determine and establish by oOrder, for each Rural Telecommunications Service Provider, the HCSM support revenue requirement (support per Access Line) that will be effective for a period of ~~up to six~~one years beginning with the date of the oOrder.

723-41-18.6.1.1 At any time, upon the request and proper support as part of a general rate proceeding by a Rural Telecommunications Service Provider, the Commission, acting as Administrator, may revise the HCSM support revenue requirement that will be effective for a period of ~~up to six~~one years beginning with the date established by order. Further, as a result of a show cause, complaint or other proceeding, the Commission, acting as Administrator, may revise the HCSM support revenue requirement that will be effective for a period of ~~up to six~~one years beginning with the date established by order.

~~723-41-18.6.1.2~~ Once established or revised, no further qualification will be required during the six year funding period. During the funding period, the amount of HCSM support per Access Line will be phased down. Funding will be fixed for the first two years (any 12 month period) at 100% of the funding level established. Following the first two years, the support amount will decline and be phased out by year seven. The following is the phase out schedule:

|                   |                  |                   |                |                   |               |
|-------------------|------------------|-------------------|----------------|-------------------|---------------|
| <del>YEAR 1</del> | <del>100%</del>  | <del>YEAR 4</del> | <del>65%</del> | <del>YEAR 7</del> | <del>0%</del> |
| <del>YEAR 2</del> | <del>100%</del>  | <del>YEAR 5</del> | <del>40%</del> |                   |               |
| <del>YEAR 3</del> | <del>82.5%</del> | <del>YEAR 6</del> | <del>20%</del> |                   |               |

723-41-18.6.1.3 The Commission may grant a Rural Telecommunications Service Provider's request for waiver from these Rules for good cause shown, pursuant to Rule 15 of these Rules. Any HCSM support amount so granted shall be in the amounts and for the periods expressly approved by Commission order.

723-41-18.6.1.4 [Reserved for future use.]