

**CHAPTER 26. SUBSTANTIVE RULES APPLICABLE TO TELECOMMUNICATIONS SERVICE PROVIDERS.**

**Subchapter P. TEXAS UNIVERSAL SERVICE FUND.**

**§26.408. Additional Financial Assistance (AFA).**

- (a) **Purpose.** Incumbent local exchange companies (ILECs) serving high cost and rural areas of the state may require financial assistance, in addition to the funds provided by §26.403 of this title (relating to Texas High Cost Universal Service Plan (THCUSP)), by §26.404 of this title (relating to Small and Rural Incumbent Local Exchange Company (ILEC) Universal Service Plan), or by §26.406 of this title (relating to the Implementation of the Public Utility Regulatory Act §56.025), so that these carriers may provide basic local exchange service at reasonable rates. This section establishes guidelines for requesting Additional Financial Assistance (AFA) from the Texas Universal Service Fund (TUSF).
- (b) **Application.** Any ILEC that has been designated by the commission as an eligible telecommunications provider (ETP) and is not an electing company under the Public Utility Regulatory Act (PURA) Chapter 58, 59 or 65, may request AFA in a PURA §§53.105, 53.151, or 53.306 proceeding.
- (c) **Establishment of AFA need.** The commission may approve an ILEC's AFA request if the commission finds:
  - (1) that the ILEC has fulfilled the appropriate requirements under PURA §§53.105, 53.151, or 53.306; and
  - (2) that raising the ILEC's rates for basic local telecommunications service, as defined in §26.403 of this title, would adversely affect universal service in such ILEC's certificated service area.
- (d) **Reporting requirements.** Any ILEC awarded AFA support pursuant to this section through a commission proceeding shall provide the TUSF administrator with a copy of the final order indicating the amount of support.