

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Schools and Libraries Universal Service Support Mechanism	)	CC Docket No. 02-6
	)	
A National Broadband Plan for Our Future	)	GN Docket No. 09-51
	)	

**ORDER**

**Adopted: October 22, 2013**

**Released: October 22, 2013**

By the Chief, Wireline Competition Bureau:

**I. INTRODUCTION**

1. In this Order, the Wireline Competition Bureau (Bureau) releases the eligible services list (ESL) for funding year 2014 for the schools and libraries universal service support program (more commonly referred to as the E-rate program)<sup>1</sup> and authorizes the Universal Service Administrative Company (USAC) to open the annual application filing window no earlier than December 23, 2013.<sup>2</sup> In the *2014 ESL Public Notice*, we proposed clarifications and minor changes to the ESL for funding year 2014.<sup>3</sup> In this Order, we adopt the proposals made in the *2014 ESL Public Notice*, with some minor modifications as described herein.

**II. BACKGROUND**

2. Section 254 of the Act gives the Commission authority to designate “telecommunications services” and additional services as eligible for support under the E-rate program.<sup>4</sup> In the *Universal Service First Report and Order*, the Commission designated all commercially available telecommunications services as eligible for support (or discounts) under the E-rate program.<sup>5</sup> In the same decision, the Commission concluded that it would provide E-rate support for additional, non-

<sup>1</sup> See *Eligible Services List for Funding Year 2014* (rel. Oct. 22, 2013) (*2014 ESL*) (Appendix B). The ESL specifies the services and products that are eligible for E-rate discounts.

<sup>2</sup> 47 C.F.R. § 54.502(b).

<sup>3</sup> *Wireline Competition Bureau Seeks Comment on Draft Eligible Services List for Schools and Libraries Universal Service Program*, CC Docket No. 02-6, GN Docket No. 09-51, Public Notice, 28 FCC Rcd 9331 (Wireline Comp. Bur. 2013) (*2014 ESL Public Notice*).

<sup>4</sup> 47 U.S.C. § 254(c)(1), (c)(3), (h)(1)(B), and (h)(2)(A). Congress charged the Commission with establishing competitively neutral rules to enhance access to advanced telecommunications and information services for all public and nonprofit elementary and secondary school classrooms and libraries, and also provided the Commission with the authority to designate “special” or “additional” services eligible for universal service support for schools and libraries. 47 U.S.C. § 254(c)(3).

<sup>5</sup> *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9006-08, paras. 431-34 (1997) (*Universal Service First Report and Order*), *aff’d in part*, *Texas Office of Public Utility Counsel v. FCC*, 183 F.3d 393 (5th Cir. 1999) (subsequent history omitted); *see also* 47 U.S.C. § 254(c)(1) and (c)(3).

telecommunications services, particularly Internet access, e-mail, and internal connections, provided by both telecommunications carriers and non-telecommunications carriers, pursuant to sections 4(i) and 254(c)(1), (c)(3), (h)(1)(B), and (h)(2).<sup>6</sup> The Commission reasoned that such services enhance access to advanced telecommunications and information services for public and non-profit elementary and secondary school classrooms and libraries.<sup>7</sup> Pursuant to this same statutory authority, the Commission later made leased dark and lit fiber provided by telecommunications carriers and non-telecommunications providers eligible for E-rate program discounts as a Priority One service.<sup>8</sup>

3. The Commission has authorized E-rate funding to eligible schools and libraries for eligible services for the following categories of service: telecommunications services, telecommunications, Internet access, internal connections, and basic maintenance of internal connections.<sup>9</sup> Every year, the Commission releases an ESL to provide notice of any service eligibility changes prior to E-rate applicants seeking bids for services and applying for E-rate support. Pursuant to Commission rules, the universal service administrator must submit a proposed ESL for the upcoming funding year, and the Bureau is required to seek public comment on the proposed ESL.<sup>10</sup> After the public has had an opportunity to comment, the final ESL for the upcoming funding year must be released at least 60 days prior to the opening of the E-rate application filing window.<sup>11</sup> We sought comment on proposed changes to the ESL for funding year 2014 through release of the *2014 ESL Public Notice* on July 3, 2013.<sup>12</sup> The comment cycle closed on August 19, 2013.<sup>13</sup>

4. In the *2014 ESL Public Notice*, we proposed updates to further clarify language in the ESL in accordance with the *Schools and Libraries Sixth Report and Order* and the *Sixth Report and Order Guidance Public Notice*.<sup>14</sup> The proposals included modifications to the fiber and dark fiber entry of the ESL to provide more detail on the differences between the eligible components of lit fiber as compared to dark fiber,<sup>15</sup> and to the entry for web hosting to better reflect, consistent with the *Schools and Libraries Sixth Report and Order*, that the interactive communications features that may be eligible as part of a web

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<sup>6</sup> *Universal Service First Report and Order*, 12 FCC Rcd at 9008-15, paras. 436-39, and 9084-90, paras. 589-600.

<sup>7</sup> *Id.*

<sup>8</sup> *Schools and Libraries Universal Service Support Mechanism, A National Broadband Plan for Our Future*, CC Docket No. 02-6, GN Docket No. 09-51, *Sixth Report and Order*, 25 FCC Rcd 18762, 18768, para. 10 (2010) (*Schools and Libraries Sixth Report and Order*).

<sup>9</sup> 47 C.F.R. § 54.502(a).

<sup>10</sup> *See* 47 C.F.R. 54.502(b)(1).

<sup>11</sup> *Id.*

<sup>12</sup> *2014 ESL Public Notice*.

<sup>13</sup> *Id.* at 9333.

<sup>14</sup> *Id.* at 9332; *see also Schools and Libraries Sixth Report and Order; Wireline Competition Bureau Provides Guidance Following Schools and Libraries Universal Service Support Program Sixth Report and Order*, CC Docket No. 02-6, GN Docket No. 09-51, Public Notice, 25 FCC Rcd 17332 (Wireline Comp. Bur. 2010) (*Sixth Report and Order Guidance Public Notice*) (providing effective dates for adopted proposals and answers to a list of frequently asked questions regarding rules adopted in the *Schools and Libraries Sixth Report and Order*).

<sup>15</sup> *2014 ESL Public Notice*, 28 FCC Rcd at 9332; *see also Schools and Libraries Sixth Report and Order*, 25 FCC Rcd at 18766-73; *Sixth Report and Order Guidance Public Notice*, 25 FCC Rcd at 17334-37.

hosting package are not eligible for support as standalone services.<sup>16</sup> We also proposed other minor corrections to the ESL.<sup>17</sup>

### III. DISCUSSION

5. After considering the record, we have decided to update the ESL for funding year 2014 by adopting most of the proposals in the *2014 ESL Public Notice*. We make these changes to help applicants and service providers better understand the eligibility requirements for the services addressed and to guide USAC in implementing the Commission's directions regarding lit and dark fiber, as well as web hosting, in the *Schools and Libraries Sixth Report and Order*.

#### A. Clarifications Based on the Commission's Decision in the *Schools and Libraries Sixth Report and Order*

6. As described in more detail below, we adopt the proposal in the *2014 ESL Public Notice* to clarify the different eligibility criteria for lit and dark fiber. We also adopt, with minor modifications, our proposal in the *2014 ESL Public Notice* to include language in the ESL explaining that certain components of web hosting service are not eligible for E-rate support as standalone services. We conclude that both proposals are consistent with the Commission's direction in the *Schools and Libraries Sixth Report and Order*.

##### 1. Lit and Dark Fiber Clarifications

###### a. Background

7. In the *Schools and Libraries Sixth Report and Order*, the Commission determined that leased dark fiber would be eligible for E-rate support.<sup>18</sup> Shortly thereafter, in the *Sixth Report and Order Guidance Public Notice*, the Bureau provided guidance on the eligibility framework for dark fiber.<sup>19</sup> In the *2014 ESL Public Notice*, we proposed to modify the "Fiber or Dark Fiber" entry of the ESL to provide more detail about the eligible components of lit fiber service as compared to dark fiber service.<sup>20</sup>

###### b. Discussion

8. We find that the proposed modifications to the descriptions of eligible lit and dark fiber proposed in the *2014 ESL Public Notice* more accurately describe the Commission's directions in the *Schools and Libraries Sixth Report and Order* and the guidance the Bureau provided in the *Sixth Report and Order Guidance Public Notice*. These modifications also provide a clearer explanation of the eligibility framework for dark fiber and lit fiber in the E-rate program than did the description of dark and lit fiber in the funding year 2013 ESL. For example, the proposed revisions to the ESL reflect the Commission's decision that special construction charges for leased dark fiber are eligible only up to the eligible entity's property line but that such a limitation does not exist for leased lit fiber.<sup>21</sup> We note that no comments were filed on this issue. We conclude that these revisions will be helpful to applicants and

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<sup>16</sup> *2014 ESL Public Notice*, 28 FCC Rcd at 9332; see also *Schools and Libraries Sixth Report and Order*, 25 FCC Rcd at 18806-07, para. 101 (deciding that interactive communication features such as blogging or e-mailing over a school or library's hosted website or discussion boards should be eligible for E-rate funds as part of a web hosting package).

<sup>17</sup> *2014 ESL Public Notice*, 28 FCC Rcd at 9333.

<sup>18</sup> See *Schools and Libraries Sixth Report and Order*, 25 FCC Rcd at 18766-73, paras. 10-19.

<sup>19</sup> See *Sixth Report and Order Guidance Public Notice*, 25 FCC Rcd 17332, 17334-37.

<sup>20</sup> See *2014 ESL Public Notice*, 28 FCC Rcd at 9332.

<sup>21</sup> See *id.*

service providers that may seek E-rate support for fiber services and we implement these revisions as proposed.

## 2. Web Hosting and E-mail

### a. Background

9. Web hosting was added to the ESL in October 2003 for funding year 2004 as one of the entries for Internet access.<sup>22</sup> For funding year 2004, the ESL described web hosting as an Internet service provided by an Internet service provider that will host a school or library's website as part of a bundled service offering, or as an optional service.<sup>23</sup> In the *2009 ESL Order*, the Commission specified that web pages protected by a username and password are eligible for funding as part of web hosting services, but emphasized that some services and features continue to be ineligible components of a web hosting service and must be cost allocated.<sup>24</sup> These ineligible components included any type of interactive communications feature that would allow for blogging, as well as software applications, end-user file storage, and content editing features, and any features involving data input or retrieval including searching of databases for grades, student attendance files, or other reports.<sup>25</sup>

10. In the further notice attached to the *2009 ESL Order*, the Commission proposed eliminating web hosting from the ESL.<sup>26</sup> The following year, however, in the *Schools and Libraries Sixth Report and Order*, the Commission decided to retain Priority One funding for web hosting.<sup>27</sup> The Commission also decided to reverse its previous decision that interactive communications features are ineligible components of web hosting that must be cost allocated. The Commission explained that it was "persuaded that features that facilitate the ability to communicate, such as blogging, e-mailing over a school or library's hosted website, discussion boards, and services that may facilitate real-time interactive communication such as instant messaging or chat, should be eligible for E-rate funds as part of a web hosting package."<sup>28</sup> The Commission indicated that it would revise the ESL to include those interactive communications features of web hosting but also cautioned that the following would remain ineligible: content – including content created by third-party vendors; features involving data input or retrieval – including searching of databases for grades, student attendance files, or other reports; and applications necessary to run online classes or collaborative meetings.<sup>29</sup> The Bureau incorporated the Commission's

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<sup>22</sup> See Eligible Services List, Schools and Libraries Support Mechanism for Funding Year 2004, [http://www.usac.org/res/documents/sl/pdf/ESL\\_archive/EligibleServicesList\\_101003.pdf](http://www.usac.org/res/documents/sl/pdf/ESL_archive/EligibleServicesList_101003.pdf) at 12 (last visited Oct. 18, 2013).

<sup>23</sup> *Id.*

<sup>24</sup> *Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Report and Order and Further Notice of Proposed Rulemaking, 25 FCC Rcd 6562, 6573, para. 22 (2009) (*2009 ESL Order*) (cautioning applicants that they must cost-allocate these types of ineligible features).

<sup>25</sup> *Id.*

<sup>26</sup> *Id.* at 6580, para. 37.

<sup>27</sup> *Schools and Libraries Sixth Report and Order*, 25 FCC Rcd at 18806, para. 100.

<sup>28</sup> *Id.* at 18806-07, para. 101.

<sup>29</sup> *Id.* Commenters in the proceeding who supported inclusion of interactive communications features as part of a web hosting package recommended that non-communications web hosting tools should not be eligible including student information systems that may manage a school's grades, attendance, and other data; curriculum software that provides proprietary, third party educational content; financial software that manages accounting; human resources or payroll functions; assessment systems which deliver online tests to assess student achievement; analytics systems which analyze and correlate data across a school district; and any other software, system, or service whose primary purpose or use is not communication. *Id.* at 18807, para. 101 n.306.

approach to the interactive communication components of web hosting into subsequent ESLs.<sup>30</sup> Since then, we have learned that USAC has received applications for E-rate support which have included requests for communications features such as teacher web pages and blogging as standalone services. Therefore, to better reflect the *Schools and Libraries Sixth Report and Order*, in the *2014 ESL Public Notice*, we proposed to include in the ESL language explaining that: (1) “Interactive communication web hosting features such as blogging and web mail are not considered eligible for E-rate support as standalone services;” and (2) “Applicants may seek web hosting services from a single provider and may not request funding for multiple web hosting providers.”<sup>31</sup>

**b. Discussion**

11. Consistent with the *Schools and Libraries Sixth Report and Order*, with some minor modifications to the *2014 ESL Public Notice* proposal, we include in the ESL language explaining that interactive communications features that may be eligible as part of a web hosting package are not eligible for support as standalone services and that applicants may not request E-rate funding for web hosting services from multiple providers. The Commission’s decision about web hosting in the *Schools and Libraries Sixth Report and Order* was clear and was intended to inform applicants that the web hosting services for which they request E-rate funding could include certain features that facilitate the ability to communicate, such as blogging, e-mailing over a school’s or library’s hosted website, discussion boards, and services that may facilitate real-time interactive communication.<sup>32</sup> The Commission’s decision, however, included no discussion of the eligibility of the mentioned communication features on a standalone basis. Nothing in the *Schools and Libraries Sixth Report and Order* reflects an intention to create a new category for eligibility that would allow USAC to fund such services on a standalone basis, and the Bureau has consistently maintained that communications features are eligible for E-rate funding as part of a web hosting package and not as standalone services.<sup>33</sup>

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<sup>30</sup> See, e.g., *Schools and Libraries Universal Service Support Mechanism, Eligible Services List* at 6, CC Docket No. 02-6, GN Docket No. 09-51 (Wireline Comp. Bur. 2012), available at [http://www.usac.org/res/documents/sl/pdf/ESL\\_archive/EligibleServicesList-2013.pdf](http://www.usac.org/res/documents/sl/pdf/ESL_archive/EligibleServicesList-2013.pdf) (2013 ESL). The entry for web hosting states “[a] web hosting service that provides a means for a school or library to maintain a website on the Internet is eligible. This will include storage, access, and website administration tools for the creation and maintenance of the website. In addition, web hosting may include password-protected pages, interactive communication features such as blogging and web mail, and other features that facilitate real-time interactive communication, such as instant messaging and chat.” The ineligible charges for web hosting indicated on the ESL include: (1) costs attributable to the creation or modification of information, or design such as a web site creation fee or content maintenance fees; (2) content supplied as part of a web hosting service created by third-party vendors or the web hosting service provider itself and any features or software involving data input or retrieval other than the provision of applicant-created content for an educational purpose (e.g. teacher web pages or blogs); (3) the parts of a web hosting service including, but not limited to, any portion of tools, capabilities or integration with other systems such as: student information systems; databases; student attendance or grades or grade management; course scheduling; tests or testing systems; on-line or interactive education systems; and learning or education management systems. *Id.* at 8-9. The ESL also states that web hosting service will also not include support for the applications necessary to run online classes or collaborative meetings.

<sup>31</sup> *2014 ESL Public Notice*, 28 FCC Rcd at 9394-95.

<sup>32</sup> *Schools and Libraries Sixth Report and Order*, 25 FCC Rcd at 18806-7, para. 101 (“[F]eatures that facilitate the ability to communicate, such as blogging, e-mailing over a school or library’s hosted website, discussion boards, and services that may facilitate real-time interactive communication such as instant messaging or chat, should be eligible for E-rate funds *as part of a web hosting package.*”) (emphasis added).

<sup>33</sup> For example, in providing a clarification to the web hosting entry regarding content editing for funding year 2012, the Bureau indicated that “the *portions of a web hosting package* that provide for interactive communication, such as blogging, web-based email, and discussion boards, as explained in the *Sixth Report and Order*, remain eligible.” (continued....)



12. The record suggests that some commenters have misinterpreted the Commission's direction in the *Schools and Libraries Sixth Report and Order* as permitting E-rate funding for communications features such as discussion boards and blogging outside of a web hosting package or argue that these features should be eligible as part of email service.<sup>34</sup> As explained above, the Commission did not designate as eligible for E-rate support on a standalone basis the features that the Commission indicated as eligible if part of a web hosting package – i.e., features that facilitate the ability to communicate, such as blogging, e-mailing over a school or library's hosted website, discussion boards, and services that may facilitate real-time interactive communication. Because the Commission did not designate these communications features as standalone services, there is also no merit to the contention of some commenters that an applicant should be able to seek E-rate funding for these components from multiple providers.<sup>35</sup> The revised language in the ESL does not alter the Commission's decision in the *Schools and Libraries Sixth Report and Order* about the eligibility of web hosting or other services; it merely clarifies the existing limitations on support for such services.

13. Some commenters insist that if the ESL limits eligibility for communications features to only those that are part of a web hosting package from one vendor, the Commission should now designate these interactive features as eligible under the email entry on the ESL or as a new entry on the ESL.<sup>36</sup> We find that adding new services to the ESL is outside the scope of this proceeding.<sup>37</sup> However, the Commission is currently seeking comment on whether it should designate additional eligible services as eligible for E-rate support, as part of the *2013 E-rate Modernization NPRM*, and we invite all interested parties to participate in that proceeding.<sup>38</sup>

14. Additionally, some commenters contend that all “collaboration tools” are eligible for support as part of a web hosting package or on a standalone basis, but this is incorrect. Many of the services described by commenters as collaboration tools would not be eligible for E-rate support even if they were part of a web hosting package. For example, several commenters indicate that collaboration tools include homework lockers or other “eLockers” for grading papers, assignments or for other purposes; digital resource libraries and access to professional learning networks and development; tools that enable the creation of interactive online lessons, content and curriculum design; student assessment tools;<sup>39</sup> filtering and online monitoring;<sup>40</sup> and online safety courses for students.<sup>41</sup> While these may be valuable administrative tools that support education, students and teachers, the Commission has either not made an eligibility determination for these services, even as part of web hosting, or has already determined that

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See *Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, 26 FCC Rcd 13280, 13283-84, para. 12 (Wireline Comp. Bur. 2011) (emphasis added).

<sup>34</sup> See e.g., GaggleNet, Inc. Comments at 1-4; Schoology, Inc. Comments at 2; eBackpack, Inc. Comments at 2. See also Duval County Public Schools Comments at 1; Henderson County Public Schools Comments at 1; Peoria Public Schools Comments at 1; Tyler Independent School District Comments at 2; Detroit Public Schools Comments at 1; Dayton Public Schools Comments at 1.

<sup>35</sup> See e.g., GaggleNet, Inc. Comments at 1-4; Schoology, Inc. Comments at 2; eBackpack, Inc. Comments at 2.

<sup>36</sup> See, e.g., Schoology, Inc. Comments at 3; GaggleNet, Inc. Comments at 3-4; Dayton Public School Comments at 1; Henderson Public School Comment at 1.

<sup>37</sup> See *2014 ESL Public Notice*.

<sup>38</sup> See *Modernizing the E-rate Program for Schools and Libraries*, WC Docket No. 13-184, Notice of Proposed Rulemaking, 28 FCC Rcd 11304 (2013) (*2013 E-rate Modernization NPRM*).

<sup>39</sup> See, e.g., Schoology, Inc. Comments at 1; GaggleNet, Inc. Comments at 1-2.

<sup>40</sup> Peoria Public Schools Comments at 1; Tyler Independent School District Comments at 2.

<sup>41</sup> Peoria Public Schools Comments at 1.

these features and services are ineligible for E-rate support. For example, in the *Schools and Libraries Sixth Report and Order*, the features that the Commission highlighted as ineligible were those that involved content, grading and assessment systems,<sup>42</sup> and also the applications necessary to run online classes or collaborative meetings.<sup>43</sup> Also, the ESL states that ineligible components of web hosting include any portion of tools, capabilities or integration with other systems such as: student information systems; databases; student attendance or grades or grade management; course scheduling; tests or testing systems; on-line or interactive education systems; and learning or education management systems.<sup>44</sup> Thus, the assumption that “collaboration tools” is an interchangeable term for the interactive communications features is mistaken.<sup>45</sup>

15. In the *2014 ESL Public Notice*, we specifically proposed to modify the ESL to state that the “[i]nteractive communication web hosting features such as blogging and *web mail* are not considered eligible for E-rate support as standalone services.”<sup>46</sup> Blackboard Engage explains in its comments that the use of the term “web mail” in the proposal may lead some applicants to think incorrectly that there are different eligibility requirements for web mail than e-mail.<sup>47</sup> We agree that web mail is eligible as Priority One e-mail if it is sought as an e-mail service. Therefore, we are adopting the proposal in the *2014 ESL Public Notice* with a modification to remove the reference to “web mail”. We caution applicants that a request for discounts on e-mail service would be duplicative of an e-mail feature that is part of a web hosting package.<sup>48</sup> Applicants in this situation would be required either to not seek discounts for the e-mail service or to remove the costs of the e-mail feature in the web hosting package through a cost allocation.

#### **B. Miscellaneous Clarifications**

16. We also adopt the other miscellaneous clarifications and edits that were proposed in the *2014 ESL Public Notice*.<sup>49</sup> Specifically, we modify the definition of Internet access in the ESL Glossary to

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<sup>42</sup> *Schools and Libraries Sixth Report and Order*, 25 FCC Rcd at 18807, para. 101, n.306.

<sup>43</sup> *Id.* at 18807.

<sup>44</sup> *See, e.g., 2013 ESL* at 6.

<sup>45</sup> We note that SECA indicates that the e-mail service description in the ESL states that collaboration tools are considered an ineligible feature and must be cost allocated, and that both SECA and Blackboard Engage submit that if collaboration tools must be cost allocated from e-mail services, they must also be cost allocated from web hosting services or, alternatively, must be found eligible as part of a web hosting or e-mail package. SECA Comments at 7; Blackboard Engage Comments at 12-13. “Collaboration tools”, however, is not an interchangeable term for the interactive communications features that are eligible as part of a web hosting package. Furthermore, resolution of the concern that e-mail services vendors should be on a level playing field with web hosting vendors with regard to interactive communications features is outside the scope of this proceeding. However, we anticipate that we will receive comments about the services that should be eligible for E-rate support as part of the *2013 E-rate Modernization NPRM* and invite commenters to discuss their concerns about technical neutrality in conjunction with their comments on the eligibility framework for E-rate.

<sup>46</sup> *2014 ESL Public Notice*, 28 FCC Rcd at 9332 (emphasis added).

<sup>47</sup> Blackboard Engage Comments at 12.

<sup>48</sup> *See Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Second Report and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd 9202, 9211, para. 22 (2003).

<sup>49</sup> No comments were filed on these proposed edits. We did, however, receive comments requesting changes outside of the proposals made in the *2014 ESL Public Notice* which sought further expansion or other clarifications to the ESL but we decline to address these changes at this time. *See, e.g.,* SECA Comments at 1-4 (seeking reconsideration of the ineligibility status of the administrative cost of collecting universal service fund charges); E-rate Provider Services, LLC Comments at 1-3 (seeking Priority One E-rate support for managed wireless access (continued....))

match the definition used in the Special Eligibility Conditions section of the ESL.<sup>50</sup> We adopt other non-substantive corrections in the introduction to the ESL, and in the Glossary we add the definition of “shared telephone service,” which had been inadvertently deleted from the ESL.<sup>51</sup> We also delete from the ESL the explanation concerning cost allocation for file servers because this information is generally subsumed into the main explanation for cost allocation.<sup>52</sup>

#### IV. ORDERING CLAUSE

17. ACCORDINGLY, IT IS ORDERED, that pursuant to the authority contained in sections 1 through 4, 254, 303(r), and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154, 254, 303(r), and 403, and sections 0.91 and 54.502(b) of the Commission’s rules, 47 C.F.R. §§ 0.91 and 54.502(b), this Order IS ADOPTED.

FEDERAL COMMUNICATIONS COMMISSION

Julie A. Veach  
Chief  
Wireline Competition Bureau

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point services); SECA Comments at 4-6; North Carolina Department of Public Instruction Reply Comments at 1-2 (recommending a clarification to the “Installation and configuration” entry of the ESL to allow applicants to seek installation services from vendors that do not supply the products to be installed). It would be premature to make a determination on these requests because they are outside the scope of this proceeding, and in some instances, these requests overlap with questions pending in the Commission’s *2013 E-rate Modernization NPRM*. *Supra* para. 13.

<sup>50</sup> *2014 ESL* at 36-37. Section 54.502(a) of the Commission’s rules, which lists the categories of eligible services for the E-rate program, states that “Internet access” is defined in section 54.5 of the Commission’s rules. Section 54.5 states that “Internet access” includes the following elements: 1) The transmission of information as common carriage; (2) The transmission of information as part of a gateway to an information service, when that transmission does not involve the generation or alteration of the content of information, but may include data transmission, address translation, protocol conversion, billing management, introductory information content, and navigational systems that enable users to access information services, and that do not affect the presentation of such information to users; and (3) Electronic mail services (e-mail). 47 C.F.R. § 54.5. The *2013 ESL* referred to the section 54.5 description of Internet access in the entry for Special Regulatory Requirements in the Special Eligibility Conditions section but the ESL Glossary definition of “Internet access” lacked this reference.

<sup>51</sup> *2014 ESL* at 43.

<sup>52</sup> *2014 ESL* at 23. There is additional information regarding cost allocation in the Commission’s rules and orders and on USAC’s webpage. *See e.g.* 47 C.F.R. § 54.504(e); USAC website, Cost Allocations for Services, <http://www.usac.org/sl/applicants/beforeyoubegin/eligible-services/cost-allocations.aspx> (last visited Oct. 18, 2013).



**APPENDIX A****List of Commenters****Comments and Reply Comments in Response to the  
*2014 ESL Public Notice*****CC Docket No. 02-6; GN Docket No. 09-51****Commenters**

1. Dayton Public Schools
2. Detroit Public Schools
3. Duval County Public Schools
4. Edline, LLC d/b/a/ Blackboard Engage
5. eBackpack, Inc.
6. E-rate Provider Services, LLC
7. Fort Wayne Community Schools
8. Gaggle.Net, Inc.
9. Henderson County Public Schools
10. Peoria Public Schools District #150
11. Schoology, Inc.
12. State E-rate Coordinators' Alliance
13. Tyler Independent School District

**Reply Commenters**

1. North Carolina Department of Public Instruction

**APPENDIX B**

**Eligible Services List for Funding Year 2014**

*(released with this Order as a pdf document)*