



Tariff 6 and BDS

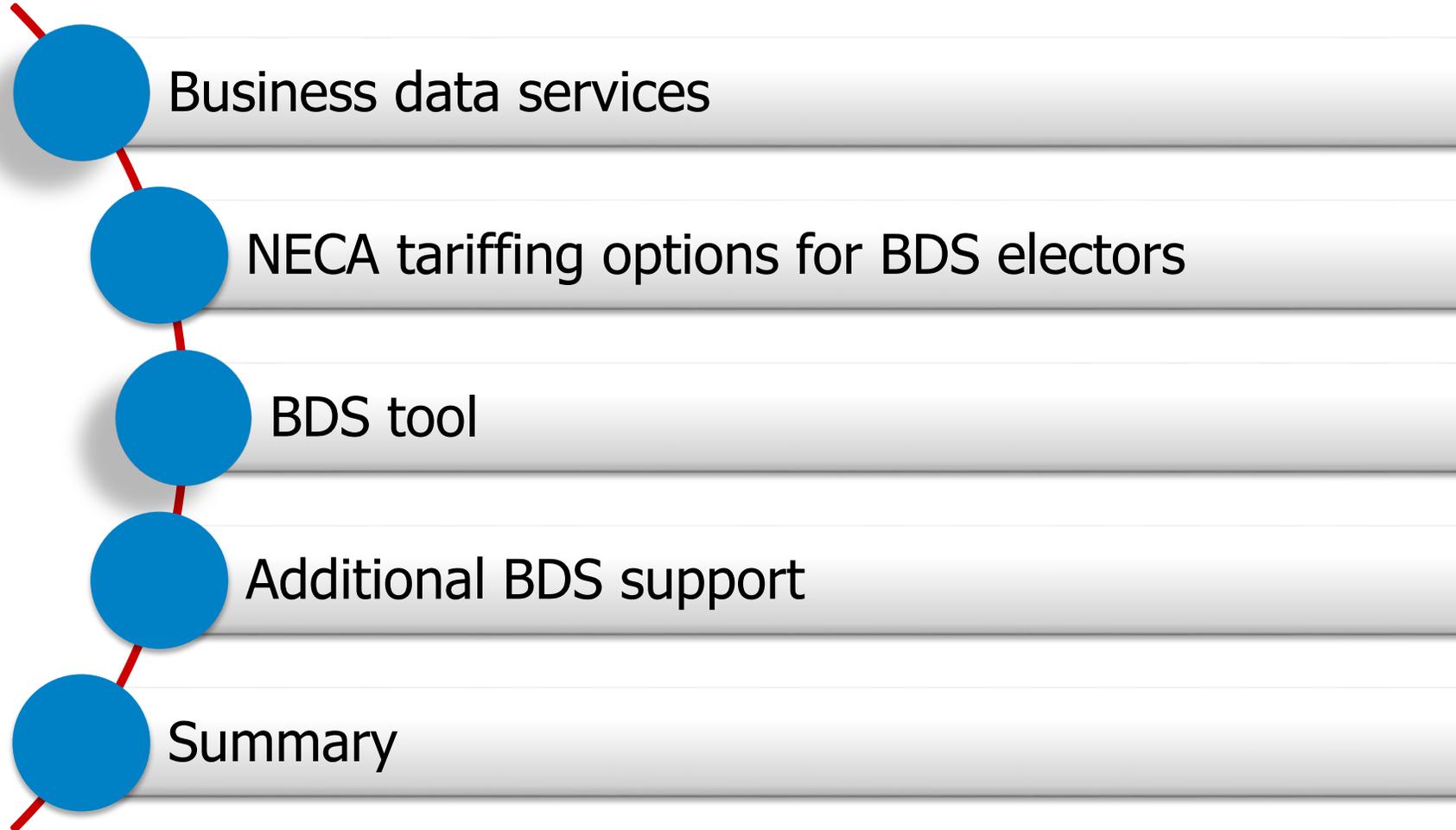
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Agenda

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- Business data services
 - NECA tariffing options for BDS electors
 - BDS tool
 - Additional BDS support
 - Summary

Business data services

BDS incentive regulation

- BDS order (FCC 18-146) provides the option for rate-of-return carriers receiving model support to migrate their business data services to incentive regulation pricing (e.g., price cap)
 - Dedicated point-to-point transmission of data at guaranteed speeds and service levels using high-speed connections (aka special access)
 - Rates are set at or below caps based on Part 61 rules
 - Adjustments for productivity, inflation and exogenous cost changes
 - Earnings are not prescribed

Business data services

Low speed

- Low-speed services subject to incentive pricing regulation
 - Metallic ethernet service
 - Telegraph grade
 - Voice grade
 - Program audio and video
 - Digital data
 - High capacity (DS1 and DS3)

Business data services

Low speed

- Low-speed pricing
 - Rates are subject to incentive pricing regulation and are filed in a tariff
- NECA calculates BDS rate caps in the BDS web tool for study areas based on:
 - Inflation factor (GDP-PI)
 - Productivity factor (X-factor)
 - Incremental exogenous costs
 - Company specific demand from prior year
 - Company specific data from Form 499A

Business data services

High speed

- High-speed services
 - Synchronous optical channel service
 - Frame relay
 - Asynchronous transfer mode cell relay service
 - Ethernet transport service
 - Internet Protocol gateway service
 - Digital subscriber line
 - Optical wavelength service

Business data services

High speed

- High-speed pricing – packet-based and time division multiplexing greater than DS3
 - Rates are **not** subject to incentive pricing regulation
 - Tariffed rates are frozen for the first six months
 - Electing companies must detariff services subject to high-speed pricing within three years of initial conversion to BDS
 - Sections 201, 202 and 208 of the Communications Act still apply to ensure rates and practices remain just and reasonable

NECA tariffing options for BDS electors

NECA Tariff FCC No. 5

- Study areas that elected incentive regulation were required to remove their BDS from NECA's traffic sensitive pool and NECA Tariff FCC No. 5
- These study areas have the option to be in the switched access portion of NECA's TS pool and tariff
 - Benefits include:
 - NECA will calculate and file your CAF ICC support data and switched access rates
 - Pooling helps stabilize cash flow for revenue/demand forecast misses
- BDS electors can also file their common line and CBOL rates in NECA Tariff FCC No. 5

NECA tariffing options for BDS electors

NECA Tariff FCC No. 6

- BDS electors can file their BDS rates in NECA Tariff FCC No. 6
- Annual filing in mid-June for effective date of July 1
 - Low-speed BDS subject to price caps
 - High-speed rates only for those that remain tariffed within the three-year transition
- Midcourse filing in mid-September for effective date of Oct. 1
 - Low-speed BDS subject to price caps
- Mid-December filing for effective date of Jan. 1
 - For high-speed rates being detariffed

NECA tariffing options for BDS electors

NECA Tariff FCC No. 6

- NECA provides a user-friendly web tool to ensure compliance with price cap rules for NECA Tariff FCC No. 6 participants
 - NECA will:
 - Develop price caps using its incentive pricing model and collect required demand and exogenous cost data
 - File company-selected rates in NECA Tariff FCC No. 6 along with associated tariff review plan
 - Work directly with the FCC on behalf of the company to address any items that may arise with tariff filing

NECA tariffing options for BDS electors

NECA Tariff FCC No. 6

- BDS exogenous cost filing typically in mid-September for effective date of Oct. 1
 - Reflects rate adjustments to recover incremental exogenous costs based on final regulatory fees, NANPA and TRS factors
 - Our incentive pricing model web tool can help determine whether current rates result in over/under-recovery based on exogenous cost factor changes
 - Rate changes are required if changes in exogenous cost factors result in over-recovery
 - Rate changes are optional as long as rates continue to meet the price caps

BDS tool

- Web-based tool created by NECA to help members complete work required to set lower-speed BDS rates using FCC prescribed rules
- Use of BDS tool is included with participation in NECA Tariff FCC No. 6
 - Results are used to create TRPs, NECA Tariff FCC No.6 rate pages and rate comparison reports
 - Companies also have access to historical information for prior:
 - Data submissions in BDS tool
 - Rate comparison reports

BDS tool

Live demonstration



DEMO

<https://cdn.touchdynamic.com>

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Additional BDS support

- Dedicated landing page on NECA's website with links to:
 - BDS FAQs
 - Current tariff filing
 - Historical tariff filings
 - Service pricing tool

Home > Member Services > Tariff 6

- + Average Schedule Company Resources
- + Cost Company Resources
- + Data Collections and Tools
- Forms and Certifications
- Industry Links
- Red Light Status
- ROR USF Reform Resources
- Reporting Guidelines, Papers and FAQs
- + Settlements
- Tariff 3
- + Tariff 4
- + Tariff 5
- Tariff 6
 - BDS FAQs
 - Historical Filings
- + USF

Effective Tariff No. 6

When changes are made, we submit a complete tariff to the FCC reflecting all revisions that became effective during the preceding month. Our current tariff submission contains all effective tariff material as of the date below. This link will download a single file containing all pages of the tariff. Bookmarks in the left navigation assist in locating specific material. Filings that become effective after the first of the month will be included in the next monthly current tariff submission.

Current tariff effective October 1, 2025

Questions related to Tariff No. 6? Send your inquiry with your name, company name, email address and contact telephone number to Tariff6@neca.org.

Additional member resources

Members can use our [service pricing tool](#) to price out special access and ethernet transport service circuits for customers. Whether responding to a complicated request for proposal or simply a single circuit order, we are available to assist at any stage of the price-out process.

Recent Tariff No. 6 filings

Unless otherwise noted below for a specific filing, revisions become effective on the date shown.

[Subscribe to alerts](#)

Transmittal No. 1756
BDS exogenous costs
Filed: 09/16/2025 Effective: 10/01/2025

Transmittal No. 1749
2025 Annual BDS filing
Filed: 06/16/2025 Effective: 07/01/2025

Transmittal No. 1731
BDS Exogenous Costs
Filed: 10/17/24 Effective: 11/1/24

Tariff filing support information

Company specific business data services rates reports are available for Tariff No. 6 participants from the [BDS tool](#).

Related links

[Company specific USF contributor status](#)

Summary

- NECA Tariff FCC No. 6 is open to all BDS electors during the annual tariff election
- Our incentive regulation website is:
 - Easy-to-use tool
 - Guides companies in rate selection
 - Ensuring compliance with FCC price cap rules
 - Maximizing cost recovery
 - Allowing competitive pricing flexibility
- We are here to help you

Thank you!



Please fill out the class evaluation on the EXPO app;
your feedback is important to us!

Acronyms

- A-CAM Alternative Connect America Cost Model
- BDS Business Data Services
- CAF ICC Connect America Fund Intercarrier Compensation
- CFR Code of Federal Regulations
- DS3 Digital Signal – Level 3
- DSL Digital Subscriber Line
- ERO E-Rate Option
- ETS Ethernet Transport Service
- EUCT End User Channel Termination
- FAQ Frequently Asked Question
- FCC Federal Communications Commission
- ILEC Incumbent Local Exchange Carrier

Acronyms

- LS Local Switching
- NANPA North American Numbering Plan Administration
- NECA National Exchange Carrier Association
- RoR Rate of Return
- SPA Special Access
- TRS Telecommunications Relay Service
- TS Traffic Sensitive
- USAC Universal Service Administrative Company
- USF Universal Service Fund