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the United States Department of Commerce's Gross Domestic Product-Chained Price Index (GDP-CPI).

(b) [Reserved]

[52 FR 17229, May 6, 1987, as amended at 56 FR 27422, June 14, 1991; 62 FR 32948, June 17, 1997; 62 FR 40748, July 30, 1997; 63 FR 2124, Jan. 13, 1998; 66 FR 30086, June 5, 2001]

### § 36.622 National and study area average unseparated loop costs.

(a) National Average Unseparated Loop Cost per Working Loop. Except as provided in paragraph (c) of this section, this is equal to the sum of the Loop Costs for each study area in the country as calculated pursuant to §36.621(a) divided by the sum of the working loops reported in §36.611(h) for each study area in the country. The national average unseparated loop cost per working loop shall be calculated by the National Exchange Carrier Association. Effective July 1, 2001, the national average unseparated loop cost for purposes of calculating expense adjustments for rural incumbent local exchange carriers, as that term is defined in §54.5 of this chapter, is frozen at $240.00.

(1) The National Average Unseparated Loop Cost per Working Loop shall be recalculated by the National Exchange Carrier Association to reflect the September, December, and March update filings.

(2) Each new nationwide average shall be used in determining the additional interstate expense allocation for companies which made filings by the most recent filing date.

(3) The calculation of a new national average to reflect the update filings shall not affect the amount of the additional interstate expense allocation for companies which did not make an update filing by the most recent filing date.

(b) Study Area Average Unseparated Loop Cost per Working Loop. This is equal to the unseparated loop costs for the study area as calculated pursuant to §36.621(a) divided by the number of working loops reported in §36.611(h) for the study area.

(1) If a company elects to, or is required to, update the data which it has filed with the National Exchange Carrier Association as provided in §36.612(a), the study area average unseparated loop cost per working loop and the amount of its additional interstate expense allocation shall be recalculated to reflect the updated data.

(2) [Reserved]

(c) The National Average Unseparated Loop Cost per Working Loop shall be the greater of:

(1) The amount calculated pursuant to the method described in paragraph (a) of this section; or

(2) Until June 30, 2001, an amount calculated to produce the maximum total Universal Service Fund allowable pursuant to §36.601(c). Effective July 1, 2001, for non-rural carriers, an amount calculated to produce the maximum non-rural carrier portion of nationwide loop cost expense adjustment allowable pursuant to §36.602. Effective July 1, 2001, for rural carriers, an amount calculated to produce the maximum rural incumbent local exchange carrier portion of nationwide loop cost expense adjustment allowable pursuant to §36.603(a).

[52 FR 17229, May 6, 1987, as amended at 56 FR 27422, June 14, 1991; 58 FR 69242, Dec. 30, 1993; 60 FR 65012, Dec. 15, 1995; 61 FR 34377, July 2, 1996; 62 FR 32948, June 17, 1997; 63 FR 2125, Jan. 13, 1998; 64 FR 67430, Dec. 1, 1999; 66 FR 30087, June 5, 2001; 72 FR 46919, Aug. 22, 2007]

## CALCULATION OF EXPENSE ADJUSTMENT—ADDITIONAL INTERSTATE EXPENSE ALLOCATION

### § 36.631 Expense adjustment.

(a)–(b) [Reserved]

(c) Beginning January 1, 1988, for study areas reporting 200,000 or fewer working loops pursuant to §36.611(h), the expense adjustment (additional interstate expense allocation) is equal to the sum of paragraphs (c)(1) through (2) of this section. After January 1, 2000, the expense adjustment (additional interstate expense allocation) for non-rural telephone companies serving study areas reporting 200,000 or fewer working loops pursuant to §36.611(h) shall be calculated pursuant to §54.309 of this chapter or §54.311 of this chapter (which relies on this part), whichever is applicable.

(1) Sixty-five percent of the study area average unseparated loop cost per working loop as calculated pursuant to