



September 22, 2014

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Connect America Fund, WC Docket No. 10-90; Rural Call Completion, WC Docket No. 13-39; Petitions, Pursuant to Section 706 of the Telecommunications Act of 1996, Seeking Preemption of State Laws Restricting the Deployment of Certain Broadband Networks, WC Dockets No. 14-115 and 14-116*

Dear Ms. Dortch:

On Friday, September 19, 2014, the undersigned, on behalf of NTCA–The Rural Broadband Association (“NTCA”), together with Brent Christensen and Anne Christensen of the Minnesota Telecom Alliance, Bob Olson of Emily Cooperative Telephone Company, and Jeff Olson of Red River Communications (collectively, the “Rural Representatives”) held separate meetings to discuss matters in the above-referenced proceedings with: (1) Patrick Halley from the office of Chairman Tom Wheeler, and Carol Matthey, Suzanne Yelen, and Alexander Minard from the Wireline Competition Bureau; (2) Nicholas Degani from the office of Commissioner Ajit Pai; (3) Priscilla Delgado Argeris from the office of Commissioner Jessica Rosenworcel; and (4) Amy Bender from the office of Commissioner Michael O’Rielly.

In each meeting, the Rural Representatives first discussed ongoing concerns regarding the failure of calls in Minnesota and noted efforts at the state level to address such issues. We noted that, while Minnesota and other states have been taking steps to investigate intrastate call completion issues, it is important that such efforts be coordinated with federal policies and requirements – and, we explained, the prolonged delay in implementing the record-keeping and reporting rules adopted nearly a year ago has hindered such coordination. The Rural Representatives urged the Federal Communications Commission (the “Commission”) to move quickly to finalize and implement the rules, thereby providing guidance both to states looking to further their own efforts on these issues and to other policymakers who may be looking to the Commission in the first instance to resolve these concerns.

The Rural Representatives next discussed in each meeting the track record of municipal entry into already competitive broadband markets in Minnesota. We expressed the position that states, being closer to local conditions and the communities affected, are in much better position to determine whether and to what degree a locality's entry into the broadband marketplace is filling a true competitive void or putting private investment and consumers/taxpayers at risk. We also highlighted that attempted preemption of state laws in this circumstance would give rise to serious legal questions, and we also noted as a practical matter that, if the Commission were interested in preempting laws that are perceived to hinder a competitive marketplace, it ought to look holistically at the same time at other provisions that create "tilted playing fields," such as franchise and right-of-way terms and pole attachment provisions that operate unfairly to the benefit of only one type of provider over others.

Finally, the Rural Representatives discussed in each meeting the need for updates to the existing high-cost rules for areas served by rural, rate-of-return-regulated local exchange carriers consistent with comments recently filed by NTCA and other rural telecom stakeholders. *See* Comments of NTCA, *et al.*, WC Docket No. 10-90, *et al.* (filed Aug. 8, 2014), at 6-28 and 34-60. We explained that current universal service rules are forcing consumers in some cases to take services they do not want simply to obtain affordable broadband, and that any short-term "workarounds" are insufficient, unsustainable, and should not be seen as good public policy. We therefore urged the Commission to move forward as soon as possible with a well-constructed transition away from legacy support mechanisms to a simple and straightforward new mechanism focused on supporting broadband-capable networks in high-cost areas served by smaller carriers.

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Michael R. Romano
Michael R. Romano
Senior Vice President – Policy

cc: Patrick Halley
Nicholas Degani
Priscilla Delgado Argeris
Amy Bender
Carol Matthey
Suzanne Yelen
Alexander Minard