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Survey: FCC USF/ICC Impacts Summary of Results

In January 2013, a very brief survey was sent via email to NTCA member company managers asking whether the FCC's ongoing USF/ICC reform efforts have caused their company to postpone or cancel any fixed network upgrades, and further asking respondents to quantify the aggregate cost of those postponements/cancellations. One hundred-eighty-five (185) NTCA member companies responded to the survey, representing 34% of the unique email addresses in NTCA's membership email database. Based on this sample size, results of this survey can be estimated to be accurate to within +/- 6% at the 95% confidence level. The results of the survey follow.

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Question 1. Has your company postponed or cancelled any fixed network upgrades as a result of the uncertainty surrounding the Commission's ongoing universal service fund (USF)/intercarrier compensation (ICC) reform efforts?

- Postponed or cancelled projects: 69%
- Neither postponed nor cancelled projects: 31%

Breaking down the responses of impacted companies further:

- Postponed projects: 62%
- Cancelled projects: 18%
- Both postponed and cancelled projects: 11%

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Question 2. [Optional] If you answered "Yes" to any part of Question 1 above, please provide the approximate total dollar amount of investment that has been subject to postponement or cancellation.

101 respondents (78% of those who indicated that they had postponed or cancelled projects) responded to this question. The results are as follows:

- Total aggregate value of postponed or cancelled projects: \$492.7 million
 - o Average: \$4.9 million
 - o Median: \$2.0 million
 - o High: \$145 million
 - o Low: \$80,000

NTCA—The Rural Broadband Association is the premier association representing nearly 900 independent, community-based telecommunications companies that are leading innovation in rural and small-town America. NTCA advocates on behalf of its members in the legislative and regulatory arenas, and it provides training and development; publications and industry events; and an array of employee benefit programs. In an era of exploding technology, deregulation and marketplace competition, NTCA's members are leading the IP evolution for rural consumers, delivering technologies that make rural communities vibrant places in which to live and do business. Because of their efforts, rural America is fertile ground for innovation in economic development and commerce, education, health care, government services, security and smart energy use. Visit us at www.ntca.org.