



January 7, 2020

**VIA ECFS**

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

**RE: *Rural Digital Opportunity Fund, WC Docket No. 19-126; Connect America Fund, WC Docket No. 10-90***

Dear Ms. Dortch:

This letter is sent on behalf of NTCA–The Rural Broadband Association (“NTCA”) to respond to recent correspondence from USTelecom in the above-referenced proceedings.<sup>1</sup>

In its letter, USTelecom offers passing praise for gigabit networks but then calls upon the Federal Communications Commission (the “Commission”) to prefer using the Rural Digital Opportunity Fund (“RDOF”) to deploy and sustain lower speed broadband networks over the next decade in rural America. At a time when digital opportunity in urban areas is generally well above the speed targets advocated by USTelecom, it would be opportunity lost for rural America if the RDOF auction were to favor specifically and distinctly lower speed tiers. Indeed, missing from USTelecom’s analysis and arguments is any attention to the notion of “reasonable comparability” – the statutory directive for the Commission to ensure that services in rural and urban areas are reasonably comparable in quality and price. When the average consumer two years ago could already access download speeds of nearly 75 Mbps, and when upload speeds today are approaching 50 Mbps on average,<sup>2</sup> USTelecom’s suggestions to revise the RDOF notice proposals to insert a new auction tier of 50/5 Mbps and to cut the upload speed of the 100 Mbps tier by 50% (to 10 Mbps) fly in the face of reasonable comparability.

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<sup>1</sup> *Ex Parte* Letter from Mike Saperstein, Vice President, Policy & Advocacy, USTelecom, to Marlene H. Dortch, Secretary, Commission, WC Dockets Nos. 19-126 and 10-90 (filed Jan. 3, 2020).

<sup>2</sup> *See Ex Parte* Letter from Michael R. Romano, Sr. Vice President, NTCA, and Ross Lieberman, Sr. Vice President, ACA Connects, to Marlene H. Dortch, Secretary, Commission, WC Dockets Nos. 19-126 and 10-90 (filed Jan. 6, 2020), at 2.

Such proposals represent substantial steps backward not only from the Commission's RDOF notice of proposed rulemaking several months ago, but even from the Connect America Fund ("CAF") auction structure adopted more than two years ago. In its RDOF notice, the Commission proposed only *one* tier below 100 Mbps, and its proposal for 100 Mbps included a 20 Mbps download speed. But, to make matters even worse, the adoption of a new speed tier at 50/5 Mbps would almost certainly "compress" the spreads between the other tiers (25 Mbps, 100 Mbps, and Gigabit), likely putting the Gigabit tier in particular on *even worse footing than it was in the CAF auction*. This is all the more true – and all the more punitive to the Gigabit tier – when one considers that a 100 Mbps service that provides only half of the upload speed of one that prevailed in the CAF auction might be getting the same (or an even better) relative discount in the RDOF auction.

USTelecom bases much of its proposal on the fear that, should the RDOF favor fiber networks, it will run out of money and deprive more remote areas of any broadband service. But such scare tactics are unfounded. NTCA has never proposed that the RDOF only support the deployment of gigabit performance networks. Rather, the aim of the RDOF should be to secure the best level of performance cost effectively and within the budget. Adjusting the weights to account for the "gigabit shortfall" in the CAF auction – where funds were left on the table – will achieve that result. By contrast, the USTelecom proposal risks leaving rural America on the wrong side of the digital divide, staring uphill yet again a decade from now at urban areas enjoying the benefits of materially better connectivity.

NTCA therefore urges the Commission to reject the USTelecom proposals to insert a new 50/5 tier and to water down the 100 Mbps tier from what was proposed in the RDOF notice and applied in the CAF auction. If anything, just as it is considering migrating from a LTE-focused Mobility Fund to a 5G Fund, the Commission should be looking now in the fixed service context to *build upon the CAF auction and promote better performance* (by providing credit for better upload speeds that will meet increasing demands) in lieu of reducing upload speeds and penalizing the Gigabit tier by providing a lesser effective "spread" than in even the CAF auction. NTCA members are eager to help provide digital opportunity in rural areas where broadband has been lacking to date – and the structure of this auction will prove critical in determining what kinds of digital opportunity rural Americans will receive, as well in furthering broader goals such as the availability of 5G services in rural areas.

Marlene H. Dortch

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Thank you for your attention to this correspondence. We appreciate the Commission's continued focus on improving broadband connectivity in rural areas, and we look forward to continued work and engagement with the Commission on our shared interest in overcoming these challenges.

Sincerely,

/s/ Michael R. Romano

Michael R. Romano

Senior Vice President –

Industry Affairs & Business Development

NTCA–The Rural Broadband Association

cc: Preston Wise  
Arielle Roth  
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