



November 7, 2022

Ex Parte Notice

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
45 L Street, NE
Washington, DC 20554

RE: *Connect America Fund, WC Docket No. 10-90; ETC Annual Reports and Certifications, WC Docket No. 14-58; Telecommunications Carriers Eligible to Receive Universal Service Support, WC Docket No. 09-197; Connect America Fund – Alaska Plan, WC Docket No. 16-271; Expanding Broadband Service Through the A-CAM Program, RM-11868*

Dear Ms. Dortch:

On Thursday, November 3, 2022, the undersigned on behalf of NTCA–The Rural Broadband Association (“NTCA”), Ryan Boone of Premier Communications, Denny Law of Golden West Telecommunications, Catherine Moyer of Pioneer Communications, Roger Nishi of Waitsfield & Champlain Valley Telecom, Jennifer Prather of Totelcom Communications, and Jonathan West of Twin Lakes Telephone Cooperative spoke with Ted Burmeister, Jesse Jachman, Joseph Sorresso, Stephen Wang, and Suzanne Yelen of the Wireline Competition Bureau and Michael Janson and Eric Ralph of the Office of Economics and Analytics regarding matters in the above-referenced proceedings.

In our meeting, we discussed the proposals put forth by NTCA for updates to the Alternative Connect America Model (“A-CAM”) and the Connect America Fund-Broadband Loop Support (“CAF-BLS”) mechanism. *See Ex Parte* Letter from Michael R. Romano, Executive Vice President, NTCA, to Marlene H. Dortch, Secretary, Federal Communications Commission (the “Commission”), WC Docket No. 10-90, *et al.* (filed Oct. 14, 2022). We explained how the proposals had been developed initially to promote delivery and sustainability of high-speed broadband and voice services throughout rural serving areas, and we noted what refinements and further suggestions had been made to improve and enhance these proposals more recently. In particular, we highlighted the material increases in suggested performance commitments in terms of both speed and scope, the specific recommendations submitted with respect to the support calculations needed to achieve and sustain such levels of service by electing providers, and the proposals to target support to where it is needed most and in a manner that coordinates with and complements broadband-related efforts underway by other federal and state agencies. We more specifically discussed how the service level commitments proposed by NTCA would be achieved in a timeframe comparable to realistic views of performance under grant programs still being designed, and noted the support disaggregation proposals included now in the record with respect to interplay of these programs and other findings of confirmed qualified competitive presence. *See id.*

We urged the Commission to act with respect to both A-CAM and CAF-BLS updates as soon as possible in light of impending deadlines in these programs and to promote even more effective coordination with other governmental broadband programs. We further discussed the efficiencies inherent within the Commission's programs that justify leveraging them to lead the charge with respect to promoting and sustaining broadband availability where possible. For example, we highlighted that – unlike grant programs that allow providers to identify self-selected polygons or other service areas that carve up the eligible locations that they wish to serve – the Commission's A-CAM and CAF-BLS programs help to mitigate the potential for provider-driven “patchwork quilts” by requiring commitments for deployment and ongoing availability of voice and broadband services across broader geographies in rural America (*e.g.*, at a study area level or across multiple census blocks where support is found warranted).

Moreover, even in areas where grants may be secured in the future to help cover some costs of deployment (and certainly in areas where grants have *not* been available to cover such costs), the Future of Universal Service Report highlighted that the Commission needs to consider questions regarding what ongoing support may be needed to ensure rates remain affordable and networks are sustainable. *See Report on the Future of the Universal Service Fund*, WC Docket No. 21-476, Report (rel. Aug. 12, 2022), at ¶ 41. (“The Commission should also explore and develop strategies to ensure that consumers have continuing access to advanced telecommunications services in high-cost areas that are reasonably comparable to that offered in urban areas at reasonably comparable prices.”) We observed that extending and enhancing A-CAM and CAF-BLS support as proposed here would help address these longer-term already-identified needs for wide swaths of rural America in a comprehensive and well-defined manner, allowing grants in turn to be targeted to other areas that lack such solutions. We further noted that the A-CAM and CAF-BLS programs provide meaningful and effective incentives to operate efficiently in achieving the holistic mission of universal service – that is, deploying networks *and* delivering services at more affordable rates. For example, we highlighted that the Commission's rules limit support for actual cost recovery through a cap on the overall amount of support that can be received per-location, in addition to presuming a minimum amount of cost recovery from end users and applying caps to operating expenses overall and corporate operating expenses more specifically.

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 Romano
Michael Romano
Executive Vice President

cc: Ted Burmeister
Jesse Jachman
Joseph Sorresso
Stephen Wang
Suzanne Yelen
Michael Janson
Eric Ralph