February 9, 2026

***Ex Parte* Notice**

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

RE: *Technology Transitions*, GN Docket No. 13-5; *IP-Enabled Services*, WC Docket No. 04-36; *Reducing Barriers to Network Improvements and Service Changes*, WC Docket No. 25-209; *Accelerating Network Modernization*, WC Docket No. 25-208; *Advancing IP Interconnection*, WC Docket No. 25-304; *Connect America Fund*, WC Docket No. 10-90; *Reforming Legacy Rules for an All-IP Future*, WC Docket No. 25-311

Dear Ms. Dortch:

On Thursday, February 5, the undersigned on behalf of NTCA–The Rural Broadband Association ("NTCA") spoke with Danielle Thumann, Senior Counsel to Chairman Brendan Carr, to discuss matters in the above-referenced proceedings.

NTCA started by highlighting how its members have made substantial strides in deploying robust and reliable networks that offer advanced IP-enabled services reasonably comparable to those available in urban markets despite serving rural areas where customer densities measure in single digits. For example, nearly 90% of NTCA members have IP switching capabilities in their networks, and nearly half are now using cloud-based platforms to deliver voice telephony services (up from less than 30% just two years ago); these services ride atop networks that on average can deliver broadband of 100 Mbps to more than 90% of customers.[1]

For all this progress, however, there are costs and burdens that are likely to fall uniquely and disproportionately upon smaller providers serving high-cost rural areas in connection with policies already in place and others presently under consideration associated with the ongoing transition to end-to-end IP connectivity. To help identify these costs and burdens, NTCA suggested the Federal Communications Commission (the "Commission") frame its analysis of such costs and burdens based upon two scenarios arising out of a "TDM sunset date" and associated requirements: (1) the case in which a provider facing such a mandate is compelled to acquire and deploy an IP-enabled switch in its own network; or (2) the case in which a provider facing such a mandate decides or finds itself compelled to leverage hosted or cloud-based VoIP platforms instead of acquiring and deploying its own IP switch.

[1] *See* NTCA Broadband Internet Availability Survey, at 3-4 (https://www.ntca.org/sites/default/files/documents/2025-12/2025BroadbandInternetAvailabilityReport.pdf).

As an initial matter, there are certain categories of cost or burden that will be incurred regardless of the provider's choice as to how to implement IP functionality given the nature of existing policies and mandates (even if the relative and precise impacts may differ depending upon, among other things, how a provider goes about implementing such IP capabilities in its network). For example, in 2024 the Commission adopted new transport and related mandates that require every originating provider to route traffic in dedicated IP format to points within each state unilaterally selected by a NG911 provider.[2] Although NTCA of course shares the Commission's interest in furthering the use of this advanced public safety technology, it is clear that the new mandates place disproportionate burdens on smaller providers serving remote areas in each state – but without providing any mechanism for such providers to recover the costs of reaching the location of the NG911 provider's choosing beyond the prospect of raising rural consumer rates to the extent that the market and Commission policies[3] may permit.

Similarly, to the extent that the Commission were to compel a winddown of remaining intercarrier compensation mechanisms as part of any IP transition without any recovery mechanism for eligible telecommunications carriers ("ETCs"), this would wipe away tens of millions of dollars of revenues that help to ensure as well that rural consumer rates are kept reasonably comparable to those in urban areas. Moreover, to the extent that providers wishing to leverage direct interconnection from currently deployed IP switches will ultimately be required to reach distant points of interconnection located hundreds or even thousands of miles away, this will transfer significant costs toward rural carriers and consumers (to the extent that providers can even obtain such direct IP interconnection with larger national network operators). Finally, it is worth noting that the Commission in 2023 imposed a new mandate upon certain ETCs to implement and submit a cybersecurity and supply chain risk management ("C-SCRIM") plan that reflects compliance with the NIST Cybersecurity Framework,[4] cybersecurity best practices such as those published by the Cybersecurity & Infrastructure Security Agency,[5] and best practices released by NIST for supply chain risk management.[6] In many cases, the ability to fulfill these obligations could likely increase operating expenses and require investment in additional advanced network technologies and capabilities.

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[2] *Facilitating Implementation of Next Generation 911 Services (NG911)*, *et al*., PS Docket Nos. 21-479 and 18-64, Report and Order, 39 FCC Rcd 8137, 8200-8201 (2024), at ¶¶ 141-143. ("We decline to impose any restrictions on 911 Authorities' selection of NG911 Delivery Points other than the home-state qualification discussed above, . . . to restrict the number of NG911 Delivery Points a 911 Authority may designate, . . . [and] to require 911 Authorities to designate NG911 Delivery Points that are 'reasonable' or not 'excessive' or to require 911 Authorities to negotiate with [originating service providers] in 'good faith' over the locations of interconnection points.")

[3] *See Wireline Competition Bureau and Office of Economics and Analytics Announce Results of 2026 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for Eligible Telecommunications Carriers*, WC Docket No. 10-90, DA 25-1088, Public Notice (rel. Dec. 19, 2025) (establishing reasonable comparability rate benchmarks that eligible telecommunications carriers must satisfy).

[4] *Connect America Fund*, *et al*., WC Docket No. 10-90, *et al*., Report and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, 38 FCC Rcd 7040, 7086-7088 (2023), at ¶¶ 109-114.

[5] *See*, *e.g.*, https://www.cisa.gov/cross-sector-cybersecurity-performance-goals

[6] *See*, *e.g.*, https://csrc.nist.gov/pubs/ir/8276/final

Against this backdrop, NTCA hereby provides initial industry-wide estimates for the incremental costs (initial and ongoing) arising out of the impacts of such policies, depending again upon the two scenarios described earlier:

Deployment of an IP-Enabled Switch by the Provider

Category	Initial Costs	Ongoing Costs
NG911 Obligations		$37,000,000[7]
IP Switch Procurement	$55,000,000[8]	
Direct IP Transport		$26,000,000[9]
Access Elimination		$60,000,000[10]
C-SCRIM Plan Development	$4,500,000[11]	
C-SCRIM Compliance		$34,000,000[12]
TOTAL	$59,500,000	$157,000,000

Use of Hosted or Cloud-Based VoIP Platforms by the Provider

Category	Initial Costs	Ongoing Costs
NG911 Obligations		$37,000,000
Platform Procurement/Set-up	$5,500,000[13]	
Platform Recurring		$245,000,000[14]
Access Elimination		$60,000,000
C-SCRIM Plan Development	$4,500,000	
C-SCRIM Compliance		$34,000,000
TOTAL	$10,000,000	$376,000,000

[7] Estimate presumes an average annual cost for dedicated interconnection of approximately $34,000 per study area. (All estimates that follow presume 1,090 study areas unless otherwise noted.)

[8] Estimate presumes average cost of $300,000 for acquisition of IP switching technology for study areas without such technology already in place.

[9] Estimate presumes average annual cost of $24,000 per study area for distant IP interconnection.

[10] Estimate presumes reform adopts bill-and-keep and eliminates ability to collect remaining access charge elements.

[11] Estimate presumes average cost of $5,750 per study area for plan development.

[12] Estimate presumes approximately $32,000 per study area for annual cybersecurity compliance.

[13] Estimate presumes average cost of approximately $5,000 per study area for hosted VoIP system implementation.

[14] Estimate presumes average cost of approximately $225,000 per year in recurring hosted VoIP fees per study area.

As noted above, NTCA members have consistently and wholeheartedly embraced the concept and promise of an IP transition and have taken significant strides within their own networks to be ready to "meet this moment" now and for years to come. But as the Commission has adopted certain policies in the past and may consider others related to network transitions, it cannot be overlooked that such decisions have implications for the costs of serving rural high-cost areas and universal service policy more broadly – particularly in keeping service rates more affordable and ensuring that the burdens of shifting interconnection and other regulatory obligations do not fall back directly and disproportionately on rural consumers. NTCA looks forward to further conversations with the Commission about how best to ensure the effective and thoughtful interplay of universal service and IP transition policies.

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: Danielle Thumann