

February 13, 2014

Ex Parte Notice

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

## Re: Connect America Fund, WC Docket No. 10-90; High-Cost Universal Service Support, WC Docket No. 05-337; AT&T Petition to Launch a Proceeding Concerning the TDM-to-IP Transition; Petition of NTCA for a Rulemaking to Promote and Sustain the Ongoing TDM-to-IP Evolution, GN Docket No. 12-353; Technology Transitions Policy Task Force, GN Docket No. 13-5

Dear Ms. Dortch:

On Tuesday, February 11, 2014, the undersigned, on behalf of NTCA–The Rural Broadband Association ("NTCA") met with Nicholas Degani, wireline legal advisor to Commissioner Ajit Pai.

During the meeting, I raised the need for refinement of universal service support in areas served by rate-of-return-regulated rural local exchange carriers ("RLECs") to facilitate consumer choice and stimulate deployment and adoption of broadband. I noted how such support would comport with the framework adopted for Connect America Fund ("CAF") support for price cap-regulated carriers by the Federal Communications Commission (the "Commission"), and the need too for universal service support that comports with the statutory requirements for sufficiency and takes into account the challenges of operating broadband-capable networks in diverse and discrete high-cost areas.

I further observed that NTCA has worked with its rural telecom partners to provide the Commission and staff with the tools and data needed to understand their targeted CAF proposal through numerous meetings and filings, and that we remain eager to continue productive conversations regarding the development of a CAF program that: (1) is tailored for smaller company operations; (2) recognizes the unique challenges associated with being a small network operator serving only rural areas; and (3) does not require or create complex rule changes, unpredictable shifts, or wholesale disruptions in universal service distribution. Although discussions regarding alternative voluntary methods of support may be useful as well, such voluntary alternatives will likely take significant time to develop, test, and implement – leaving consumers in RLEC-served areas in the interim unable to participate fully in the "IP evolution" because affordable and sustainable broadband access in such areas remains tethered to continued purchase of traditional telephone service. Resolution of these issues in the near-term must be viewed as an urgent and essential part of any successful national technology transition or IP evolution strategy.

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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,

<u>/s/ Michael R. Romano</u> Michael R. Romano

Senior Vice President – Policy

cc: Nicholas Degani