



February 16, 2016

Ex Parte Notice

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

RE: *Connect America Fund, WC Docket No. 10-90*

Dear Ms. Dortch:

NTCA–The Rural Broadband Association (“NTCA”) files this *ex parte* presentation to identify an issue that the Federal Communications Commission (the “Commission”) should monitor as it moves to address consumer demand for standalone broadband services in the context of universal service fund (“USF”) reform.

NTCA has long advocated for the Commission to address the situation in which USF support is lost with respect to deployment and operation of a network simply because a given consumer desires to procure only broadband and no longer purchase voice services offered via that network. NTCA greatly appreciates the Commission’s movement now toward addressing this long-standing issue, and while the details of such reform will be essential, NTCA hopes that any such reform will ultimately serve as a platform for increased broadband availability, affordability, and adoption in rural America. It is also important to ensure that the solution adopted for standalone broadband will be structured in a coordinated way with the operations of the USF mechanisms as a whole. In particular, a balance must be struck between providing increasing incentives and capability for carriers to respond to consumer demand for standalone broadband services while avoiding any artificial encouragement of carriers to leverage changes simply to maximize their own USF support in the short-term – which, under a fixed budget of course, could have negative implications for other recipients of USF support and the consumers they serve. This is a particularly important issue to the extent that any budget control adopted in the reforms might result in otherwise unrecoverable costs. *See Ex Parte* Letter from Michael R. Romano, Senior Vice President, NTCA, to Marlene H. Dortch, Secretary, Commission, WC Docket No. 10-90 (filed Feb. 4, 2016). Addressing this issue is important to serve the statutory goal of predictability and to avoid potential introduction of instability in connection with any reforms. NTCA is very eager to see the Commission complete its work here on updating the existing USF mechanisms for broadband demands of consumers, and NTCA believes the Commission should consider how to address any such concerns as part of finalizing reforms. NTCA is ready and willing as well to work with the Commission should any unintended consequences arise as a result of changes adopted in the order, so that shared objectives can in fact be achieved through the reforms.

Marlene H. Dortch
February 16, 2016
Page 2 of 2

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 R. Romano
Michael R. Romano
Senior Vice President – Policy