

July 16, 2015

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:

This letter is submitted into the record of the above-referenced proceeding on behalf of NTCA– The Rural Broadband Association, ITTA-The Voice of Mid-Size Communications Companies, the United States Telecom Association, and WTA—Advocates for Rural Broadband.

By this letter, the organizations listed above file proposals for streamlined processes pursuant to which an informed determination can be made of the extent to which "unsubsidized competition" exists within a particular geographic area. In the attachment hereto, specific processes are outlined both for any model-based optional universal service support mechanism that would be implemented for rate-of-return-regulated local exchange carriers ("RLECs") in the future, as well as for implementation of the rule currently in place that provides for a phase-down of existing universal service support in those RLEC study areas in which an unsubsidized competitor provides voice and broadband to 100% of residential and business locations.

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

Enclosure

Model-Based Unsubsidized Competition Determination

- 1. For any census block in which an unaffiliated, unsubsidized competitor(s) is shown as being able to serve consumers based upon 477 availability data, the FCC shall publish a list of potentially affected census blocks and identify the competitor(s) at issue.
- 2. The competitor(s) at issue shall then have the opportunity to file the following information (via officer certification and supporting documentary evidence) with the WCB (and provide a copy to the affected RLEC) for purposes of establishing/confirming the presence of unsubsidized competition in the relevant census block(s):
 - a. Availability of fixed terrestrial facilities-based voice (including 911/CALEA) and broadband services at then-current speed definitions to 100% of consumers in the relevant census block(s), including prior or current provision of voice and broadband to any consumer in the relevant census block(s) AND the ability to have service up and running within 7 to 10 business days of service request to any and all locations in the relevant census block(s);
 - b. Ownership (or lease from an entity other than the incumbent) of all facilities needed to serve each consumer in the relevant census block(s);
 - c. No use of cross-subsidies of any kind to provide services in the relevant census block(s);
 - d. Reasonably comparable rates for voice and broadband to those rates offered by either the would-be competitor in urban areas or the RLEC in the relevant census block(s);
 - e. Compliance with same speed and latency performance requirements imposed by FCC on CAF recipients (as measured using reasonable Busy Hour Offered Load metrics); and
 - f. Usage allowances comparable to those then currently applicable to a CAF recipient (*e.g.*, minimum 100 GB).
- 3. If a would-be unaffiliated, unsubsidized competitor fails to make such a filing, the relevant census block(s) shall be considered "non-competitive" and thus eligible for model-based support.
- 4. If a would-be unaffiliated, unsubsidized competitor does make such a filing, the affected RLEC shall receive a copy of such data and shall have 60 days to rebut the competitor's claim(s) with respect to the relevant census block(s).
 - a. Failure to file in response shall result in the relevant census block(s) being deemed competitively served and ineligible for model-based support; or
 - b. The WCB shall review the filings of the competitor and the RLEC, and shall resolve the extent to which each of the relevant census block(s) are or are not served by an unsubsidized competitor.

RoR Mechanisms Unsubsidized Competition Determination

- 1. For any study area in which an unaffiliated, unsubsidized competitor(s) is believed by the FCC to serve ALL of the consumers in that study area (i.e., 100% competitive overlap) based upon 477 availability data, the FCC shall publish a list of such potentially affected study areas and identify the competitor(s) at issue.
- 2. The competitor(s) at issue shall then have the opportunity to file the following information (via officer certification and supporting documentary evidence) with the WCB (and provide a copy to the affected RLEC) for purposes of implementing the 100% competitive overlap rule with respect to a given study area:
 - a. Reference to the Form 477 data indicating network deployment and broadband availability at then-current speed definitions throughout all census block(s) in the relevant study area;
 - b. Availability of fixed terrestrial facilities-based voice (including 911/CALEA) and broadband services to 100% of consumers in the relevant study area, including prior or current provision of voice and broadband to any consumer in the relevant study area AND the ability to have service up and running within 7 to 10 business days of service request to any and all locations in the relevant study area;
 - c. Ownership (or lease from an entity other than the incumbent) of all facilities needed to serve consumers in the relevant study area;
 - d. No use of cross-subsidies of any kind to provide service in the relevant study area;
 - e. Reasonably comparable rates for voice and broadband to those rates offered by either the would-be competitor in urban areas or the RLEC in the relevant study area;
 - f. Compliance with same speed and latency performance requirements imposed by FCC on CAF recipients (as measured using reasonable Busy Hour Offered Load metrics); and
 - g. Usage allowances comparable to those then currently applicable to a CAF recipient (*e.g.*, minimum 100 GB).
- 3. If a would-be unaffiliated, unsubsidized competitor fails to make such a filing, the relevant study area shall not be deemed competitively overlapped for purposes of the 100% rule.
- 4. If a would-be unaffiliated, unsubsidized competitor does make such a filing, the affected RLEC shall receive a copy of such data and shall have 60 days to rebut the competitor's claim(s) with respect to the relevant study area.
 - a. Failure to file in response shall result in the study area being deemed competitively served and subject to the transition defined in the 100% competitive overlap rule; or
 - b. The WCB shall review the filings of the competitor and the RLEC, and shall resolve the extent to which the relevant study area is or is not served to 100% of locations by an unsubsidized competitor.
- 5. No existing high-cost support will be eliminated or reduced or withheld unless and until the WCB issues an order determining that the relevant study area is served 100% by an unsubsidized competitor based upon the process described above.