

United States Senate

WASHINGTON, DC 20510

August 2, 2018

616

The Honorable Ajit Pai
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Pai:

We are writing to express our support for Petitions for Reconsideration filed by Mescalero Apache Telecom Inc. (MATI)¹ and Sacred Wind Communications, Inc. (Sacred Wind)² now under consideration at the Commission. As you know, the *Tribal Operational Expense Report and Order* added an eligibility condition that possess significant obstacles for carriers serving some of the hardest to serve territory in the country.³

In the *Tribal Operational Expense Report and Order*, the Commission increased the amount of operating expenses that carriers predominantly serving Tribal areas can recover from the Universal Service Fund. The *Tribal Operational Expense Report and Order* also limited the relief to carriers who have not deployed broadband service of 10 Mbps download/1 Mbps upload to 90 percent or more of the housing units on the Tribal land's study area. This limitation will actually harm these carriers' ability to deploy broadband further in their territory. Operational expenses are not reduced when a carrier builds out a broadband network— instead growth could actually lead to increased costs. It is our hope that you will direct the appropriate staff to work with the impacted companies on a path forward.

We appreciate the Commission's support of the *Tribal Operational Expense Report and Order*. However, we believe that MATI and Sacred Wind should not be excluded from this relief and the Commission should issue the relief requested in the Petitions.

Sincerely,

¹ *Connect America Fund*, Petition for Reconsideration of Mescalero Apache Telecom, Inc., WC Docket No. 10-90 (May 30, 2018).

² *Connect America Fund*, Petition for Reconsideration of Sacred Wind Communications, Inc., WC Docket No. 10-90 (May 31, 2018).

³ *Connect America Fund*, Report and Order, WC Docket No. 10-90, FCC 18-37 (rel. Apr. 5, 2018) (*Tribal Operational Expense Report and Order*).



Tom Udall
United States Senator



Steve Pearce
United States Representative



Martin Heinrich
United States Senator



Ben Ray Luján
United States Representative



Michelle Lujan Grisham
United States Representative



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

October 3, 2018

The Honorable Ben Ray Luján
U.S. House of Representatives
2231 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Luján:

Thank you for your letter expressing support for the Petitions for Reconsideration filed by Mescalero Apache Telecom Inc. and Sacred Wind Communications, Inc. To be sure, the Commission's April 2018 *Tribal Opex Order*, which allows certain rate-of-return carriers serving Tribal communities to recover higher levels of operational expenses from the Universal Service Fund, will result in additional funding to deploy both voice and broadband services in Tribal lands. I agree, however, that the *Order* did not go far enough in extending support to more carriers that service Tribal lands, including Mescalero Apache and Sacred Wind.

After a thorough review of the record, I believe that it was inappropriate to exclude carriers that did not have 10/1 Mbps broadband service deployed to 90% of their service territory (like Mescalero Apache and Sacred Wind) at the time the *Order* was adopted. Accordingly, I have directed staff to circulate an order in the near future to fix this mistake. I am hopeful that my colleagues will support these efforts.

I appreciate your interest in the Commission's critical work to promote broadband deployment in Tribal areas and throughout the country, and I look forward to continuing to work with you to close the digital divide. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, reading "Ajit V. Pai". The signature is stylized with a large, flowing "A" and "P".

Ajit V. Pai



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

October 3, 2018

The Honorable Martin Heinrich
United States Senate
303 Hart Senate Office Building
Washington, D.C. 20510

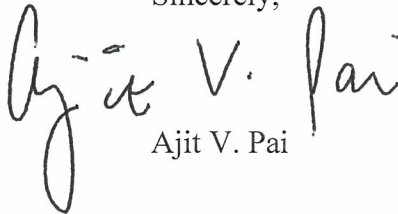
Dear Senator Heinrich:

Thank you for your letter expressing support for the Petitions for Reconsideration filed by Mescalero Apache Telecom Inc. and Sacred Wind Communications, Inc. To be sure, the Commission's April 2018 *Tribal Opex Order*, which allows certain rate-of-return carriers serving Tribal communities to recover higher levels of operational expenses from the Universal Service Fund, will result in additional funding to deploy both voice and broadband services in Tribal lands. I agree, however, that the *Order* did not go far enough in extending support to more carriers that service Tribal lands, including Mescalero Apache and Sacred Wind.

After a thorough review of the record, I believe that it was inappropriate to exclude carriers that did not have 10/1 Mbps broadband service deployed to 90% of their service territory (like Mescalero Apache and Sacred Wind) at the time the *Order* was adopted. Accordingly, I have directed staff to circulate an order in the near future to fix this mistake. I am hopeful that my colleagues will support these efforts.

I appreciate your interest in the Commission's critical work to promote broadband deployment in Tribal areas and throughout the country, and I look forward to continuing to work with you to close the digital divide. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink that reads "Ajit V. Pai". The signature is stylized, with the first name "Ajit" written in a large, flowing script and the last name "Pai" in a similar style. The middle initial "V." is written in a smaller, more formal script between the first and last names.

Ajit V. Pai



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

October 3, 2018

The Honorable Michelle Lujan Grisham
U.S. House of Representatives
214 Cannon House Office Building
Washington, D.C. 20515

Dear Congresswoman Lujan Grisham:

Thank you for your letter expressing support for the Petitions for Reconsideration filed by Mescalero Apache Telecom Inc. and Sacred Wind Communications, Inc. To be sure, the Commission's April 2018 *Tribal Opex Order*, which allows certain rate-of-return carriers serving Tribal communities to recover higher levels of operational expenses from the Universal Service Fund, will result in additional funding to deploy both voice and broadband services in Tribal lands. I agree, however, that the *Order* did not go far enough in extending support to more carriers that service Tribal lands, including Mescalero Apache and Sacred Wind.

After a thorough review of the record, I believe that it was inappropriate to exclude carriers that did not have 10/1 Mbps broadband service deployed to 90% of their service territory (like Mescalero Apache and Sacred Wind) at the time the *Order* was adopted. Accordingly, I have directed staff to circulate an order in the near future to fix this mistake. I am hopeful that my colleagues will support these efforts.

I appreciate your interest in the Commission's critical work to promote broadband deployment in Tribal areas and throughout the country, and I look forward to continuing to work with you to close the digital divide. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, reading "Ajit V. Pai". The signature is written in a cursive, flowing style. Below the signature, the name "Ajit V. Pai" is printed in a standard font.

Ajit V. Pai



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

October 3, 2018

The Honorable Steve Pearce
U.S. House of Representatives
2432 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Pearce:

Thank you for your letter expressing support for the Petitions for Reconsideration filed by Mescalero Apache Telecom Inc. and Sacred Wind Communications, Inc. To be sure, the Commission's April 2018 *Tribal Opex Order*, which allows certain rate-of-return carriers serving Tribal communities to recover higher levels of operational expenses from the Universal Service Fund, will result in additional funding to deploy both voice and broadband services in Tribal lands. I agree, however, that the *Order* did not go far enough in extending support to more carriers that service Tribal lands, including Mescalero Apache and Sacred Wind.

After a thorough review of the record, I believe that it was inappropriate to exclude carriers that did not have 10/1 Mbps broadband service deployed to 90% of their service territory (like Mescalero Apache and Sacred Wind) at the time the *Order* was adopted. Accordingly, I have directed staff to circulate an order in the near future to fix this mistake. I am hopeful that my colleagues will support these efforts.

I appreciate your interest in the Commission's critical work to promote broadband deployment in Tribal areas and throughout the country, and I look forward to continuing to work with you to close the digital divide. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, reading "Ajit V. Pai". The signature is fluid and cursive, with the first name "Ajit" being the most prominent part.

Ajit V. Pai



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

October 3, 2018

The Honorable Tom Udall
United States Senate
531 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Udall:

Thank you for your letter expressing support for the Petitions for Reconsideration filed by Mescalero Apache Telecom Inc. and Sacred Wind Communications, Inc. To be sure, the Commission's April 2018 *Tribal Opex Order*, which allows certain rate-of-return carriers serving Tribal communities to recover higher levels of operational expenses from the Universal Service Fund, will result in additional funding to deploy both voice and broadband services in Tribal lands. I agree, however, that the *Order* did not go far enough in extending support to more carriers that service Tribal lands, including Mescalero Apache and Sacred Wind.

After a thorough review of the record, I believe that it was inappropriate to exclude carriers that did not have 10/1 Mbps broadband service deployed to 90% of their service territory (like Mescalero Apache and Sacred Wind) at the time the *Order* was adopted. Accordingly, I have directed staff to circulate an order in the near future to fix this mistake. I am hopeful that my colleagues will support these efforts.

I appreciate your interest in the Commission's critical work to promote broadband deployment in Tribal areas and throughout the country, and I look forward to continuing to work with you to close the digital divide. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink that reads "Ajit V. Pai". The signature is fluid and cursive, with the first name "Ajit" being the most prominent part.

Ajit V. Pai