



Advocates for Rural Broadband

Jerry Piper
President

Kelly Worthington
Executive Vice President

January 31, 2019

Filed Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

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

Dear Ms. Dortch:

On Tuesday, January 29, 2019, Derrick Owens and Gerry Duffy representing WTA – Advocates for Rural Broadband (“WTA”) met with Preston Wise, Acting Special Counsel to Chairman Ajit Pai, to discuss the concerns of WTA’s rural telephone company (“RLEC”) members regarding the current status of the voice service rate floor and the performance testing requirements for RLECs and other small carriers.

WTA noted that the current freeze of the rate floor is scheduled to end as of July 1, 2019, and can result in substantial and disruptive local voice service rate increases of approximately \$7.00 per month if action is not taken to extend the existing freeze or eliminate the rule. Whereas WTA ideally would prefer elimination of the rate floor, it emphasized that the critical need at present is for a Commission ruling on the issue much earlier than July 1, in order to avoid the commencement of state ratemaking proceedings and the provision of advance notices of rate increases to remaining voice service customers. Once RLECs have to notify their state regulators and customers of a required or likely voice rate increase, much of the damage (which includes premature terminations of voice service, more rapid migrations to broadband-only services, and increased pressures on high-cost universal service budgets and budget control mechanisms) is likely to occur.

WTA also discussed the application that it filed on September 19, 2018 for review of the broadband performance testing order adopted in July 2018 by the Wireline Competition Bureau, Wireless Telecommunications Bureau and Office of Engineering and Technology.¹ WTA stressed that it did not oppose requirements that RLECs and other recipients of high-cost support test their broadband networks for compliance with the Commission’s speed and latency standards, and report the results of such testing to the Universal Service Administrative Company (“USAC”). Rather, WTA’s concern is that the testing requirements adopted in the *Order* were designed predominately by and for large price cap carriers, and did not take into account the very different sizes, resources and operating circumstances of RLECs. Hence, WTA’s Application for Review has requested that the commencement of performance testing by RLECs be deferred for a reasonable time from its scheduled starting point during the Third Quarter of 2019, and that the Commission’s Bureaus work with RLEC

¹ *Connect America Fund*, Order, WC Docket No. 10-90, DA 18-710, released July 6, 2018 (“Order”).

representatives during the deferral period to develop more reasonable and practicable testing procedures for RLECs and other small high-cost support recipients.

A major factor supporting deferral for RLECs is the present uncertainty as to whether the testing equipment being developed by vendors will be debugged; operate reliably, accurately and compatibly with existing RLEC broadband equipment; and be available in sufficient quantities and at affordable prices for use by RLECs during the Third Quarter of this year. Long experience has taught WTA and its members that equipment development generally takes significantly longer than scheduled, and that initially available versions frequently require revisions and upgrades before they work properly.

WTA also reiterated its concerns: (1) that quarterly testing is excessive and can be reduced to once or twice a year (*e.g.*, similarly to cable television signal leakage testing); (2) that the number of required test locations per service tier is excessive for RLECs, particularly given the reluctance of many rural residents to participate in federal testing of their Internet service; (3) that these sampling difficulties will be exacerbated by the requirement to substitute new samples every two years; (4) that rural Internet usage differs from prime time television viewing, while evening broadband testing disrupts and strains the small staffs of RLECs; (5) that the required customer equipment-to-Internet Exchange Point (“IXP”) testing route not only fails to duplicate the “customer experience” (which goes beyond IXPs to the websites being accessed), but also unfairly penalizes RLECs for middle mile and customer equipment problems and slowdowns over which they have no control; and (6) that the significant equipment, labor and administrative costs of testing reduce the already limited RLEC resources needed for broadband deployment and service upgrades. WTA and its members are committed to helping the Bureaus to develop effective alternative RLEC performance testing procedures that will eliminate or minimize these problems.

Pursuant to Section 1.1206(b) of the Commission's Rules, this submission is being filed for inclusion in the public record of the referenced proceeding.

Respectfully submitted,

/s/ Gerard J. Duffy

Gerard J. Duffy

WTA Regulatory Counsel

Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP

2120 L Street NW (Suite 300)

Washington, DC 20037

Telephone: (202) 659-0830

Email: gjd@bloostonlaw.com

cc: Preston Wise