



October 22, 2018

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

Re: *Ex Parte* Communication: WC Docket Nos. 10-90, 14-58, 07-135, and CC Docket 01-92

Dear Ms. Dortch:

On October 18, 2018, Genny Morelli and the undersigned of ITTA met with Travis Litman of the Office of Commissioner Rosenworcel regarding the *NPRM* in the above-referenced proceedings.¹

During the meeting, we discussed various points raised in ITTA's comments on the *NPRM*,² including A-CAM funding needs and attendant deployment obligations. With the A-CAM program now funded at \$146.10 per location for all participants, the next logical and appropriate step is funding all eligible locations at \$200 per location, the target amount established by the Commission when it initiated the A-CAM program in 2016.³ Failure to do so under reasonable terms and conditions would lead to the perverse result of the A-CAM program being a victim of its own success,⁴ could cause carriers potentially interested in any second A-CAM offer to be wary of accepting, and could leave tens of thousands of rural Americans stranded without access to Internet speeds of at least 10/1 Mbps.

We reiterated that the Commission should fully fund separate budgets for the A-CAM program and legacy support mechanisms, as well as evaluate sums required for CAF ICC support separate from the budgets for the A-CAM program and legacy mechanisms.⁵ Funding

¹ *Connect America Fund et al.*, Report and Order, Third Order on Reconsideration, and Notice of Proposed Rulemaking, FCC 18-29 (Mar. 23, 2018) (*NPRM*).

² See Comments of ITTA – The Voice of America's Broadband Providers, WC Docket Nos. 10-90, 14-58, and 07-135, CC Docket No. 01-92 (May 25, 2018) (ITTA Comments).

³ See *Connect America Fund, ETC Annual Reports and Certifications, Developing a Unified Intercarrier Compensation Regime*, Report and Order, Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, 31 FCC Rcd 3087, 3107, para. 52 (2016).

⁴ As the Commission is well aware, demand in response to the initial A-Cam offer far outstripped the initial \$150 million per year budget accorded to the program.

⁵ See ITTA Comments at 9-19.

Ms. Marlene H. Dortch
October 22, 2018
Page 2

participants in the A-CAM program to \$200 per eligible location and fully funding the legacy mechanisms would have a de minimis impact on consumers' bills.⁶ At the same time, consumers' contribution burden attributable to the universal service high-cost program has decreased by nearly 50 cents per month as compared to 2011.⁷

We also reiterated that if current A-CAM carriers are funded at \$200 per location under reasonable terms and conditions and the legacy mechanisms are fully funded, the Commission should extend a second A-CAM offer to all carriers on legacy mechanisms.⁸

Please do not hesitate to contact the undersigned with any questions regarding this submission.

Respectfully submitted,

/s/

Michael J. Jacobs
Vice President, Regulatory Affairs

cc: Travis Litman

⁶ See *id.* at 13-14, 17-18.

⁷ See Reply Comments of the Nebraska A-CAM Companies, WC Docket Nos. 10-90, 14-58, and 07-135, CC Docket No. 01-92, at 2-3 (June 25, 2018).

⁸ See ITTA Comments at 21-22.