



WASHINGTON, DC

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October 24, 2018

FILED VIA ECFS

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

Re: **Broadband VI, LLC**
The Uniendo a Puerto Rico Fund and the Connect USVI Fund,
WC Docket No. 18-143, and Lifeline and Link Up Reform and
Modernization, WC Docket No. 11-42
Notice of Ex Parte Presentation

Dear Ms. Dortch:

On October 22, 2018, Bill Neville, CEO of Broadband VI, LLC (“BBVI”), David Zumwalt, COO of BBVI, and undersigned counsel to BBVI met with Alexander Minard, Rebekah Douglas and Sue McNeil of the Wireline Competition Bureau to discuss certain aspects of the above-referenced proceedings.¹

The BBVI representatives provided background on BBVI, a locally-based provider of broadband Internet service in the U.S. Virgin Islands (“USVI”). We emphasized BBVI’s growing subscriber base and extensive coverage of the USVI, and then addressed the devastating effects of the 2017 Hurricanes Irma and Maria on BBVI’s network. We noted that BBVI fully restored service to its customers within eight months of the hurricanes and had increased subscribership by 30 percent in the last year. To provide better resiliency in the future, BBVI is seeking to expand its use of optical fiber, which is less susceptible to hurricanes and other natural disasters.

¹ See *The Uniendo a Puerto Rico Fund and Connect USVI Fund, et al.*, Order and Notice of Proposed Rulemaking, FCC 18-157, WC Docket Nos. 18-143, 10-90 and 14-58 (rel. May 29, 2018) (“*Connect USVI Fund NPRM*”) and *Lifeline and Link Up Reform and Modernization*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962 (2016).



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The parties next discussed the *Connect USVI Fund NPRM*. BBVI thanked the Commission for its Stage 1 award and that it received its Stage 1 payment last week. Regarding longer-term Stage 2 support, we emphasized that funding should be awarded on a competitive basis and limited to network operators serving the USVI prior to the hurricanes. We also stressed that the entire USVI should be treated as the geographic area for purposes of awarding support, recognizing that this approach will require a method for the Commission to weigh various factors, such as resiliency, speed and build-out milestones. We also discussed the importance of having alternatives to a required letter of credit given the difficulty of obtaining such credit on the USVI.

The meeting ended with an acknowledgement of BBVI's request for temporary waiver of the Lifeline minimum service standard for speed. The Commission representatives stated that they will reach out to BBVI with any questions they may have regarding the waiver request.

Copies of the attachment to this letter, which summarizes BBVI's position on the topics at issue in the above-referenced proceedings, were distributed to the Commission representatives during the meeting. Pursuant to Section 1.1206 of the Commission's Rules, this letter is being filed electronically via the Electronic Comment Filing System in the referenced proceedings.

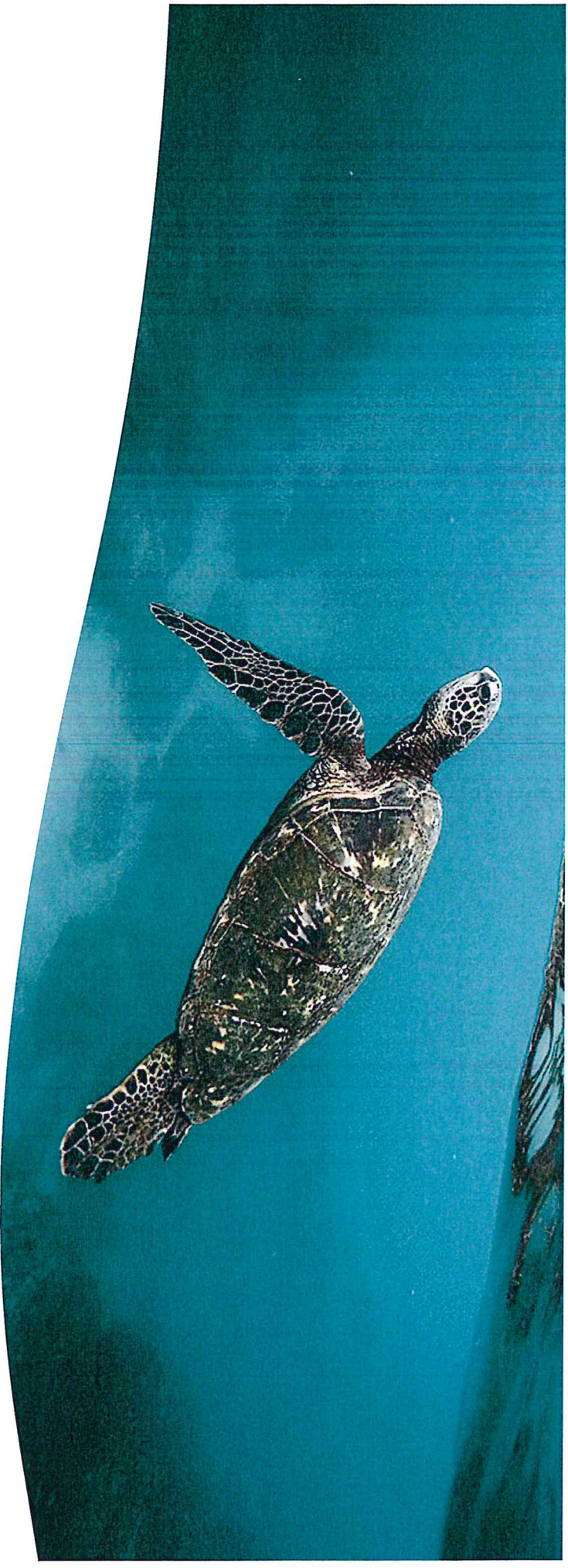
Respectfully submitted,

/s/ Stephen E. Coran
Stephen E. Coran

/s/ Philip A. Bonomo
Philip A. Bonomo

Attachment

cc: Alexander Minard
Rebekah Douglas
Sue McNeil

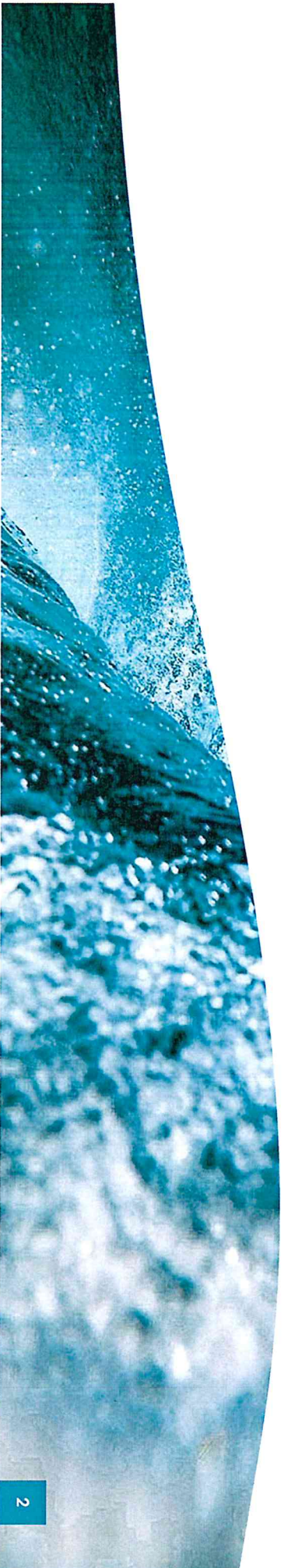


Broadband VI

The USVI's choice for innovative internet service delivery since 2002

About Broadband VI

Our Business. Our Network.





Our Business

- USVI ISP founded in 2002, leveraging fiber and wireless connectivity
- Consistent growth track record, experienced staff, proven success
- 10,000+ subscribers, 30% of USVI market
 - Residential, commercial, academic and public sector customers
- Collaborative relationships:
 - viNGN (open access middle mile fiber network)
 - Economic development/workforce development initiatives (RTPark, UVI)
 - VI government departments and agencies (DPW, GVI)

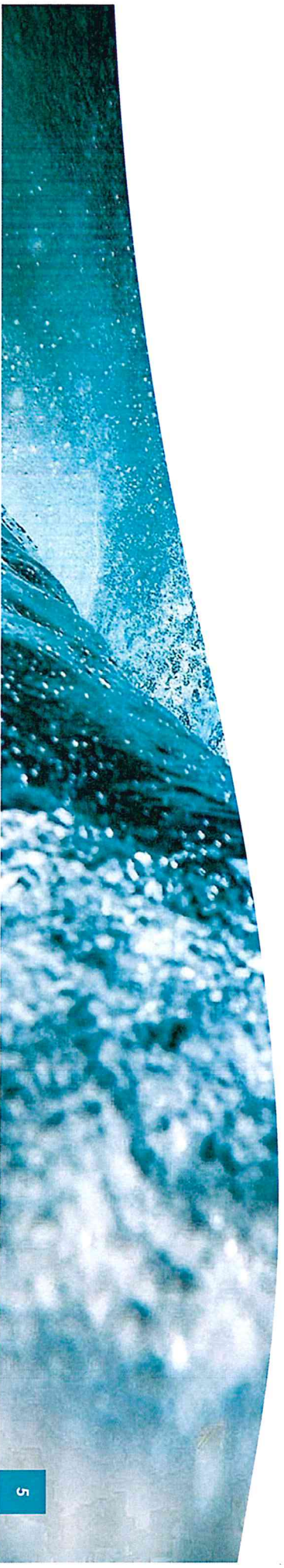


Our Network

- 95%+ service area (USVI territory) coverage
- Resilient:
 - Power: utility, backup generator and battery power
 - Backhaul: CenturyLink sub-sea fiber (Miami, NY/Miami/LA)
- Middle mile:
 - Tower-to-tower licensed spectrum loops; tower-to-AP secondary links
 - vINGN fiber
- Last mile:
 - Next-gen CPE microwave technology; 5G (2.5G bps over the air)
 - On fiber with wireless failover available (popular with commercial customers)

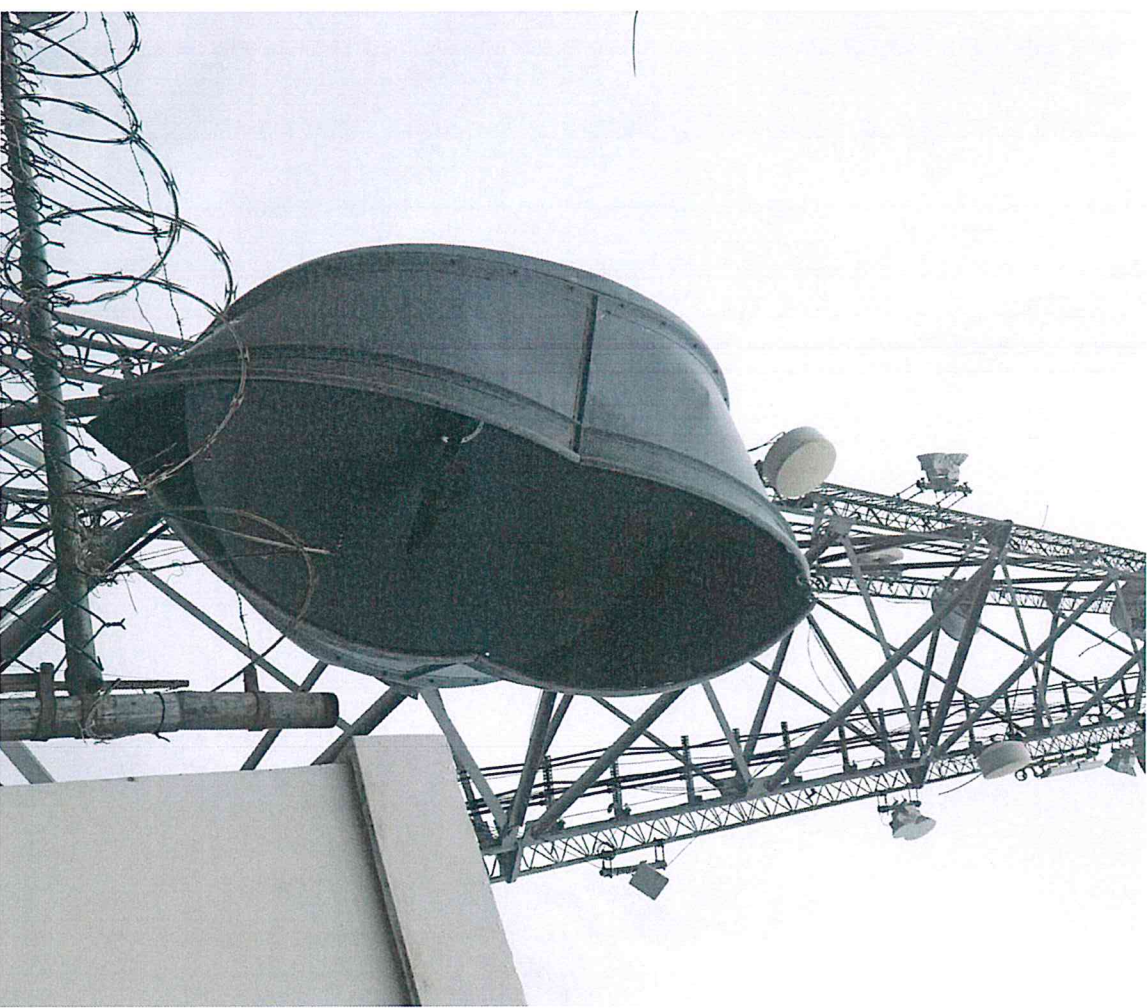
2017 Major Hurricanes Irma, Maria

Back-to-back Category 5 storms, widespread devastation/disruption, response, recovery efforts



Irma/Maria Damage

10-foot dish for 40-mile St. Thomas-St. Croix link



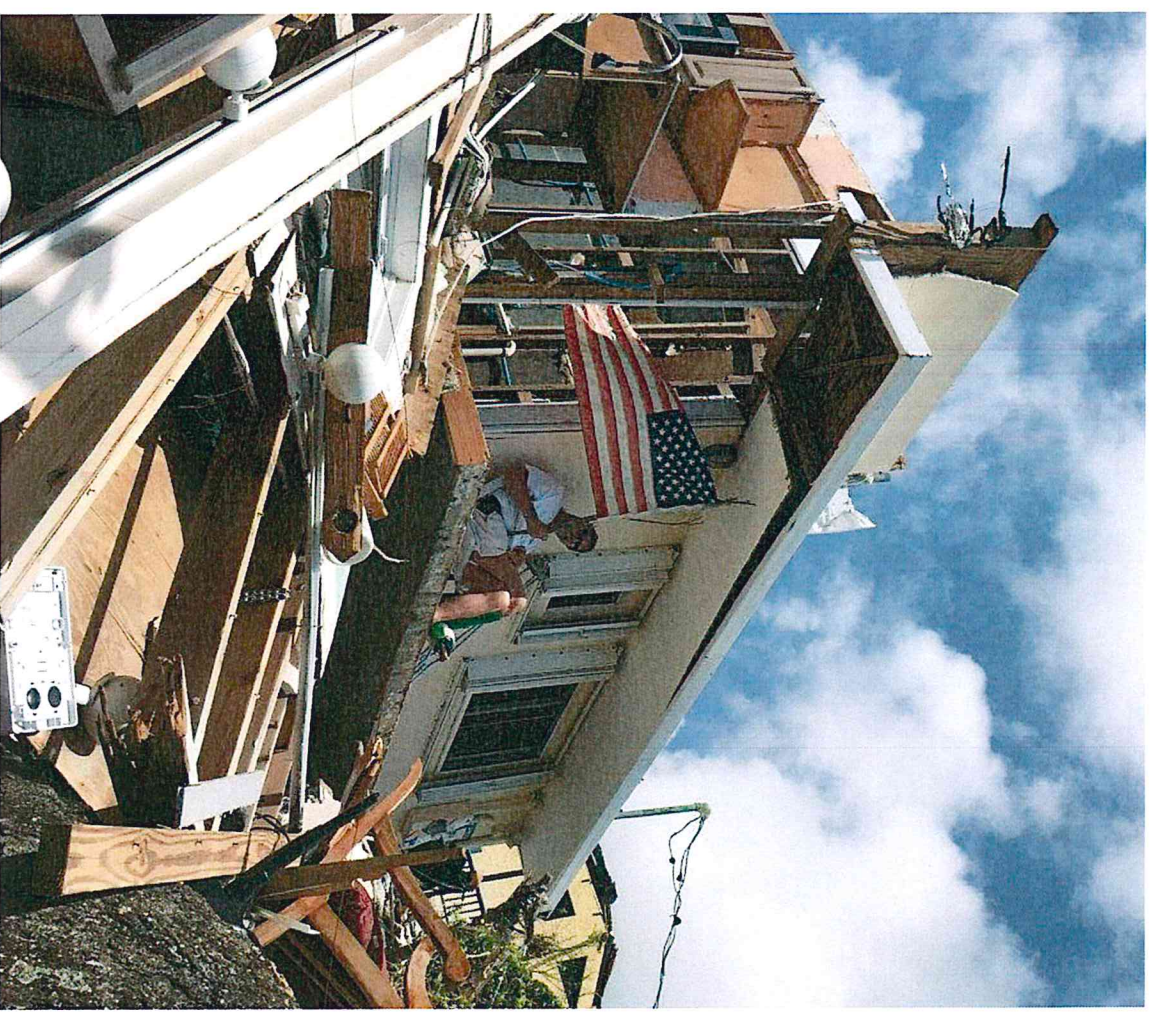
Irma/Maria Damage

Clearing the road to a main tower



Irma/Maria Damage

Secondary AP – top floor of house is gone





Broadband VI – Hurricanes Response

- Service restoration:
 - First bandwidth service within days; **60% restored in 3 months; 100% restored in 8 months**
 - Ongoing remediation, expansion of network
- Mutual aid:
 - Personnel volunteered to help rebuild, to use boats to move critical supplies inter-island, and to assist other service providers at tower sites
- Investment in network upgrades:
 - Cambium 450m/b
 - IgniteNet (2.5 Gbps point-to-multipoint wireless)
 - SIAE 80HDX (10 Gbps radio links)



Broadband VI – Hurricanes Service Priorities/Triage

- Supermarkets – essential supplies, SNAP, credit cards
- Gas Stations – fuel for vehicles and generators
- Hardware stores – building supplies for repairs
- Doctors/Pharmacies/Hospitals – medical care
- Airports / Ports – logistics
- Insurance companies – claims adjusters
- All other businesses
- Residential

Broadband VI Fiber Expansion

Why Fiber? Our Network Design Philosophy. Our Partnering Philosophy.

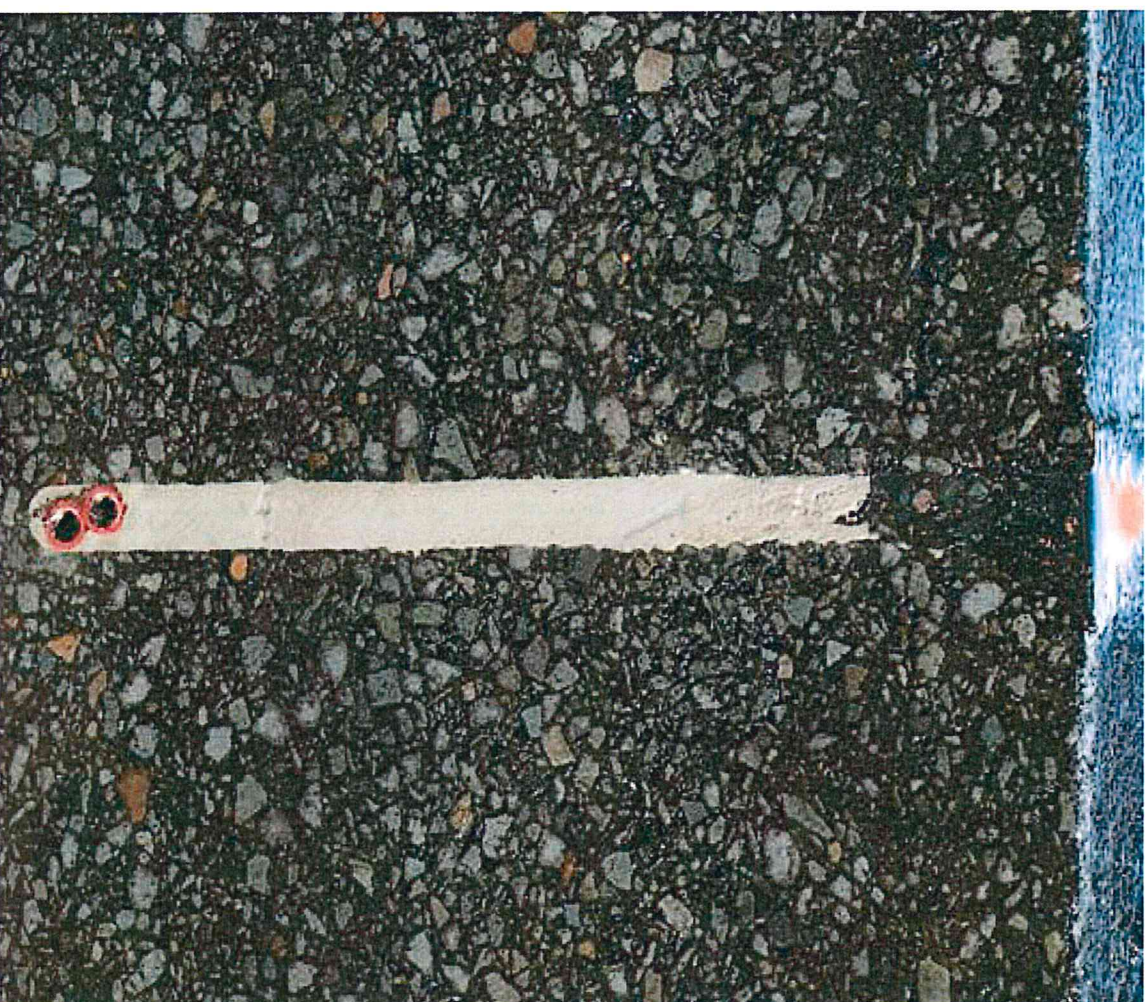


Why Optical Fiber?

Broadband VI Fiber Philosophy

- PON (passive optical network) fiber supports Gigabit, 10Gbps, and soon 40Gbps speeds
- Capital investment efficiency:
 - Fiber is "future-proof," has a long useful life (25+ years typically), and is capacity-upgradeable through replacement of optical terminal equipment (5-7 years typically)
- Fiber can support future growth in customers and bandwidth demand

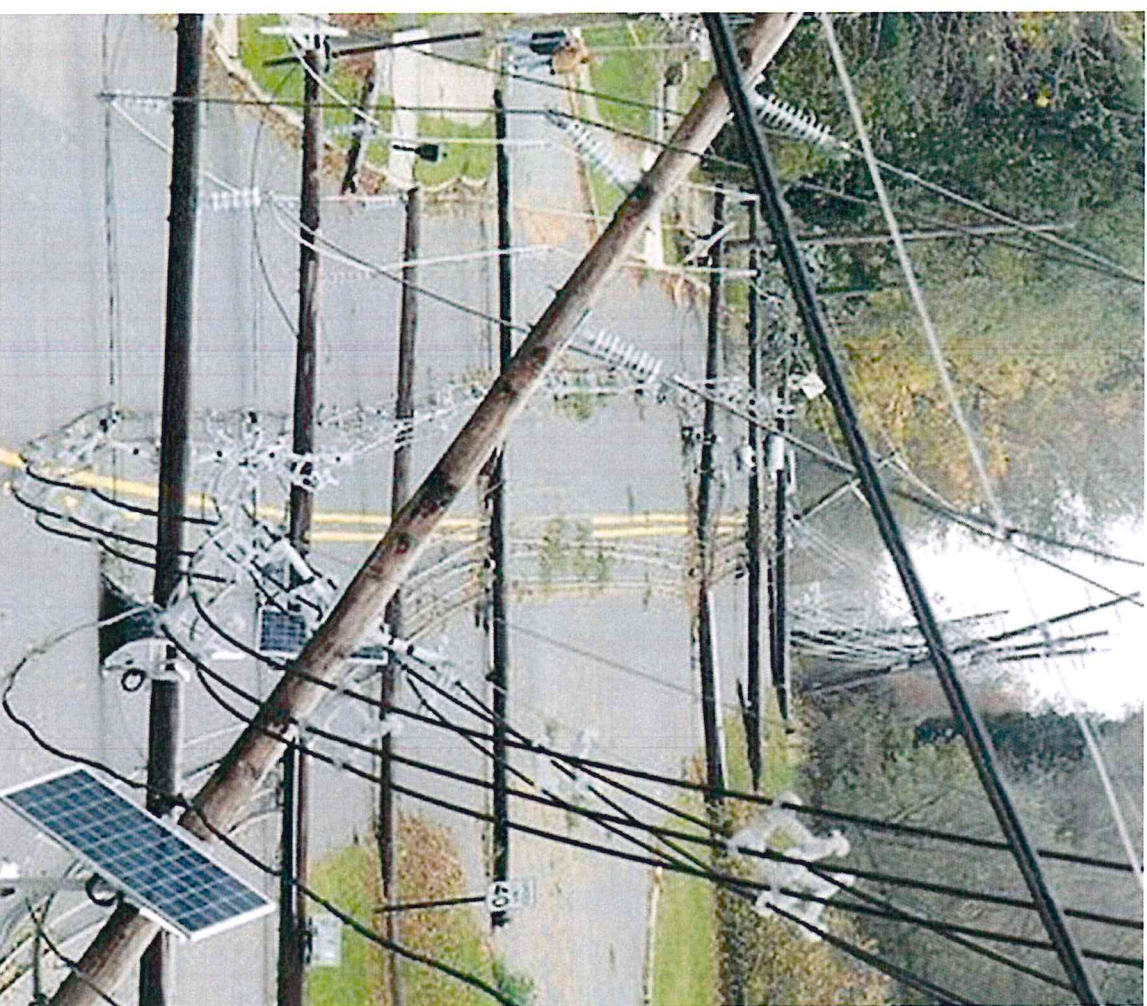
Pictured: cross section of microduct in road



Build for sustainability

Broadband VI Network Design Philosophy

- Hardened: use sub-sea and middle mile Access Points served by generators with automatic transfer switches and DC power plants with battery backups
- Resilience: use fiber ring technology that automatically reroutes traffic in case of failures or damage; offer failover options to customers
- Carrier-class: design for "five 9s" service availability (99.999% of time)
- Utilize underground (vs. aerial) fiber when possible; no exposure to wind and limited exposure to water
- Leverage v1NGN open access middle mile network
 - Broadband VI is presently the largest ISP utilizing the fiber network (mix of aerial and underground fiber)



viNGN Middle Mile – St. Thomas/St. John



viNGN Middle Mile – St. Croix



Leverage partnerships

Broadband VI Partnering Philosophy

- Engineering – an established, USVI-experienced engineering services provider with a strong project portfolio (including Google Fiber)
- Paving – a leading USVI-experienced paving/road works company
- VINGN
- Other service providers (peak load installation/repair, customer care, and network support services)
- Our Goal: to be the ISP known for reliability, customer service, innovation, and the ability to always weather the storm.



Connect USVI Fund

Benefits for U.S. Virgin Islanders





Stage 1

- Broadband VI awarded and has received >\$931,000 in Stage 1 funding
- Became an ETC on September 5, 2018
- Paperwork filed with USAC
- Will use support to supplement ongoing network restoration, expansion and improvement

Stage 2 Proposals

- Funding should be awarded on a competitive basis:
 - Quickest method of awarding badly needed Stage II support
 - Process must be objective, transparent, and not favor incumbent service provider
 - Viya's self-serving proposal to support Viya as the sole Stage 2 beneficiary should be rejected
- Funding should be limited to network operators serving the USVI prior to the hurricanes
 - Operators with hurricane-damaged infrastructure are most in need of restoration and hardening support
 - Too risky to fund new entrants
 - Viya's proposal for history of providing both voice and broadband to both residential and commercial customers should be rejected
- All of the USVI should be eligible for funding



Stage 2 Proposals

- Winning proposals should be based primarily on price-per-location served
 - Adjustments made for network resiliency
 - No package bidding
- Proposed service obligations should be adopted
 - Minimum 10/1 Mbps speed; roundtrip latency of 100 ms or less; 170 GB/national average monthly minimum usage
 - Bidding preference, but no requirement, for speeds of 25/3 Mbps



Stage 2 Proposals

- Proposed deployment milestones should be adopted
 - 40% after Year 3; 60% after Year 4; 80% after Year 5; 100% after Year 6
 - Viya's proposed accelerated timetable only benefits Viya
- Performance bonds should be allowed in lieu of letters of credit
 - Letters of credit difficult to obtain in USVI

Lifeline

Priorities





Lifeline Waiver Request

- On October 18, Broadband VI filed request for temporary waiver of Lifeline minimum service standard for speed through December 1, 2019
- 10 Mbps download and 1 Mbps upload at subsidized \$39.95 per month
- Will comply with any future minimum speed standard thereafter
- Special circumstances for waiver:
 - The scope of hurricane destruction, and BBVI's prioritized restoration efforts, have resulted in backhaul and access points unable to adequately support faster speeds
 - Temporary relief from mandated minimum speeds will give BBVI time to complete restoration work throughout USVI



Lifeline Waiver Request

- Waiver will benefit the public interest:
 - Lifeline-subsidized broadband at 10/1 Mbps will permit more Virgin Islanders to retain or obtain broadband service
 - Faster speeds only available at higher price
 - Price matters because hurricanes Irma and Maria have exacerbated the economic challenges facing USVI residents and businesses



THANK YOU