

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
ETC Annual Reports and Certifications)	WC Docket No. 14-58
)	
Establishing Just and Reasonable Rates for Local Exchange Carriers)	WC Docket No. 07-135
)	
Developing a Unified Intercarrier Compensation Regime)	CC Docket No. 01-92

COMMENTS OF ADTRAN, INC.

ADTRAN, Inc. (“ADTRAN”) takes this opportunity to comment briefly on several issues raised in the Commission’s Further Notice of Proposed Rulemaking regarding broadband subsidies for overlapped and tribal territories.¹ The Commission seeks comments on additional aspects of its Connect America Fund program aimed at fostering broadband deployment in unserved and underserved areas. ADTRAN supports the Commission’s efforts to help ensure broadband is universally available and urges the Commission to structure this latest enhancement to this subsidy program in a manner that maximizes the benefits of the subsidy dollars program for end users, while minimizing the burdens on service providers and the Commission.

ADTRAN, founded in 1986 and headquartered in Huntsville, Alabama, is a leading global provider of networking and communications equipment. ADTRAN’s products enable

¹ *Connect America Fund* et al., WC Docket No. 10-90 et al., FCC No. 18-176, released December 13, 2018, 84 Fed Reg 2132, February 6, 2019 (hereafter cited as *Further NPRM*).

voice, data, video and Internet communications across a variety of network infrastructures. ADTRAN's solutions are currently in use by service providers, private enterprises, government organizations and millions of individual users worldwide. ADTRAN thus brings an expansive perspective to this proceeding, as well as an understanding of the importance to individuals, communities and our country of robust and ubiquitous broadband. ADTRAN has been a strong advocate in Commission proceedings to help spur broadband deployment,² and has itself launched a gigabit initiative that has far surpassed its goal of facilitating the deployment of 200 gigabit communities by the end of 2015, with over 350 gigabit communities deployed.³

Broadband Subsidization for Entirely or Almost Entirely Overlapped Areas

The Commission's should continue to strive towards its goal of ubiquitous broadband deployment. As the Commission recognized in the National Broadband Plan,⁴ broadband has

² E.g., Comments of ADTRAN in WC Docket No. 17-84, filed January 17, 2018; Comments of ADTRAN in WC Docket No. 10-90, filed December 6, 2017; Comments of ADTRAN in GN Docket No. 17-199, filed September 21, 2017; Comments of ADTRAN in GN Docket No. 15-191, filed September 15, 2015; Comments of ADTRAN in WC Docket No. 10-90 *et. al.*, filed August 8, 2014; Comments of ADTRAN in WC Docket No. 10-90, filed March 28, 2013; Comments of ADTRAN in WC Docket No. 10-90 *et. al.*, filed January 18, 2012; Comments of ADTRAN in WC Docket No. 10-90 *et. al.*, filed April 18, 2011.

³ See, *Press Release*, "ADTRAN Sets the Nation's Communities on the Path to Gigabit Transformation -- Utilities, MSOs and land developers deliver Gigabit broadband to over 350 communities," <http://phx.corporate-ir.net/phoenix.zhtml?c=67989&p=irol-newsArticle&ID=2178711>; <http://gigcommunities.net/adtran-reaches-200-gigabit-community-milestone/> ("More than 200 communities are now able to access [next-generation gigabit broadband services](#) as a result of ADTRAN's Enabling Communities, Connecting Lives program, ADTRAN announced August 11."); *Light Reading*, August 13, 2014, "Adtran Launches 'Gig Communities' Initiative," available at <http://www.lightreading.com/broadband/fttx/adtran-launches-gig-communities-initiative/d/d-id/710330>. See also, <http://www.adtran.com/index.php/broadband-access>.

⁴ *Connecting America: The National Broadband Plan*, available at <https://www.fcc.gov/general/national-broadband-plan>.

become essential for business, education, health care, civic involvement and entertainment. And broadband's importance has continued to grow in the almost decade since the adoption of the National Broadband Plan. Thus, ADTRAN supports the Commission's efforts in the *Further NPRM* to address unserved customers within territories that were not eligible for the CAF Phase II auction, because they were within areas that were overlapped or almost entirely overlapped by unsubsidized competition.⁵ Such customers are no less deserving of broadband, nor are they any less needful of broadband.

However, given the relatively limited number of customer sites to be subsidized under this program, ADTRAN believes that the Commission need not concoct a new mechanism for determining how the subsidies should be awarded. The CAF Phase II auction worked reasonably well, and both the Commission and service providers have experience with that process. ADTRAN thus urges the Commission to utilize the CAF Phase II procedures as proposed in the *Further NPRM*.⁶ In particular, ADTRAN urges the Commission to use the same performance tiers and latency metrics as in CAF Phase II, because there is no reason to consign these end users to an inferior broadband service.⁷

⁵ *Further NPRM* at ¶¶ 184-199.

⁶ *Further NPRM* at ¶ 194.

⁷ *Further NPRM* at ¶ 189. Moreover, in order to ensure that the service is capable of providing acceptable quality voice service consistent with Sections 214 and 254 of the Communications Act, the Commission should require that the obligation to demonstrate an MOS score of greater than 4 be performed using the using the ITU-T Recommendation P.800 conversational-opinion test, rather than a listening-only test. The Commission specified such a testing requirement with regard to CAF Phase II. *See, Connect America Fund*, DA 18-710, 33 FCC Rcd 6509 (July 6, 2018) at ¶¶ 44-46. *See also*, Petition for Clarification or Reconsideration of ADTRAN, Inc., WC Docket No. 10-90 et al. (filed July 5, 2016). *But, cf.*, Hughes Network Systems, Inc., Petition for Reconsideration in WC Docket No. 10-90 (filed September 19, 2018)(seeking to use the ITU-T Recommendation P.800 listening-only test for the

Conversion of Lines to Broadband Only

The *Further NPRM* also seeks comment on whether the Commission needs to address the potential for abuse when a carrier converts a customer from a voice/broadband line to a broadband only service.⁸ Absent some evidence of a not insignificant amount of actual abuses occurring, ADTRAN does not believe that a theoretical opportunity for fraud warrants imposing new rules or obligations that would discourage service providers from converting customers to broadband only service. Because there are numerous reasons for a customer to opt for a more efficient broadband service with an over-the-top voice service – including lower costs and more feature-rich services -- there is a risk that any new FCC rules would wrongfully treat a legitimate customer choice as sinister.

ADTRAN does not know how the Commission would distinguish legitimate from illegitimate conversions. On the other hand, there is a real likelihood the Commission would end up “throwing the baby out with the bathwater.” The result would be discouraging broadband deployment and adoption. ADTRAN thus urges the Commission not to move forward with this proposal unless it has reason to believe that this is becoming a significant problem, and not merely a theoretical concern.

Tribal Broadband Factor

The *Further NPRM* seeks comment on the proposal of the National Tribal Telecommunications Association (“NTTA”) and Gila River Telecommunications, Inc. (“Gila

CAF program for New York). ADTRAN has opposed this request. *See*, Comments of ADTRAN in WC Docket No. 10-90, filed November 7, 2018.

⁸ *Further NPRM* at ¶¶ 200-204.

River”) of increasing the subsidies for Tribal Broadband by reducing the CAF BLS \$42 per month per line funding threshold by 25 percent to \$31.50.⁹ ADTRAN supports this proposal. As the Commission observed in last year’s Competition Report, broadband deployment in Tribal areas continues to lag deployment in the United States generally, and Tribal deployment even also lags behind rural areas generally (which themselves lag deployment in urban areas). Figure G-1 of that report provided deployment information for 25/3 Mbps fixed broadband service, and it demonstrates the lack of broadband deployment in Tribal areas.

**Annual Competition Report -- Fig. G-1
Deployment of Fixed Terrestrial 25 Mbps/3 Mbps Services**

	2013	2014	2015	2016	2017
Tribal Areas	37.1%	57.2%	57.8%	63.1%	68.0%
Rural Areas	47.6%	60.4%	61.5%	67.8%	75.7%
US Overall	83.6%	89.4%	89.9%	91.9%	94.0%

One of the main reasons for this disparity is the lower income levels and resulting lower adoption rates in Tribal Areas. Funding for broadband investment derives from government subsidy programs and subscriber revenues, but the lower adoption rates means lower subscriber revenues. The lower revenues combined with higher deployment costs due to the absence of density inevitably leads to the significant lag in broadband deployment. The NTTA and Gila River proposal addresses the lower subscriber revenue problem. ADTRAN thus urges the Commission to adopt this enhanced tribal subsidy.¹⁰

⁹ *Further NPRM* at ¶ 205.

¹⁰ As a result of the recent Court of Appeals decision remanding the Commission’s Tribal Lifeline support changes, the Commission will be re-examining how Tribal Areas are defined for purposes of lifeline support. *National Lifeline Association, Et Al. v. FCC*, No. 18-1026, decided February 1, 2019 (DC Cir). ADTRAN urges the Commission to ensure that the territories are aligned for the additional Tribal Lifeline subsidies as well as CAF support.

CONCLUSION

While the various expanded subsidy proposals in the *Further NPRM* are relatively modest, they will help to foster broadband in some of the areas where assistance is needed most. ADTRAN therefore supports their adoption as described above. Such actions will thus well serve the public interest by helping to ensure deployment of advanced telecommunications services in unserved areas, consistent with the Congressional directives in Sections 254 and 706 of the Telecommunications Act of 1996.

Respectfully submitted,
ADTRAN, Inc.

By: _____/s/
Stephen L. Goodman
Stephen L. Goodman, PLLC
532 North Pitt Street
Alexandria, VA 22314
(202) 607-6756
stephenlgoodman@aol.com

Counsel for ADTRAN, Inc.

Dated: March 8, 2019