



Raquel Noriega
Director
Federal Regulatory

AT&T Services Inc.
1120 20th Street, NW
Suite 1000
Washington, DC, 20036

Phone: +1.202.457.2141
E-Mail: raquel.noriega@att.com

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

**Re: Notice of Ex Parte Presentations (WC Docket No. 10-90; WT Docket No. 10-208) –
Emergency Hurricane Relief in Puerto Rico and U.S. Virgin Islands**

Dear Ms. Dortch,

On April 23rd, Mary Henze, Cathy Carpino and the undersigned of AT&T met with Chairman Pai's Wireline Advisor Jay Schwarz and Special Counsel Michael Carowitz. On April 24th, the same AT&T team held separate meetings with Commissioner Rosenworcel's Chief of Staff and Senior Legal Advisor Travis Litman and Commissioner Carr's Chief of Staff Jamie Susskind.

In all meetings and as reflected in the enclosed presentation, AT&T explained that the communications network situation in Puerto Rico and the U.S. Virgin Islands post-Irma and Maria hurricanes remains serious. AT&T is committed to supporting Puerto Rico and Virgin Islands customers in both jurisdictions and is working to not only restore the network to pre-hurricane levels, but also to harden the network to withstand future hurricanes. To that end, AT&T strongly endorses Chairman Pai's proposal for additional Universal Service Fund ("USF") support to help restore and expand communications networks across Puerto Rico and the U.S. Virgin Islands.¹ Immediate additional USF support would accelerate ongoing recovery efforts and address the extraordinary costs resulting from the hurricane damage.

AT&T believes that any new USF support provided to Puerto Rico and the U.S. Virgin Islands should come with modern accountability measures similar to those adopted for other post-2011 programs. For example, we recommend that the FCC clearly state that Puerto Rico and U.S. Virgin Island short-term funding recipients must use these resources for the restoration and hardening of equipment and network facilities for fixed or wireless voice and/or broadband services affected by Hurricanes Irma, Maria or both, including but not limited to purchase, installation, repair, and operation of cabling, poles, conduit, trenching, transmission towers, network nodes, electric generators, and appropriate expenses

¹ *Chairman Pai Unveils \$954 Million Plan to Restore and Expand Networks in Puerto Rico and U.S. Virgin Islands*, FCC Statement, March 6, 2018.



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directly associated with network and service recovery efforts (“Covered Expenditures”). We further recommend the FCC permit short-term funding supporting such Covered Expenditures incurred since the date of the Presidential disaster declaration in the relevant Territory related to Hurricane Irma or Maria, as relevant, for a period of two years from that date. Additionally, we recommend the FCC prohibit use of such support for purposes not directly related to hurricane recovery, such as company debt.

Further, the FCC should require all recipients of Puerto Rico and the U.S. Virgin Islands short-term funding to certify their compliance with this use of the funds and it should inform such recipients that they could be subject to a potential audit by the Universal Service Administrative Company. In addition, the Commission may want to consider a system that requires recipients to demonstrate proof of purchase or expense prior to receiving funding as a reimbursement.

In addition to supporting this new, “immediate” funding for hurricane recovery, AT&T expressed support for Chairman Pai’s proposal to inject additional medium- and long-term USF funding to help expand voice and broadband service across Puerto Rico and the U.S. Virgin Islands.

AT&T supports the use of competitive processes to disburse USF resources, but strongly urged the Commission to utilize a competitive Request for Proposal (“RFP”) process for the proposed medium-term program instead of an auction. AT&T believes that a competitive RFP process is the best way to efficiently allocate USF funds in a timely manner for a relatively small geographic area. Further, developing auction procedures and finding a slot on the Commission’s already full auction schedule would likely delay putting much needed USF support to work across Puerto Rico and the U.S. Virgin Islands.

Should you have any questions related to these matters, please direct any questions to the undersigned.

Sincerely,

 /s/
Raquel Noriega

cc: Michael Carowitz
Travis Litman
Jay Schwarz
Jamie Susskind

Reconnecting Puerto Rico and the Virgin Islands

April 2018



USF Support in Puerto Rico & Virgin Islands Is Necessary



Support Ongoing Recovery



Support Relief from Unreliable Electric Grid



Help Meet Growing Mobile Demand



Invest in Hardening the Network



Expand Broadband Service

Reinforce Ongoing Recovery Efforts



Continue support for ongoing recovery efforts for both mobile and wireline network

- Support and accelerate restoration of damaged cell towers across Puerto Rico & US Virgin Islands impacted by Irma and Maria
- Replace and harden network facilities
- Short and medium-term need

Provide Relief from Unreliable Electric Grid



Replace & Expand Electric Generators

- Generators have become a critical network element as the electric grid remains unreliable
- Existing generators have a short life-span due to out-of-spec intensive use
- Increased placement of generators throughout network
- AT&T alone has immediate need for over 200 new generators

Investment to Meet Growing Mobile Demand



Capacity must grow beyond pre-Irma and Maria levels to keep up with extraordinary mobile demand

- AT&T must increase mobile network capacity above & beyond its projected pre-hurricane plans in order to support extraordinary customer demand
- Many households still lack reliable home broadband service and are using their mobile service for Internet access
- Average mobile use (voice & data) in March 2018 vs August 2017 up 63% in Puerto Rico & 69% in Virgin Islands

Getting Ready for the Next Maria



New network must be built to withstand future hurricanes

Investment needed above & beyond standard network architecture designs to harden-networks across PR & VI

- Maximize the population served by buried infrastructure
- Diversify key fiber routes to maximize network resiliency
- Replace aerial construction with buried facilities – not just for critical infrastructure
- Expand emergency backup microwave wireless backhaul capabilities
- Reinforce existing poles & towers

Restore & Expand Fixed Broadband



Lay Foundation for Fixed Broadband Deployment

Immediate and medium-term funding can establish base for long term expansion of broadband deployment.

MOBILIZING
YOUR
WORLD™

