



June 14, 2018

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Room TW-A325
Washington, D.C. 20554

RE: **Ex parte filing** in WC Docket Nos. 10-90, 14-58, 07-135, and 18-155; and CC Docket No. 01-92

Dear Ms. Dortch:

On June 12, the undersigned from GVNW Consulting, Inc. (GVNW) conducted an *ex parte* meeting with Chief of Staff Jamie Susskind from Commissioner Carr's office. On June 13, I conducted separate *ex parte* meetings with Wireline Legal Advisor Amy Bender from Commissioner O'Rielly's office and with Chief of Staff Travis Litman from Commissioner Rosenworcel's office.

The *ex parte* meetings included a short follow-up discussion from the May 17 *ex partes* on competitive overlap issues for the Illinois RLECs. I reiterated that the reverse auction proposal in the NPRM is not helpful and that burdensome aspects of the current process could be eliminated by replacing the Form 499 trigger with a challenge from a competitor that is purportedly overlapped.

Maintaining adequate and sufficient federal universal service funding (FUSF) is required for implementation of all of the Commission's universal service initiatives. In this regard, I expressed support for the proposals filed in the current docket by NTCA- The Rural Broadband Association and WTA for creating sufficiency in the federal universal service budget. I specifically referenced the NTCA figures of \$2.55 billion as the total support that will be needed in 2018, and that budget demands will grow to approximately \$2.8 billion in total support by 2026. However, included in NTCA's calculations is the assumption that the \$45 million per year allocated to the Alaska Plan stays constant over the term of the Plan. For the same reasons that an inflation adjustment on the total rate of return high-cost support universal service fund is required, so is an inflation adjustment on the Alaska Plan funding. Given that the Alaska Plan is merely 1.76 percent of the approximately \$2.55 billion fund supported by GVNW and the rural associations as sufficient for the rate-of-return portion of the fund, such an adjustment should not materially affect the total fund size.

I also stressed the public policy benefits of applying annual inflation adjustments to each federal universal service program, in order to enable scalable networks.

I also discussed the need to maintain docket discipline on the current intercarrier compensation dockets related to arbitrage and properly notice any broader policy issues to ensure a proper public policy discussion is achieved. I observed that the Commission has recognized this issue in footnote 34 of the *Notice of Proposed Rulemaking* in WC Docket No. 18-155 (FCC 18-68), released June 5, 2018, regarding a CenturyLink proposal.

As required by the Commission's rules, this *ex parte* record is now filed in the above referenced dockets. If there are any questions, please call me on 503.612.4409.

Respectfully submitted,

Via ECFS 6/14/18

Jeffrey H. Smith
President and CEO

Copy to

Amy Bender, FCC
Jamie Susskind, FCC
Travis Litman, FCC