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June 21, 2019

**FILED VIA ECFS**

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

Re: **The Uniendo a Puerto Rico Fund and the Connect USVI Fund,  
WC Docket No. 18-143  
Ex Parte Presentation**

Dear Ms. Dortch:

In its latest attempt to delay the Commission's award of Connect USVI Fund support for the benefit of Virgin Islanders, Virgin Islands Telephone Corp. dba Viya ("Viya") takes another stab at contriving ways to prolong indefinitely the advantages it has long enjoyed through the conveyance of federal subsidies.<sup>1</sup> The Commission should not fall into the trap of entertaining countless re-worked proposals while Viya continues to collect legacy universal service support that does not offer the additional public interest benefits intended by the Connect USVI Fund.

In the year since the Commission adopted the Notice of Proposed Rulemaking, Viya has made a series of incremental proposals. Cutting through the rhetoric, Viya's arguments boil down to this: (1) simply give all the support to Viya as the incumbent, despite its shoddy construction record and slow restoration,<sup>2</sup> (2) if the Commission is unwilling to do that, give 95 percent of the support to Viya and establish a competitive process for the remaining small amount,<sup>3</sup> (3) if the Commission is unwilling to do that, establish a competitive process with gating criteria that only Viya can meet,<sup>4</sup> and (4) if the Commission is unwilling to do that, adopt comparative criteria that favors Viya by, for instance, assigning no comparative value to network resiliency because "its measurement is too subjective and fact-specific to attempt to weigh it in a comparative process."<sup>5</sup>

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<sup>1</sup> See Letter from Geraldine Pitt, CEO, and Douglas J. Minster, Vice President, Viya, to Marlene H. Dortch, FCC Secretary, WC Docket No. 18-143 (filed June 14, 2019) ("Viya Letter").

<sup>2</sup> See Viya Letter at 10-13.

<sup>3</sup> See *id.* at 14-16.

<sup>4</sup> See *id.* at 13-14 (reiterating its proposals that eligibility be restricted to those providers that had provided both broadband and voice service to residences and businesses before the 2017 hurricanes and to require letters of credit).

<sup>5</sup> *Id.* letter at 18 (citation omitted). By contrast, Broadband VI proposed specific criteria based on the ability of certain technologies to withstand natural disasters and redundancy. See Letter from Michael Meluskey, CTO and

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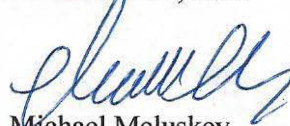
Broadband VI agrees with Viya that it would be efficient for the Commission to award Connect USVI Fund support to a single recipient. Where we differ, of course, is in our belief that the recipient should be Broadband VI, a locally-owned and managed company that has expanded its subscriber base in the two years since the 2017 hurricanes. We have been consistent in our comments and submissions in emphasizing the need for resilient infrastructure, and have already demonstrated our commitment to this in being the first broadband provider to restore service after the 2017 hurricanes.<sup>6</sup> We have systematically invested in redundancy in our middle-mile and first-mile networks. We have further pledged our commitment specifically to the continued hardening of our network, an initiative already underway without federal subsidies. Viya, on the other hand, has received more than 500 million dollars in universal service support over the past 27 years just to support operations,<sup>7</sup> so it does not stand to reason that continued subsidies would suddenly cause Viya to materially invest in resilient infrastructure or operations when it has clearly not done so before. Broadband VI, on the other hand, has in its November 2018 proposal<sup>8</sup> committed specifically to resiliency and demonstrated the ability to establish significant market share, without the benefit of subsidies, notwithstanding Viya's generations-long subsidized operations and history of documented anticompetitive behaviors.<sup>9</sup>

Viya's recent letter offers, for the first time in this year-long proceeding, a detailed comparative proposal. Aside from its self-serving nature, the Commission should view the introduction of a new proposal at this late stage as an effort to further delay the Commission's decision by initiating new debate. Broadband VI's November 2018 proposal tracks the procedures for the successful Connect America Fund Phase II auction with features that account for the Commission's stated priorities and the unique issues in the US Virgin Islands. That proposal has been largely unmodified. The Commission should reject Viya's latest gambit and move quickly to adopt and implement the comprehensive comparative process Broadband VI has recommended.

Pursuant to Section 1.1206 of the Commission's Rules, this letter is being filed electronically via the Electronic Comment Filing System in the above-referenced proceeding.

Respectfully submitted,

Broadband VI, LLC



Michael Meluskey  
CTO and Founder



David Zumwalt  
Chief Operating Officer

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Founder, Broadband VI, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 18-143, 10-90 and 14-58 (filed Nov. 9, 2018) ("Broadband VI Proposal").

<sup>6</sup> See Reply Comments of Broadband VI, WC Docket No. 18-143 (filed Aug. 8, 2018) at 3-4, 7.

<sup>7</sup> This information was compiled via a review of USAC data from 1993 to the present. Viya currently receives more than \$16 million in annual support.

<sup>8</sup> See Broadband VI Proposal.

<sup>9</sup> See Reply Comments of Momentum Telecom, Inc., WC Docket No. 18-143 (filed Aug. 8, 2018).