

July 28, 2017

Ex Parte Notice

Ms. Marlene H. Dortch
Secretary, Federal Communications Commission
Office of the Secretary
445 12th Street SW
Room TW-A325
Washington, DC 20554

RE: WC Docket No. 10-90 – Connect America Fund

Dear Ms. Dortch:

On Wednesday, July 26, 2017, Brian Boisvert, Chief Executive Officer and General Manager of Wilson Communications in Wilson, Kansas and Brian Ford with NTCA–The Rural Broadband Association met with Ajit Pai, Chairman of the Federal Communications Commission (“Commission”) and Dr. Jay Schwarz, the Chairman’s Wireline Advisor. The parties discussed the budget shortfall in the High Cost Universal Service Fund (“USF”) support mechanism that is undermining the intended effectiveness of reforms to the program adopted in March 2016.¹

Mr. Boisvert discussed Wilson Communications’ commitment to ensuring that the rural consumers the company serves have access to broadband Internet access service that is reasonably comparable in terms of quality and price as that available to urban Americans. Wilson Communications has made great progress in terms of delivering high-quality broadband service to its very sparsely populated rural service area. However, the High Cost USF as presently sized is insufficient to ensure that reforms to modernize the program and provide support for standalone broadband service are effective and that rates for broadband service in rural areas are “reasonably comparable” as mandated by Section 254(b)(3)² of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (“the Act”).

Mr. Boisvert then noted that the current budget for the High Cost program has remained stagnant since 2010. Indeed, the current program budget as set by the 2011 *USF/ICC Transformation Order* was premised on the Commission “revisit[ing] and adjust[ing] accordingly the appropriate size of each of these programs by the end of the six-year period, based on market developments, efficiencies realized, and further evaluation of the effect of these programs in achieving [the

¹ Connect America Fund, et al., WC Docket No. 10-90, et al., Report and Order, Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, FCC 16-33 (rel. Mar. 30, 2016).

² 47 U.S.C. § 254(b)(3).

Commission's] goals.”³ This basis for the current budget was also specifically highlighted by the United States Court of Appeals for the Tenth Circuit in its consideration of the 2011 Order.⁴ Mr. Boisvert urged the Chairman to expeditiously reconsider the existing budget, as it is not sufficiently sized to ensure the “reasonable comparability” of rates for broadband service in rural areas.

In addition to the issues referenced above, Mr. Boisvert also thanked the Chairman for his efforts to streamline the reporting requirements as applicable to universal service recipients.⁵ Mr. Boisvert stated that Wilson Communications supports accountability in the use of ratepayer funds but also supports the Chairman's efforts to ensure that such requirements are not unnecessarily burdensome on small operators.

Pursuant to 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Brian Boisvert

Brian Boisvert

Chief Executive Officer/General Manager
Wilson Communications

cc: Chairman Ajit Pai
Dr. Jay Schwarz

³ Connect America Fund et al., WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (“*USF/ICC Transformation Order*”), ¶ 18.

⁴ *In Re*: FCC 11-161, 753 F.3d 1015, 1060 (10th Cir. 2014).

⁵ See Connect America Fund, WC Docket No. 10-90, ETC Annual Reports and Certifications, WC Docket No. 14-58, Report and Order, FCC 17-87 (rel. Jul. 7, 2017).