

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20544**

In the Matter of)	
Updating the Reciprocal Compensation)	WC Docket No. 18-155
Regime to Eliminate Access Arbitrage)	

**REPLY COMMENTS OF
NATIVE AMERICAN TELECOM COMPANIES**

Native American Telecom, LLC ("NAT-Crow Creek") and Native American Telecom – Pine Ridge, LLC ("NAT-PR"), collectively Native American Telecom Companies,¹ hereby submit these Reply Comments in the above-captioned proceeding. The Native American Telecom Companies are furthering the Commission's goals of rural broadband deployment, digital literacy, and economic development by attracting new business to rural Tribal lands that have long suffered from poverty, unemployment, and lack of services. As the Commission moves forward with further reforms of the intercarrier compensation system, it is imperative that rural consumers and rural service providers are not sacrificed in the process.

As explained in the attached presentation, the Native American Telecom Companies have been successful in furthering the Commission's goals of rural broadband deployment, digital literacy, and economic development through an innovative business model that does not rely on universal service subsidies, which other rural carriers rely upon. Our business model is based on encouraging economic activity, which, in turn, enables rural Tribal communities to enjoy the benefits of services only available in more urban areas. Simple things, like free Wi-Fi access to the Internet, which is available in numerous locations in urban areas, like Washington, D.C., is not available in many rural communities. On the Crow Creek and Pine Ridge Indian reservations, the Native American Telecom Companies provide residents with free access to the

¹ The Native American Telecom Companies are independent competitive local exchanges serving the Crow Creek and Pine Ridge Indian reservations. The Native American Telecom Companies are not affiliated with any incumbent local exchange carriers or tandem/transport providers.

Internet, use of computers, and digital literacy training. On a typical night, you can find Tribal residents huddled around our Internet Library and Technology Centers after hours to take advantage of free Wi-Fi Internet service that we provide to the community. None of these services would be available to Tribal residents without our ability to attract business and economic development on these reservations based upon the Commission's existing intercarrier compensation rules.²

The Native American Telecom Companies urge the Commission to encourage new and innovative approaches to bringing the benefits of affordable broadband service to rural communities by (i) not eliminating intercarrier compensation for conferencing and other types of traffic and (ii) adopting other innovative intercarrier compensation proposals, like those put forth by HD Tandem.³

Respectfully submitted,



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Enclosure

² It is important to note that the Native American Telecom Companies operate in a manner fully consistent with all applicable federal and Tribal requirements. Some carriers continue to make arguments to further their self-interests based upon false narratives, which should be ignored by the Commission. The Native American Telecom Companies invite the Commission to visit their operations and see first-hand how it is operating and serving the Tribal communities with valuable broadband services.

³ The phrase "access stimulation" is typically used to refer to high volume traffic terminated at a location, but it also has a negative connotation, so it is not used in these Reply Comments.



Native American Telecom Companies

Native American Telecom, LLC (Crow Creek)
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Fort Thompson, South Dakota 57339

Native American Telecom – Pine Ridge, LLC
10 White Tail Deer Road
Pine Ridge, South Dakota 57770

Native American Telecom Companies -- Crow Creek & Pine Ridge



*Crow Creek
Sioux Tribe*

Crow Creek

- Native American Telecom, LLC ("NAT – Crow Creek") has served as a catalyst for economic development on the Crow Creek reservation.
- Crow Creek Holdings, LLC has been certified by the Small Business Administration under the Historically Underutilized Business Zones ("HUBZone") program, enabling it to participate in federal government contract opportunities.
- The Crow Creek Sioux Tribe has obtained a LPFM radio license from the FCC and now, for the first time in its history, the Tribe broadcasts original Native American programming and Crow Creek specific programming from its radio station in Fort Thompson.
- NAT – Crow Creek opened an Internet Library and Technology Center in Fort Thompson that provides Tribal residents with access to computers, the Internet, and digital literacy training at no cost.
- NAT – Crow Creek provides affordable telephone and broadband service to approximately 150 tribal residents, including tribal government entities.
- NAT – Crow Creek subsidizes the cost of service so that low-income tribal residents can have affordable access to high speed broadband service.

Native American Telecom Companies -- Crow Creek & Pine Ridge



Pine Ridge

- Native American Telecom - Pine Ridge, LLC ("NATPR") has served as a catalyst for economic development on the Pine Ridge reservation.
 - Pine Ridge Holdings, LLC ("PRH") has established new businesses to serve the needs of Tribal members on the Pine Ridge Indian reservation.
 - Pine Ridge Thrift Store provides Tribal residents with essential household items for \$1 (a true dollar store); previously, Tribal residents did not have access to affordable household items.
 - PRH is in the process of establishing a video conferencing system that will digitally link the reservation to locations throughout the world. *De Village of*
 - NATPR opened an Internet Library and Technology Center in Pine Ridge that provides Tribal residents with access to computers, the Internet, and digital literacy training at no cost.
 - NATPR provides affordable telephone and broadband service to approximately 100 tribal residents, including tribal government entities.
 - NATPR subsidizes the cost of service so that low-income tribal residents can have affordable access to high speed broadband service.

Native American Telecom Companies -- Crow Creek & Pine Ridge



Challenges To Serving Rural Tribal Lands

- Serving rural Tribal lands requires a commitment to addressing the unique challenges of operating in rural high cost areas.
 - Broadband service by the ILECs is not affordable by the majority of Tribal land residents:
 - \$99.95 for 100MB D/L and 10 MB U/L (Pine Ridge) (<https://www.goldenwest.com/residential/internet/pine-ridge/>)
 - 107.95 for 100MB D/L and 100 MB U/L (Crow Creek) (<http://www.midstatesd.net/television/landline-free-bundles>)
 - Private enterprises tend to shy away from locating businesses on reservations due to Tribal laws and an uncertain business environment.
- Serving Tribal lands requires an economic development business model, not one based on USF subsidies.
 - High-cost universal service subsidies are not available for CLECs serving rural areas, even though there is a significant need for affordable broadband services; a business model based upon universal service subsidies is not a sustainable means of operating a business.
 - Intercarrier compensation has been reduced to bill & keep for terminating telecommunications traffic; any further erosion of revenue (e.g., tandem and transport) for rural carriers would be devastating to rural communities and consumers.

**Native American Telecom Companies –
Crow Creek & Pine Ridge**



The Solution: Enable Rural Communities To Realize The Benefits Of The Internet and National Communications Networks

- For Inter-carrier Compensation, this means not discriminating against rural carriers that have attracted new business development on Tribal lands
 - The costs of extending broadband service to rural areas is significant, which explains, in part, the pricing for broadband service by ILECs and cable companies.
 - The Native American Telecom companies work with conference companies and other companies to locate their businesses on reservations, thereby increasing traffic and economic activity, resulting in new services for Tribal residents, including internet access, digital literacy training, and educational services (*no one else is providing these critical services to Tribal residents*).
- The key to enabling rural communities to experience the benefits of advanced broadband service is to encourage business models like that of the Native American Telecom Companies.
- The Native American Telecom Companies urge the Commission to take steps to encourage economic development and broadband deployment on Tribal lands by (i) maintaining tandem and transport access charges and (ii) requiring reciprocal compensation for any direct connections between rural carriers and other telecommunications providers, including interexchange carriers.