

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
ETC Annual Reports and Certifications)	WC Docket No. 14-58
)	
Rural Broadband Experiments)	WC Docket No. 14-259

August 5, 2016

REPLY COMMENTS OF SOUTHERN TIER WIRELESS INC.

Southern Tier Wireless Inc. (“STW”) respectfully submits the following reply comments in the above-captioned docket.

NY, PA, and MA have all suggested that if a positive auction outcome is not reached, that the states should be able to exert control over the relevant funds. We'd suggest that having an applicant bid at or below the reserve price for any High Cost location should constitute a positive outcome and should generate an award. If there are insufficient funds for the Extremely High Cost locations, they should be funded only after all bids for High Cost locations. The FCC has planned to accommodate EHC and HC locations that remain unserved following the PH II model-based support decisions and the auction.

The Joint Comments of the Massachusetts Department of Telecommunications and Cable and the Massachusetts Broadband Institute, dated July 21st 2016, state: *“Massachusetts therefore proposes that the Commission establish an additional backstop in the form of a grant-based CAF mechanism. This mechanism would target support to state broadband expansion efforts in declined states. States that have successfully executed Broadband Technology Opportunities Program (“BTOP”) infrastructure projects would be particularly well-suited to co-invest grant funds with a grant-based CAF backstop mechanism. This approach would fulfill the Commission’s goal of coordinating with state initiatives to achieve our common universal service goals. Under this mechanism, if a state falls short of winning aggregate bids that total the declined amount, grant funding would be directed to eligible BTOP recipients or other state-funded broadband projects like those administered by the MBI.”*

While we do not wish to reply to comments regarding any post auction scenarios for CAF disbursement, including a backstop mechanism, we do strongly agree with the joint comments’ sentiment that CAF funds that can be complemented by state broadband grant funds would be in agreement with goals stated by the Commission in FCC 14-190, paragraph 28: *“We welcome and encourage states to supplement our federal funding, whether through state universal service funds or other mechanisms.”*

We also agree with the joint comments that states that have successfully executed BTOP projects are well suited to co-invest grant funds in projects that receive CAF funds. However, we would like to emphasize that

these projects, and opportunities to co-invest, might be accomplished as a result of the reverse auction itself, without the need to wait for a yet to be developed post-auction process.

This pertains to New York State which has initially declined to support areas eligible for the CAF PHII auction during phase 1 of its broadband grant program, but can direct funding to those areas during subsequent phases, including co-investing in projects undertaken by successful CAF auction participants. This would direct CAF funds to a service provider that can obtain Eligible Telecommunications Carrier designation and fulfill all the obligations that comes along with that designation, including the possibility of becoming the region's carrier of last resort. We suggest the Commission consider a method to allow state entities to indicate their likelihood to co-invest grant funds with a successful CAF reverse auction project, and further suggest the Commission allow a positive weight to bids that can show such a likelihood of co-investment. States willing to co-invest grant funds for broadband should be compelled to contribute that funding to projects built by successful CAF auction participants. Co-investment by states that will complement CAF funds will increase the likelihood that applicants will participate in the auction and ensure that the states receive their share of the CAF support. In essence, the co-investment in concert with the FCC competitive auction process will become the backstop that the Massachusetts Department of Telecommunications and Cable and the Massachusetts Broadband Institute have requested in their comments to the Order.

In response the comments from NY, PA, and MA, the best way to “exert control over the relevant funds” is to ensure that there are adequate funds to support the deployment of optimum network and the ongoing operation of the optimum networks.

STW also believes that providers of low latency services should receive a higher score than providers of high latency services. We recognize that the CAF funding is being expanded from a voice centric model to include broadband services. As such, we are quite willing to include voice services that will be applications on our broadband services. We do not believe that locations should be subject to the lower quality voice services that high latency satellite-broadband providers will provide.

We also wish to highlight the Comments of the Fiber to the Home Council Americas on the FNPRM, dated July 21st, 2016. The Council provided a chart prepared by the International Telecommunications Union (ITU). The chart listed user satisfaction levels for voice calls at various latency levels and a summary that “While it is recommended that a one-way delay of 400 ms should not be exceeded for general network planning, it is important to appreciate that highly interactive tasks (e.g., many voice calls, interactive data applications, video conferencing) can be affected by much lower delays” (ITU-T G.114: Effect of Transmission Time).

As numerous locations in an area may be served by a satellite-broadband provider, what is the delay that will be encountered when the calling and called parties are both served by satellite-broadband?

We believe that the Commission should recognize not only the issue of unacceptable latency in calls with voice over satellite-broadband, but also known network outages twice each year in March and October from solar outages. *“The exact dates and times of the solar outages are easy to predict and many calculators are available. All that is needed is a knowledge of the satellite position (sometimes just the satellite is needed as its coordinates may be held within the calculator), the position of the receiver in latitude and longitude. The beamwidth of the antenna is often needed as it will enable the time of the satellite solar outage to be determined”* (see <http://www.radio-electronics.com/info/satellite/solar-effects/sun-solar-outages-basics-tutorial.php>). Does the ability to predict solar outages for satellite systems mitigate the need to ensure access to the network 365 days a year? Historically, the Commission has required service 365 days a year.

By funding voice and data over satellite-broadband networks, the Commission would be accepting

substantively less reliability and lower quality.

We therefore strongly agree with the Council's comment that this data should be considered by the Commission in determining weighting characteristics differentiating low latency from high latency bids.

Southern Tier Wireless, Inc.
Wayne Hawley, President

A handwritten signature in blue ink, appearing to read "Wayne Hawley", with a long horizontal flourish extending to the right.