

In the Matter of	)	
	)	
Petition of USTelecom for Forbearance	)	WD Docket No. 18-141
Pursuant to 47 U.S.C. § 160(c) to Accelerate	)	
Investment in Broadband and Next-Generation	)	
Networks	)	

**COMMENTS OF BLACKFOOT COMMUNICATIONS, INC.**

Blackfoot Communications, Inc. (“Blackfoot”) is a facilities-based competitive local exchange carrier (“CLEC”) providing data, voice, cloud and IT services.

Headquartered in Missoula, Montana, Blackfoot provides advanced service offerings primarily to business customers in sixteen Western states. Blackfoot extensively uses its own fiber and fixed wireless solutions as well as special access/business data services and unbundled network element (“UNE”) loops purchased from CenturyLink to provide customers with these advanced services. Eliminating access to UNE loops at affordable rates would have an immediate, adverse impact on Blackfoot’s customers as well as businesses throughout the region.

Notably, since Blackfoot only purchases UNE loops from CenturyLink, these comments are focused only on Blackfoot’s experience with CenturyLink; Blackfoot offers no comment or perspective on purchasing UNE loops from other legacy regional Bell operating companies (“RBOCs”) that are subject to 47 USC § 251(c). Blackfoot contends that not all RBOCs are similarly situated and that the relief requested in the *Forbearance Petition* may not, based upon comments, data and other evidence in this proceeding, apply equally to all RBOCs.

## 1. Background

Founded in 1995, Blackfoot is a wholly owned subsidiary of Blackfoot Telephone Cooperative, Inc. (“BTC”), a rural, incumbent local exchange carrier (“ILEC”) formed in 1954 and owned by rural residents of western Montana. On a consolidated basis, about half of Blackfoot/BTC’s revenues come from its rural, ILEC operations and the other half come from its CLEC operations. Blackfoot has been aggressively growing its CLEC operations and, while most of its customers are in Montana and Idaho, it currently serves customers in sixteen states.

Recent Federal Communications Commission (“FCC” or “Commission”) policy decisions have provided both BTC and Blackfoot with regulatory certainty and stability.<sup>1</sup> As a result, BTC/Blackfoot is investing millions of dollars in broadband infrastructure in Montana and Idaho. In addition to investing in fiber-based infrastructure, Blackfoot is continuing to deploy extensive fixed wireless technology to deliver both “last mile” connectivity as well as core network transport. Recently, Blackfoot provided FCC Chairman Ajit Pai with a tour of the extensive fiber-based broadband infrastructure investment it is doing in Montana.<sup>2</sup>

Despite this extensive capital investment and additional, planned capital investment in the coming years, Blackfoot will continue to rely on CenturyLink UNE

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<sup>1</sup> See, e.g. *In the Matter of Connect America Fund, ETC Annual Reports and Certifications, and Developing a Unified Intercarrier Compensation Regime*, WC Docket Nos. 10-90, 14-58, and CC Docket No. 01-92, Report and Order, Order on Reconsideration and Further Notice of Proposed Rulemaking (Mar. 30, 2016) providing historical rate-of-return ILECs with an option to receive model-based universal service fund support; *In the Matter of Restoring Internet Freedom*, WC Docket No. 17-108, Declaratory Ruling, Report and Order, and Order restoring Title I treatment for ISPs and providing consumer safeguards.

<sup>2</sup> See, e.g. <https://www.businesswire.com/news/home/20180619006345/en/FCC-Chairman-Ajit-Pai-Visits-Blackfoot-Communications> (June 19, 2018).

loops to provide “last mile” connectivity to many of its business customers in Montana and Idaho.

## **2. Blackfoot Uses UNEs to Provide Advanced Services, Not Just Switched Landline Voice Service, Throughout Montana and Idaho.**

The *Forbearance Petition* mischaracterizes how CLECs like Blackfoot use UNE loops, suggesting they are used solely “to provide legacy voice and data services.”<sup>3</sup> On the contrary, for Blackfoot, UNE loops allow CLECs to do much more than provide legacy voice and data services.

Primarily, Blackfoot bonds multiple DS-0 UNE loops to a single customer location to provide advanced data services. Many of Blackfoot’s customers are large and enterprise businesses that require low-latency, high capacity Ethernet services. Through bonding, Blackfoot is able to provide an “Ethernet-over-copper” solution of up to 50 Mbps. In addition, Blackfoot uses UNE loop bonding to offer its business customers sophisticated, multi-protocol label switching (“MPLS”) circuits. Bonding UNE loops enables Blackfoot to offer broadband Internet download speeds of more than 50 Mbps. Blackfoot also uses DS-0 loops to provide digital subscriber line (“DSL”) services at download speeds of up to 15 Mbps. Further, bonding multiple UNE loops enables Blackfoot to offer its business customers its hosted-IP voice solution, the highest quality, most state-of-the-art IP-enabled voice platform available.<sup>4</sup>

In addition, Blackfoot is finding that more and more of its large and enterprise business customers are requesting redundant Ethernet or broadband connections for

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<sup>3</sup> *Petition of USTelecom for Forbearance Pursuant to 47 U.S.C. § 160(c) to Accelerate Investment in Broadband and Next-Generation Networks*, WD Docket No. 18-141 (“Forbearance Petition”), p. 2.; Appendix B at p. 2 (2018).

<sup>4</sup> A description of Blackfoot’s hosted IP phone solution is found here: <http://www.blackfoot.com/more-connected/ergo/>.

“mission critical” locations and applications. As more businesses become heavily reliant on digital connectivity, even a brief interruption in service can have a harmful impact. By having access to UNE loops, Blackfoot can provide this redundancy as a service. Specifically, Blackfoot will use its own fiber or fixed-wireless solution as the primary connection for one path to a business and utilize a UNE loop connection as an alternative path. Thus, Blackfoot is able to provide a better customer experience and offer redundancy as a service because UNE loops are available. The elimination of UNE loops would, in many cases, mean the elimination of Blackfoot’s ability to offer redundancy as a service, harming Montana and Idaho businesses.

Blackfoot is one of few providers that is bonding UNE loops to offer these types of services in Idaho and Montana. It is Blackfoot’s experience that Montana’s primary cable television provider has very few fiber-based services. There are also very few facilities-based CLECs in Montana, none of which are as large as Blackfoot, that are offering low-latency, high capacity services. If Blackfoot were to lose the ability to purchase UNE loops or if the prices for UNE loops increased such that it made them uneconomical, Montana businesses would be dramatically harmed as it would eliminate the primary competitive provider of these services.

By having access to UNE loops in the market in which it has its own fiber and/or fixed wireless solutions, Blackfoot has multiple physical paths (e.g. owned-fiber, fixed wireless, UNE loops) each with different technological and economic characteristics by which it can best serve its business customers. Indeed, Blackfoot’s philosophy for how it uses UNE loops has been succinctly summarized by CenturyLink in this proceeding:

CenturyLink would always prefer to serve its customers using on-net facilities, and continues to expand its out-of-

region footprint. When off-net facilities must be used, CenturyLink considers a variety of factors when determining whether to utilize a UNE, a special access/BDS circuit, or another commercially available product (e.g., cable-provided dedicated Ethernet or cable best-efforts broadband). Product suitability, product availability, cost efficiency, term plan commitments, network design, vendor grooming rules, and CenturyLink's current planning forecast all are taken into consideration when determining what product to purchase to serve a given location.<sup>5</sup>

Like CenturyLink, Blackfoot would always prefer to serve its customers using on-net facilities. And, like CenturyLink, when off-net facilities must be used, Blackfoot considers a variety of special factors to determine whether to utilize a UNE, a special access/BDS circuit, or another commercially available product as well as product suitability, network design, vendor grooming rules, and Blackfoot's current planning forecast.

As described in more detail in Section 4 of these comments, UNE loops are often the only economically priced delivery options that are available to CLECs in Montana and Idaho, making continued access to such facilities an ongoing part of Blackfoot's strategy for the foreseeable future. Thus, it is essential that Blackfoot continues to have the option to purchase UNE loops (or a commercially available alternative) from CenturyLink at affordable prices.

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<sup>5</sup> See Letter to Marlene H. Dortch from Nicholas G. Alexander, Associate General Counsel, CenturyLink, dated August 1, 2018 ("*CenturyLink Ex Parte*"), p. 2, describing a meeting between CenturyLink and Wireline Competition Bureau Staff wherein CenturyLink details how it currently uses UNE loops for its out-of-market CLEC operations.

### **3. Access to UNE Loops Has Not Stymied CLEC Investment in Montana and Idaho.**

Over the last twenty years, Blackfoot has invested millions of dollars in broadband infrastructure in Montana and Idaho. Blackfoot has hundreds of buildings directly connected to its fiber-network and hundreds of additional locations accessible via its fixed-wireless network. Blackfoot's state-of-the-art fixed-wireless network throughout Montana that is capable of delivering connectivity of upwards of 1 Gbps. That said, Blackfoot is often limited in its fixed wireless solutions because of Montana's mountainous geography.

Despite this investment, Blackfoot extensively relies on UNE loops to provide low-latency, high capacity data services to its business customers. Blackfoot is collocated in CenturyLink central offices in the following communities: Missoula, Great Falls, Helena, Bozeman and Hamilton, Montana, and Idaho Falls and Rexburg, Idaho. Blackfoot offers its CLEC services in all of Montana's largest cities: Billings, Butte, Bozeman, Great Falls, Missoula, Hamilton, Helena and Kalispell/Whitefish. Blackfoot provides services in dozens of smaller Montana cities. In Idaho, Blackfoot provides services primarily in Eastern Idaho, in the larger communities of Rexburg and Idaho Falls, Idaho. Blackfoot's network is depicted below:



Blackfoot's primary CLEC service territory in Montana and Idaho is spread across approximately 125,000 square miles.<sup>6</sup> This is approximately the same size as the District of Columbia, Virginia, Maryland, West Virginia and Pennsylvania combined.<sup>7</sup> From a population stand-point, Blackfoot's CLEC area has less than 1,000,000 total people; counted together, the District of Columbia, Virginia, Maryland, West Virginia and Pennsylvania have roughly 30,000,000 total people.<sup>8</sup>

<sup>6</sup> United States Census Bureau, State Area Measurements and Internal Point Coordinates, <https://www.census.gov/geo/reference/state-area.html> (Accessed August 5, 2018). Blackfoot's CLEC service territory covers roughly 2/3rds of the state of Montana as well as 1/3<sup>rd</sup> of Eastern Idaho.

<sup>7</sup>*Id.* (combined, there are 125,533 square miles in the District of Columbia, Virginia, Maryland, West Virginia, and Pennsylvania).

<sup>8</sup> United States Census Bureau, State Population Totals and Components of Change: 2010-2017, [https://www.census.gov/data/tables/2017/demo/popest/state-total.html#par\\_textimage](https://www.census.gov/data/tables/2017/demo/popest/state-total.html#par_textimage) (Accessed August 5, 2018) (showing an estimated combined population of 29,837,563 in 2017 for the District of Columbia, Virginia, Maryland, West Virginia, and Pennsylvania)

The relevance of this point is to demonstrate the challenges of vast geography and sparse population that Blackfoot faces. Even though Blackfoot has invested millions in infrastructure over the last 20-years, it has only scratched the service of what it would take to build a fiber distribution network across all of its CLEC service territory to serve its business customers. Put differently, the competitive and economic dynamics of broadband providers in large, sparsely populated states are likely drastically different than in areas of higher density, large population centers. Thus, while access to UNE loops may not be necessary in America's largest cities that have dense business populations in compact geographies, CLECs in Montana and Idaho will continue to need to rely on UNE loops as a necessary piece of offering services to business customers.

As an example, Blackfoot is currently experiencing fiber construction prices of \$23 to \$27 per linear foot in its Montana markets. As an example, Montana's two largest cities are Missoula and Billings, which are about 340 miles apart. For Blackfoot to construct its own fiber to connect these two markets would cost approximately \$40 million to \$48 million (340 miles x 5,280 feet/mile) x (\$23 or \$27/foot). This does not include any distribution network that would need to be constructed to provide services in these two cities. In addition, this example highlights just two of the dozens of cities Blackfoot serves.

Importantly, Blackfoot has made its most significant infrastructure investment in markets in which it has collocated and is purchasing UNE loops from CenturyLink. For example, this year Blackfoot will complete a \$2 million fiber-build in Bozeman, Montana. In addition to fiber, Blackfoot has invested hundreds of thousands of dollars in fixed



wireless infrastructure in the Bozeman market. In Missoula, Montana, Blackfoot has invested millions of dollars in fiber infrastructure over the last decade as well as hundreds of thousands more in fixed wireless infrastructure. Blackfoot has invested hundreds of thousands of dollars in fixed-wireless infrastructure and fiber in Great Falls and Helena, Montana. In Rexburg and Idaho Falls, Idaho, Blackfoot has invested hundreds of thousands in fiber infrastructure over the last decade.

Looking forward, Blackfoot has plans for additional fiber investment throughout Montana and Idaho, starting with the additional markets in which it is collocated. For example, over the last 18-months Blackfoot has installed, at great time and expense, a brand new physical collocation facility in a CenturyLink central office in Helena, Montana. Blackfoot has extensive fixed wireless assets in Helena as well as plans for fiber investment in the coming years. As an aside, if Blackfoot could no longer purchase UNE loops or purchase them at affordable rates, it would render its Helena, Montana collocation (and other physical collocation spaces) obsolete, stranding hundreds of thousands of dollars in investment.

More importantly, if Blackfoot were no longer able to access UNE loops or an equivalent product at similar rates, Blackfoot would be forced to pause and modify its CLEC market strategy, including delaying and examining how it plans to spend its capital on fiber infrastructure.

As described above, UNE loops give Blackfoot an alternative delivery mechanism that compliments its own on-net solutions. By having such access, Blackfoot can best serve its customers because it has options for delivering services. Because Blackfoot's CLEC markets in Idaho and Montana are spread-out over

hundreds of miles and sparsely populated, access to affordable third-party circuits is essential. As described below, UNE loops are often the only alternative.

#### **4. Similar Wholesale Products Do Not Exist Or Do Not Exist at Comparable Prices.**

In Montana, a DS-0 UNE loops cost \$23.73 per month.<sup>9</sup> With bonding multiple UNE-loops, Blackfoot can still make an economic business case for providing the low-latency, high capacity services required by its customers. In reviewing CenturyLink's BDS/special access tariff, it appears they do offer a product similar to a UNE DS-0, but it is priced at \$80 to \$100 per month (depending on term) and includes a \$225 nonrecurring charge.<sup>10</sup>

It is Blackfoot's experience in Montana and Idaho that in many instances, CenturyLink does not have fiber-based "last mile" facilities available to purchase on a wholesale basis. Or if they are available, they are usually at prices dramatically higher than what Blackfoot can purchase by bonding DS-0 UNE loops. In reviewing the FCC's published Form 477 data, as of December 31, 2016 (a) in Montana 99.7 percent of residential consumers served by CenturyLink were served via copper-based solutions, and only 0.3 percent are served via fiber, and (b) in Idaho 100 percent of residential consumers served by CenturyLink were served via copper-based solutions.<sup>11</sup> The 477 data Blackfoot was able to access is depicted below:

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<sup>9</sup> Statement of Generally Available Terms (SGAT) and Negotiation Template Agreement (NTA), see Montana Exhibit A § 9.1.1. DSO Interconnection Tie Pairs (ITP) [\$0.63] plus § 9.2.1.1.1, 2-Wire Voice Grade Unbundled Loop [\$23.10] [= \$23.73], <https://www.centurylink.com/wholesale/clecs/nta.html?search=negotiation%20template> (Accessed August 6, 2018), the relevant portion of which Exhibit A is excerpted on Schedule A attached hereto.

<sup>10</sup> Tariff F.C.C. No. 11, CenturyLink Operating Companies, 2<sup>nd</sup> Revised Page 7-416 – 7-421 (Effective Date Nov. 1, 2017). Section 7.17.1.D.1 states that "Each DDS 2-Wire requires two Non-Competitive End User Channel Termination (EUTC). Thus, while the tariffed rates listed show monthly prices \$40 to \$50 per month, because the tariff requires the purchase of two channel termination, the monthly rate is multiplied by two.

<sup>11</sup> Fixed Broadband Deployment Data from FCC Form 477, see the state-level datasets for Montana and Idaho available at <https://www.fcc.gov/general/broadband-deployment-data-fcc-form-477> (Accessed August 6, 2018),

<i>477 Technology Code</i>	<i>Technology by Technology Code</i>	<i>Presumed Facility Type</i>	<i>Count of Census Blocks in Montana</i>	<i>Percent 25/2 Mbps by Facility Type in Montana</i>
10	ADSL	Copper	0	0%
11	ADSL2+	Copper	1606	54.5%
12	VDSL	Copper	1331	45.2%
50	FIBER	Fiber	8	0.3%
		<i>Total:</i>	2945	100%

<i>477 Technology Code</i>	<i>Technology by Technology Code</i>	<i>Presumed Facility Type</i>	<i>Count of Census Blocks in Idaho</i>	<i>Percent 25/2 Mbps by Facility Type in Idaho</i>
10	ADSL	Copper	0	0%
11	ADSL2+	Copper	0	0%
12	VDSL	Copper	56	100%
50	FIBER	Fiber	0	0%
		<i>Total:</i>	56	100%

While Blackfoot was unable to determine from the FCC's published Form 477 database what percentage of CenturyLink's business customers in Montana and Idaho are served by copper-based solutions versus fiber, it is assumed, again based on Blackfoot's experience in purchasing wholesale services from CenturyLink in Montana and Idaho that it has very few fiber distribution assets available in Montana and Idaho.<sup>12</sup>

In addition, FCC data shows that CenturyLink has retired only a very small amount of copper facilities in Montana and Idaho.<sup>13</sup> This is strong evidence that

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where the statistics in the above chart-summaries were obtained by filtering the data by provider (CenturyLink), speed tier (25/2 Mbps), and technology code (e.g., 10 for ADSL, 11 for ADSL2+, 12 for VDSL, and 50 for fiber).

<sup>12</sup> Blackfoot also asserts CenturyLink has very few fiber assets available in Wyoming. While Blackfoot does not purchase UNE loops in Wyoming, it does a significant amount of business in Wyoming and Blackfoot has found very limited availability of CenturyLink fiber distribution assets.

<sup>13</sup> All of CenturyLink's copper retirement notices from "January 1996 to Present Date" are posted to CenturyLink's website, <http://www.centurylink.com/disclosures/numericindex.html> (Accessed August 6, 2018). During that 22 year span (e.g., 1996-2018) it appears there are only five copper retirement notices for Montana and two for Idaho (see below). All of these retirements appear to be for small pockets of their network where fiber replaced aging copper digital loop carrier equipment. The specific retirements are as follows:

CenturyLink is making very little investment in its fiber distribution network in Montana and Idaho. As indicated above, Montana and Idaho are huge states with sparse populations, so it is not surprising CenturyLink is not making much fiber-based investment in these markets. This confirms, however, the need for CLECs to have continued access to copper-based UNE loops in Montana and Idaho.

Notably, the *CenturyLink Ex Parte* describes how for its out-of-market CLEC operations, CenturyLink “has an embedded base of DS0 UNEs and EELs, DS3 EELs, and UNE-P replacement products purchased pursuant to commercial agreements.”<sup>14</sup> In its in-region, ILEC market, CenturyLink has not presented Blackfoot with a commercial agreement for UNE replacement services. Thus, in Montana and Idaho, CLECs do not have access to the same types of wholesale products and services CenturyLink currently has access to outside of its ILEC service territory. If CenturyLink were to offer Blackfoot a commercial agreement with products and services similar in terms,

State	Wire Center	Planned Retirement Date	DA(s)	Job #
MT	Missoula – MSSLMTMA	5-15-2017	117031	N.120161
MT	Bozeman – BZMNMTMA	5-15-2017	230131	N.123249
MT	Bozeman – BZMNMTMA	4-30-2017	230131	N.064735
MT	Billings West – BLNGMTWE	5-30-2013	320111	E.353833
MT	Belgrade – BLGRMTMA	4-1-2011	212511	0241BJ7
ID	Nampa – NMPAIDMA	4-30-2017	213301	N.088016
ID	Shoshone – SHSHIDMA	7-31-2014	111011	E.609318

<sup>14</sup> *CenturyLink Ex Parte* at p. 1 (emphasis added).

conditions and prices as what it currently receives in the form of UNE loops, Blackfoot would be willing to support CenturyLink's request for regulatory relief in this proceeding.

Lastly, as previously noted, it is Blackfoot's experience that Montana's largest cable provider has very few fiber facilities available for purchase on a wholesale basis. Further, that cable operator will not offer Blackfoot the opportunity to purchase its co-ax facilities on a wholesale basis. In Idaho, the largest cable operator has indicated that they would make a wholesale cable co-ax agreement available, but Blackfoot has not pursued this opportunity. Thus, there simply are not the number of alternative wholesale options in Montana and Idaho like may exist in more urban states.

#### **5. The Existing 251(c) Regulatory Regime is Overly Burdensome.**

Despite the need for companies like Blackfoot to continue to have access to UNE loops (or a similar product on similar terms, conditions and prices) in large, sparsely populated states like Montana and Idaho, Blackfoot considers the existing regulatory regime that implements Section 251(c) to be largely irrelevant and overly burdensome. If it was relieved of some of the regulatory burdens imposed by Section 251(c), CenturyLink would likely be able to operate more efficiently and, theoretically, be able to provide CLECs like Blackfoot with better pricing for a commercial replacement for UNE loops than what it can offer today.

For example, today, CLECs in Montana pay CenturyLink \$23.73 per month whether they purchase one UNE loop per month or 2,000 UNE loops per month.<sup>15</sup> Like other wholesale services Blackfoot purchases from its vendors, the more services they purchase, the better pricing they receive. Today's current wholesale market dynamic

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<sup>15</sup> See *supra*, n. 9.

suggests that if CenturyLink were relieved of some of the regulatory burdens imposed by Section 251(c), it not only would have the capability to provide “bulk purchase” savings on UNEs but that it would have an economic incentive to do so—e.g. the better the pricing, the more competitive companies like Blackfoot could be, resulting in additional UNE loop facility purchases from CenturyLink. Thus, it is puzzling why the *Forbearance Petition* requests the right to immediately increase UNE loop rates by 15%.<sup>16</sup> As described above, an increase in UNE loop rates could make many of the services Blackfoot provides uneconomical. If this were to occur, Blackfoot would either reduce or cease purchasing UNE loops, and CenturyLink would not only lose-out on potential wholesale revenue from Blackfoot, but it would potentially result in unused, stranded plant and assets in the CenturyLink network.

Thus, in evaluating the *Forbearance Petition*, Blackfoot encourages the Commission to determine the efficiencies gained by CenturyLink in doing away with some of the outdated Section 251(c) regulatory apparatus. Blackfoot is confident that with the right safeguards put in place by the Commission<sup>17</sup>, CLECs like Blackfoot will be able to continue to purchase a replacement product for UNE loops at similar or even lower prices and upon better terms and conditions than such CLECs can today. Blackfoot believes such sideboards are necessary in large, sparsely populated states where the comments, data and evidence in this proceeding show: 1) CLECs are using UNE loops to provide data services; 2) a lack of other wholesale products and services,

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<sup>16</sup> *Forbearance Petition*, p. 44.

<sup>17</sup> Blackfoot offers no opinion on the procedural mechanism the Commission should employ to effect the implementation of safeguards to ensure CLECs in large, sparsely populated states continue to have access to affordably priced wholesale products similar to UNE loops.

from the RBOC or otherwise, exists in the state; and 3) a lack of investment in fiber-based infrastructure in a state by the RBOC.

The specific safeguards should include:

- 1) Forbearance would be denied and no regulatory relief would be granted for a particular state in CenturyLink's in-region territory unless and until CenturyLink enters into commercial agreements with requesting CLECs for UNE loop replacement products and services as well as physical collocation space that reflects efficiencies gained by CenturyLink from no longer having to comply with some of the regulatory burdens of Section 251(c). The details of such agreements would likely be confidential and would need not be publicly disclosed, but an acknowledgement that such agreements have been executed with a state's largest CLECs that are currently using UNE loops for data services could serve as an indicator that relief from the burdens of 251(c) are warranted.
- 2) CenturyLink could make available DS-0 replacement products and services on a tariffed basis and upon rates, terms and conditions that reflect the efficiencies gained by CenturyLink from no longer having to comply with certain provisions of Section 251(c).
- 3) A commitment from CenturyLink to invest in fiber-based infrastructure such that its wholesale pricing for fiber-based services is commensurate with the prices charged for copper-based services.

These safeguards could stand-alone or be in addition to other safeguards the Commission deems necessary to protect consumers in sparsely populated states.

## CONCLUSION

In this proceeding, it appears negotiations are occurring between the CLECs and RBOCs, with a large CLEC reaching an agreement with the RBOCs in this proceeding.<sup>18</sup> While that consensus may be a good and reasonable outcome for most of America, it is not an acceptable outcome for states like Montana and Idaho.<sup>19</sup>

More importantly, business customers in Montana, Idaho and potentially other rural states (i.e. Wyoming) are at risk because the elimination of access to UNE loops at affordable rates places in jeopardy Blackfoot's ability to compete—potentially eliminating one of the few competitive alternative service providers in the region. In addition, the data shows CenturyLink is making very little fiber investment in Montana and Idaho, jeopardizing the availability of long-term, viable broadband infrastructure and advanced products and services for businesses.<sup>20</sup> These unique circumstances warrant a unique analysis for Montana, Idaho and potentially Wyoming. Blackfoot does not oppose CenturyLink gaining regulatory relief from portions of Section 251(c), but only if CLECs that are committed to serving these markets, like Blackfoot, have the assurances that they will have reasonable and affordable access to last mile delivery facilities.

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<sup>18</sup> See *Letter to Marlene H. Dortch from USTelecom, Windstream, AT&T, CenturyLink, Frontier, and Verizon dated June 21, 2018*, <https://ecfsapi.fcc.gov/file/10621508429581/UNE%20Forbearance%20Revised%20Transition%20Proposal.6.21.18.fn1.pdf>

<sup>19</sup> It is Blackfoot's experience that Windstream, one of the nation's largest CLECs, does very little, if any, business in Montana, Idaho and Wyoming. Thus, the terms upon which it has agreed with USTelecom and the RBOCs are not representative of the greater CLEC community in these states.

<sup>20</sup> See *supra*, n 13.



For the foregoing reasons, Blackfoot urges the Commission to carve-out and conduct a separate analysis of the *Forbearance Petition* as it applies to Montana, Idaho and other similarly situated CenturyLink service territories (e.g. Wyoming).

Respectfully submitted,

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## SCHEDULE A

Select the appropriate type of contract below. For cost docket changes, leave blank:			Select Traffic Type		EAS / Local Traffic Reciprocal Compensation				
New			Options		Bill and Keep			Notes	
					Recurring	Recurring Per Mile	Non-Recurring	REC	REC per Mile
									NRC
9.0 Unbundled Network Elements (UNEs)									
9.1 Interconnection Tie Pairs (ITP) - Per Termination									
	9.1.1	DS0			\$0.63			##	
	9.1.2	DS1			\$1.49			A	
	9.1.3	DS3			\$17.45			A	
9.2 Unbundled Loops									
	9.2.1	Analog Loops					See 9.2.4		
		9.2.1.1	2-Wire Voice Grade Loop						
			9.2.1.1.1	Base Rate	\$23.10			#	
			9.2.1.1.2	Zone 1	\$23.90			#	
			9.2.1.1.3	Zone 2	\$27.13			#	
			9.2.1.1.4	Zone 3	\$29.29			#	
		9.2.1.2	Intentionally Left Blank						
		9.2.1.3	4-Wire Voice Grade Loop						
			9.2.1.3.1	Base Rate	\$45.33			#	
			9.2.1.3.2	Zone 1	\$46.90			#	
			9.2.1.3.3	Zone 2	\$53.24			#	
			9.2.1.3.4	Zone 3	\$57.47			#	
	9.2.2	Nonloaded Loops					See 9.2.4		
		9.2.2.1	2-Wire Nonloaded Loop						
			9.2.2.1.1	Base Rate	\$23.10			#	
			9.2.2.1.2	Zone 1	\$23.90			#	
			9.2.2.1.3	Zone 2	\$27.13			#	
			9.2.2.1.4	Zone 3	\$29.29			#	