

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

In the Matter of	)	
	)	
The Uniendo a Puerto Rico Fund and	)	
The Connect USVI Fund	)	WC Docket No. 18-143

To: The Federal Communications Commission

**REPLY COMMENTS OF MOMENTUM TELECOM, INC.**

Momentum Telecom, Inc. (“Momentum”), by counsel and pursuant to Sections 1.415 and 1.419 of the Commission’s Rules, submits these Reply Comments regarding the Connect USVI Fund.<sup>1</sup> Momentum applauds the Commission’s efforts to establish a long-term funding mechanism to support the need to rebuild and expand the infrastructure in the U.S. Virgin Islands.

**About Momentum**

Momentum is a leading provider of wholesale hosted VoIP and unified communications services and serves as the wholesale “CLEC partner”<sup>2</sup> and broadband system manager to Tier II and Tier III cable providers to more than 400 cable operators, broadband providers and reseller partners around the country. Except in a few cases, Momentum does not have its own last-mile connections; rather, it provides “back-office”

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<sup>1</sup> *The Uniendo a Puerto Rico Fund and the Connect USVI Fund, et al.*, Order and Notice of Proposed Rulemaking, FCC 18-57, WC Docket Nos. 18-143, 10-90 and 14-58 (rel. May 29, 2018) (“*NPRM*”). Momentum’s Reply Comments are limited to the Connect USVI Fund.

<sup>2</sup> See, e.g., *Numbering Policies for Modern Communications*, Notice of Proposed Rulemaking, Order and Notice of Inquiry, 28 FCC Rcd. 5842, ¶ 45 (2013).

support and systems intelligence for retail service providers that do. In all, Momentum manages more than 1.2 million high-speed data modems and powers over 350,000 voice lines for its wholesale customers. Momentum is also a certificated local exchange carrier in several states, including New York, New Jersey, Pennsylvania, Mississippi, Tennessee, Florida, Louisiana, Kentucky, North Carolina and Georgia.

In 2015, Momentum obtained authorization from the United States Virgin Islands Public Service Commission to provide telecommunications services in the Virgin Islands (Order No. 47/2015). Despite receiving that authorization three years ago, Momentum has not yet been able to begin providing services in the U.S. Virgin Islands, primarily because Viya, the incumbent local exchange carrier in the Virgin Islands, has refused to enter into an interconnection agreement with Momentum. Momentum has entered into agreements with local cable operators and broadband providers to support their operations (as Momentum has done with hundreds of other providers, as described above). But Momentum cannot begin serving those providers until it obtains interconnection with Viya. As a result, Momentum's wholesale customers have been unable to offer their competitive services, and Viya has maintained its monopoly on all local voice services in the Virgin Islands.

Now, in this proceeding, Viya has proposed policies that would further cement its monopoly control over the U.S. Virgin Islands communications market. For the reasons stated herein, the Commission should refuse to adopt policies that would effectively guarantee that Viya's monopoly would stay in place for years to come. At a minimum, the Commission should require that Viya take steps to open local markets to competition as a condition to receiving any continued support.

## Discussion

In its initial comments, Viya argues that it should remain the sole recipient of universal service support in the U.S. Virgin Islands. To achieve this objective, it proposes a process for Stage 2 support in which Viya would be assured of that result. Among other things, Viya asks the FCC to require all applicants to have a history of providing facilities-based, voice and broadband service to businesses and residences, and to have already become an eligible telecommunications carrier (“ETC”).<sup>3</sup> If these obstacles were adopted, there is little doubt that Viya would be the only carrier eligible for Stage 2 support.

Momentum strongly disagrees with these anti-competitive proposals. Momentum and other competitive providers do not satisfy the criteria that Viya says should be required—largely because of Viya’s own conduct. Since 2015, Momentum has tried to negotiate an interconnection agreement with Viya so that Momentum can facilitate competition from its cable and fixed wireless broadband provider customers. In reliance on its expected ability to provide competitive telecommunications services, Momentum has entered into agreements with local providers. However, these would-be competitors have remained on the sideline while Viya remains the sole voice provider and touts its status as the incumbent.

Momentum agrees that USF funding support should be targeted to where it can do the most good. Further, Momentum believes the Commission should adopt requirements that will allow providers to rebuild and expand the network as quickly and

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<sup>3</sup> See Comments of Virgin Islands Telephone corp. d/b/a Viya and its United States Virgin Islands Wireless Affiliates, WC Docket No. 18-143 (filed July 26, 2018), at 26-35.

efficiently as possible.<sup>4</sup> But that does not mean that Viya should receive all the funding. To the contrary, Momentum's wholesale customers are direct retail broadband service providers who are poised to serve customers in ways that Viya cannot. Assuming the FCC finds Viya to be eligible to continue to receive frozen support or to receive Stage 2 support, the FCC should require Viya, the sole local exchange carrier in the Virgin Islands, to enter into an interconnection agreement with Momentum that will allow Momentum to provide its wholesale services to providers of last-mile services. Not only would that condition enable much-needed competition that will finally let consumers have choice, but it would also provide a measure of redundancy that would help support the FCC's objectives in the Connect USVI Fund.

Respectfully submitted,

**MOMENTUM TELECOM, INC.**

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<sup>4</sup> The Commission should award support through an objective, transparent competitive application process and should allow providers to obtain ETC designation after securing support (similar to the process adopted in the CAF Phase II auction).