

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
	)	
Telecommunications Carriers Eligible for Universal Service Support	)	WC Docket No. 09-197
	)	
Connect America Fund	)	WC Docket No. 10-90

**Comments of  
WTA – Advocates for Rural Broadband**

WTA – Advocates for Rural Broadband<sup>1</sup> (“WTA”) responds to the Wireline Competition Bureau’s Public Notice<sup>2</sup> and files these comments in support of the Petition<sup>3</sup> filed by NTCA on July 23, 2018 requesting a temporary waiver of the minimum service standards applicable to fixed, wireline broadband Internet access service (“BIAS”) eligible for the Lifeline program as part of the Universal Service Fund (“USF”). As NTCA notes in its Petition, it is renewing a “nearly identical request” made in 2017 that was supported by WTA.<sup>4</sup> In that Petition, NTCA “requested that the Commission waive

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<sup>1</sup> *WTA - Advocates for Rural Broadband* is a national trade association that represents more than 340 rural telecommunications providers offering voice, broadband, and video-related services in rural America. Its members serve some of the most rural and hard-to-serve communities in the country and are providers of last resort to those communities.

<sup>2</sup> Public Notice, *Wireline Competition Bureau Seeks Comment of NTCA Petition for Temporary Waiver*, WC Docket Nos. 09-197, 10-90, 11-42, released July 31, 2018, <https://docs.fcc.gov/public/attachments/DA-18-793A1.pdf>.

<sup>3</sup> Petition for Temporary Waiver of NTCA – The Rural Broadband Association, WC Docket Nos. 09-197, 10-90, 11-42, filed on July 23, 2018, “Petition”.

<sup>4</sup> See Petition for Temporary Waiver of NTCA – The Rural Broadband Association, WC Docket Nos. 09-197, 10-90, 11-42, filed on October 20, 2017; Comments of WTA –

the strict application of the new minimum service speed standard and “grandfather” low-income BIAS customers.” NTCA notes that the Commission never acted upon the previous Petition, and since a new minimum standard was set, NTCA effectively resubmitted the Petition.<sup>5</sup>

In its renewed Petition, NTCA argues that good cause exists under Section 1.3 of the Commission’s rules because an increase in the minimum service standard to 18 Mbps download/2 Mbps upload would result in an increase in costs for Lifeline customers, reversing previous broadband adoptions gains and running counter to the goals of the Lifeline program.<sup>6</sup> For the following reasons, WTA again agrees with NTCA’s assessment for the same reasons as before.

### **Raising the Minimum Standards in the Lifeline Program Would Result in Increased Prices and Decreased Lifeline Subscribership**

A waiver of the Commission’s rules should be granted when both “(i) special circumstances warrant a deviation from the general rule and (ii) such deviation would be in the public interest.”<sup>7</sup> The goal of the Lifeline program is to help connect low-income households to broadband by making it more affordable to do so. As a result, a subsidy of \$9.25 is given to those eligible to defray the cost of service. However, as NTCA notes, there is a difference in price when considering different broadband speed tiers. This is a difference that is dictated by simple economics since an increase in the speed tier is an

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Advocates for Rural Broadband, WC Docket Nos. 09-197, 10-90, 11-42, filed on Nov. 27, 2017.

<sup>5</sup> Petition at 1-2.

<sup>6</sup> Id. at 4-5.

<sup>7</sup> 47 C.F.R. § 1.3.

increase in the value of the service.<sup>8</sup> As a result, requiring customer to subscribe to a more expensive 18/2 Mbps service will mean that the customer will be forced to pay more to keep his or her service as the Lifeline support amount stays the same.

A review of the pricing tiers of carriers, even of those in urban areas, reveals that an increase from 15/2 Mbps to 18/2 Mbps will likely negate any benefit a customer received from the Lifeline support. In reality, such an increase in support tiers may result in Lifeline customers paying more even with the subsidy included since such a speed increase often results in incremental rate increases that exceed the amount of the subsidy. If the purpose of the Lifeline program is to connect low-income households, forcing them to pay more for service would run counter to the program's purpose. Even worse, a household forced to pay more may decide that it cannot afford the service and choose to do without.

A waiver of the Commission's rules would allow the customer to choose the appropriate speed and level of service that meets the customer's needs. If they feel that they need the increased speed, they can choose that tier. However, a Lifeline household that is happy with its current service should not be required to pay more if it feels the increased speed is unnecessary.

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<sup>8</sup> Petition at 3.

## **The Purpose of this Waiver Is Not to Force Subpar Broadband on Low-Income Customers**

As WTA noted in previous filings in this proceeding, a waiver of the program's minimum standards is not meant to punish low-income customers or reduce them to subpar service.<sup>9</sup> Rather, it is only indicative of the facts on the ground where the High Cost program currently lacks sufficient funding to ensure that all customers have access to varying tiers of increased speeds at prices comparable to urban areas. Thus, the increased 18/2 Mbps speed may not be attainable for some in rural areas without additional, prohibitive cost. As WTA has previously stated, "the Lifeline mechanism ... cannot on its own help justify network construction and ongoing operations."<sup>10</sup> Without adequate funding in the High Cost program, reasonable and comparable service, the goal of the Universal Service Fund, would be impossible for the whole range of rural customers. Rather, the High Cost and Lifeline programs must work in tandem. The High Cost program must build out reliable, high-speed networks and the Lifeline program must help low-income customers in rural areas gain access to the network. Until the High Cost program is adequately funded, rural Lifeline customers will lack truly comparable and affordable service that many of their urban counterparts enjoy.

It is also worth noting that WTA has been consistent in advocating for reliable and affordable broadband for rural Americans. It is unknown what level of speeds will be needed in the future, yet there is little doubt that robust fiber-based networks will be

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<sup>9</sup> Petition for Reconsideration of WTA – Advocates for Rural Broadband & NTCA – The Rural Broadband Association, WC Docket Nos. 09-197, 10-90, 11-42, filed on June 23, 2017, <http://w-t-a.org/wp-content/uploads/2016/06/6.23.16-NTCA-WTA-WC-11-42-et-al-LL-Order-PFR-FINAL.pdf>, at 3; Comments of WTA – Advocates for Rural Broadband, WC Docket Nos. 09-197, 10-90, 11-42, filed on Nov. 27, 2017, at 3.

<sup>10</sup> Id.

needed for whatever the future holds. Future must-have necessities such as enhanced telemedicine or virtual education should not be available to only those in urban areas. However, as the Commission adopted the previous minimum service standards of 15/2 Mbps and 10/1 Mbps in just the last two years,<sup>11</sup> these speeds can still meet most of the needs for today's Lifeline customers. They give job seekers access to email services and educational videos. They also give children the ability to get online to do homework assignments and surf the web. Thus, it would be incorrect to say that Lifeline customers will receive subpar broadband if NTCA's temporary waiver is granted while the issues with the High Cost program are being resolved.

### **Conclusion**

For the reasons above, the Commission should grant NTCA's Petition for Temporary Waiver. The waiver will ensure that no Lifeline customer is forced to lose his or her service because it is no longer affordable.

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<sup>11</sup> *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, *Telecommunications Carriers Eligible for Universal Service Support*, WC Docket No. 09-197, *Connect America Fund*, WC Docket No. 10-90, Third Report and Order, Further Report and Order, and Order on Reconsideration, FCC 16-38, released April 27, 2016, para. 86, [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-16-38A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-16-38A1.pdf).

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