

October 26, 2018

Via ECFS Filing

Ms. Marlene Dortch
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

***Re: Updating the Inter-carrier Compensation Regime To Eliminate Access Arbitrage, WC
Docket No. 18-155***

Dear Ms. Dortch:

On October 25, 2018, Gene DeJordy, President of Native American Telecom, LLC and Native American Telecom – Pine Ridge, LLC (collectively, “Native American Telecom Companies”) met with Lisa Hone, Deputy Bureau Chief, Wireline Competition Bureau, Victoria Goldberg, Deputy Chief, Pricing Policy Division, Albert Lewis, Special Counsel, Pricing Policy Division, Richard Kwiatkowski, Industry Economist, Pricing Policy Division, and Pamela Arluk, Chief, Pricing Policy Division. The attached Presentation was reviewed during this meeting with the Native American Telecom Companies highlighting the importance of inter-carrier compensation for rural carriers, who incur high costs for providing telephone and broadband services. The Native American Telecom Companies further explained the important role of electronic commerce for rural areas, which are not able to support traditional “brick and mortar” business development. The Native American Telecom companies, who are independent competitive local exchange carriers, have established broadband infrastructures with affordable broadband service offerings that have attracted, for the first time, new business development on the Pine Ridge and Crow Creek reservations.

Any questions concerning this filing should be directed to the undersigned.

Respectfully submitted,

Gene DeJordy

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Enclosure



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

October 2018

Native American Telecom Companies – Crow Creek & Pine Ridge



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.
- 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.