



SALT RIVER

PIMA-MARICOPA INDIAN COMMUNITY

10005 East Osborn Road/Scottsdale, Arizona 85256-9722/Phone (480) 362-7400/Fax (480) 362-7593

The Honorable Ajit Pai, Chairman
The Honorable Mignon Clyburn, Commissioner
The Honorable Michael O'Rielly, Commissioner
The Honorable Brendan Carr, Commissioner
The Honorable Jessica Rosenworcel, Commissioner
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: WC Docket No. 10-90, Connect America Fund

Dear Chairman Pai and Commissioners Clyburn, O'Rielly, Carr and Rosenworcel:

On behalf of the Salt River Pima-Maricopa Indian Community ("SRPMIC"), I write to urge your support for the adoption of a draft order that was circulated on February 13, 2017 to exempt carriers primarily serving Tribal lands from the effects of the operating expense limitation rule (47 C.F.R. § 54.303) that went into effect on January 1, 2017. The SRPMIC believes adoption of the order is consistent with the Commission's acknowledgement of the difficulty and higher costs associated with deploying broadband on Tribal lands, including the increased operational expenses incurred by carriers that provide service in Indian Country.

By way of background, the SRPMIC is primarily served by Saddleback Communications ("Saddleback"), a tribally owned carrier founded by the SRPMIC in 1997. Saddleback has been negatively impacted by the operations expense limitation rule since it went into effect in January. This rule is just one element of the overall high-cost universal service program changes that have materially impacted the company's bottom line. As a result, it has impaired Saddleback's ability maintain its network, upgrade, and expand its current capabilities. For example, the impact of the operations expense limitation rule is a reduction in support of \$71,830 per month, or \$861,960 per year. This reduction in funding is significant for Saddleback that is trying to provide broadband service to a sparsely populated tribal community.

The SRPMIC understand that, while there may be some differences of opinion on the details, the order has broad support among the Commissioners. As such, I am hopeful that after being in circulation for nearly nine months the Commission will soon adopt an appropriate order. While we do not think this action alone is sufficient to address the broadband deployment gap on Tribal lands, the relief contemplated in the order for Saddleback and other carriers primarily serving Tribal lands is meaningful. The

SRPMIC agrees with the sentiments of Chairman Pai in a recent letter to Congress that, “We must work to bring the benefits of the digital age to all Americans, and we will continue to pursue common-sense regulatory reforms to close the digital divide on Tribal lands.”

Your consideration of this request is greatly appreciated. If you have any questions please do not hesitate to contact Mr. Gary Bohnnee, Office of Congressional and Legislative Affairs, Gary.Bohnee@srpmic-nsn.gov, 480-362-2737.

Sincerely,

A handwritten signature in dark ink, appearing to read "Delbert W. Ray Sr". The signature is fluid and cursive, with the last name "Ray" being the most prominent part.

Delbert W. Ray, Sr.
President