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December 28, 2017

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

RE: GN Docket No. 17-258

Dear Ms. Dortch;

Cloud Alliance LLC is a small, fixed-wireless ISP in rural, central Vermont. Our company was founded by community members in 2005 to serve the unserved in a couple of towns. Over the last dozen years, our service area has grown modestly to about a dozen towns.

Years after its predecessor failed to serve, Vermont's principal ILEC, in fulfillment of PUC requirements, committed to extending its DSL service to 50 percent of Vermont's exchanges. Among the exchanges it chose were all of those served by Cloud Alliance. Some of our subscribers responded to the intense price competition by switching away.

Cloud Alliance answered, in turn, by investing in 4G technology in the new 3650–3700 MHz band to replace our 900 MHz equipment. This much-improved service coupled with our exemplary customer service enabled the company to win back subscribers and further expand coverage. Presently, Cloud Alliance provides service to fully 90 percent of our subscribers relying on the 3650–3700 MHz band.

Without the Commission's visionary experiment in shared spectrum in the 3650–3700 MHz band, Cloud Alliance might not have been able to provide a competitive option to many rural Vermonters, nor could we have extended very high speed broadband to many still unserved residences and small businesses. Our company is anxious to further expand services and coverage. The prospect of the even more visionary CBRS has been just the formula for Cloud Alliance.

We deeply appreciate and fully use the entire spectrum of our NN license. We need more. With another 100 MHz of mid-band spectrum, Cloud Alliance looks forward to bonding channels to provide forest-penetrating, ultra high speeds to our current customers and to reducing congestion by eliminating concerns of self-interference. But, operating only with GAA spectrum is fraught with risk. Will we be able to bring those speeds without protection from RF interference from other providers? As surely as PALs are the answer, the PEAs found in the FNPRM are surely a terrible problem for companies as small and vital as ours.

Below is a simplified representation of the Cloud Alliance service area showing the PEAs and census tracts it touches. Bound by mountain ranges, our service area comprises less than a dozen census tracts. We cannot compete with larger companies vying for PALs that would serve more than half the state and all of its largest cities and towns.

We have invested heavily in the 3650–3700 MHz band. But, because of the uncertainties introduced by the FNPRM, we cannot jeopardize our company by investing in equipment for the CBRs band unless and until PAL geographic areas are returned to more manageable size as was originally determined in 2015. Also, increasing the PAL term lengths with renewability provisions further increases the likely auction prices and essentially makes terms permanent, effectively eliminating the smaller companies.

It is our opinion that leaving the rules as originally written would be best for the nation, enabling both small and large companies intent on serving the most rural areas. Changing the rules as now proposed would be best only for the largest companies, which need not cover the outlying rural areas in order to prosper. Why choose the winners in advance? In fact, why need there be winners? Smaller PAL areas will enable all the areas be served by multiple companies.

On behalf of my company,
I implore the commission to
reconsider the basis for PALs. Do
what's best for all of America.

Sincerely,
Michael Birnbaum
managing partner
Cloud Alliance LLC

