



July 23, 2015

Ex Parte Communication

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: In the Matter of Connect America Fund, WC Docket No. 10-90; Commissioner Ajit Pai's Universal Service Reform Proposal

Dear Ms. Dortch:

The National Tribal Telecommunications Association (NTTA) appreciates Commissioner Ajit Pai's statement announcing a plan to support broadband deployment in rural America.¹ Commissioner Pai's plan consists of a set of targeted changes to existing rules in order to ensure the provision of stand-alone/data only broadband (DOBB) service is adequately recognized and supported by the federal high cost support programs. In addition, Commissioner Pai states that a path is needed for rate-of-return (RoR) carriers to participate in the cost-model driven Connect America Fund (CAF). NTTA believes such a plan is consistent with the work already done by Chairman Wheeler, Commissioners Clyburn, Rosenworcel, O'Rielly, the Commission Staff, and industry associations representing rural, rate-of-return regulated carriers and should therefore appeal to a wide range of industry stakeholders.

In regards to Commissioner Pai's plan for DOBB, NTTA agrees that such a methodology is reasonable and presents a careful and targeted approach to solving a vexing problem in rural areas served by NTTA's members and other rural RoR regulated carriers. Currently, the provision of DOBB by RoR carriers results in a reduction of needed universal service support due to the customer not taking voice service. Recognizing this, the Commission has attempted to tackle the DOBB problem and has entertained multiple solutions such as the Data Connection Service (DCS) proposal made by NTCA, et al. Commissioner Pai's plan, in contrast, consists of several fairly simple revisions to current rules, utilizes current support mechanisms, and results in a substantially equitable way to address the DOBB problem.

As stated above, Commissioner Pai's plan represents a careful and targeted approach to solving the DOBB problem. Indeed, the Plan substantially meets the criteria stated in the May 11, 2015 letter to Chairman Wheeler from the U.S. Senate Committee on Commerce, Science, and Transportation. In that letter, which was signed by a bipartisan group of sixty-one Senators, the FCC was requested to "take common sense steps" and not to adopt any "new models or sweeping changes" in fixing the DOBB problem. In addition, the group of sixty-one Senators renewed its call "for the FCC to expeditiously make careful, targeted updates to the existing USF mechanism to provide sufficient and predictable support so that

¹ June 29, 2015 News Release, *Statement of FCC Commissioner Ajit Pai Announcing His Plan to Support Broadband Deployment in Rural America*

consumers in areas served by smaller rural carriers can make the choice to obtain robust broadband services at affordable rates...” NTTA believes Commissioner Pai’s plan represents a good first step in solving the DOBB problem.

Commissioner Pai also supports a path for RoR carriers to participate in the CAF. The CAF, as described by Commissioner Pai, is the funding mechanism that is fundamentally driven by the FCC’s chosen cost model – the Connect America Model (CAM) for price cap carriers and the Alternative Connect America Model (A-CAM) for RoR carriers. While NTTA is open to alternative, purely voluntary, paths to long-term universal service fund reform for RoR carriers based on cost model-produced support, the A-CAM, as demonstrated in recent Ex Parte filings², requires substantial further work as it is largely inadequate, as currently formulated, to deliver the support needed for serving Tribal lands. Furthermore, NTTA believes adoption of a DOBB solution and a voluntary path for A-CAM based CAF support must be seen as independent endeavors. NTTA requests the Commission expeditiously move forward with adopting a careful, targeted approach to resolving the DOBB problem such as described by Commissioner Pai, and address the alternative model-based path on a separate basis and do so in a non-rushed, orderly, thorough, and reasonable manner.

In addition, NTTA supports Commissioner Pai’s call to use a portion of the accumulated reserves in the current USF mechanism to fund shortfalls related to USF reform. NTTA requests that the Commission quantify total reserve funds available and over what period of years the funds will be available as part and parcel of its future model adoption announcements. Finally, NTTA urges the Commission to consider use of a portion of those funds to implement the Tribal Broadband Factor proposed by NTTA.³

NTTA looks forward to working with the FCC on further USF reforms applicable to carriers serving Tribal lands, and its members look forward to assisting with ongoing Tribal engagement as the USF reform process moves forward.

Sincerely,

/s/

Godfrey Enjady
President
National Tribal Telecommunications Association

cc: Chairman Thomas Wheeler
Commissioner Ajit Pai
Commissioner Mignon Clyburn
Commissioner Michael O’Rielly
Commissioner Jessica Rosenworcel
Geoffrey Blackwell, Office of Native Affairs and Policy

² See, e.g., Alexicon June 18, 2015 Ex Parte filing in WC Docket No. 10-90; Vantage Point July 13, 2015 Ex Parte filing in WC Docket No. 10-90

³ See NTTA June 19, 2015 Ex Parte Communication filing in WC Docket No. 10-90