



January 13, 2016

***Ex Parte Notice***

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

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

Dear Ms. Dortch:

On Tuesday, January 12, 2016, Shirley Bloomfield and the undersigned, on behalf of NTCA–The Rural Broadband Association (“NTCA”), together with the members of the NTCA Board of Directors listed in the attachment hereto, met separately with; (1) Stephanie Weiner, legal advisor to Chairman Tom Wheeler; Rebekah Goodheart, legal advisor to Commissioner Mignon Clyburn; Amy Bender, legal advisor to Commissioner Michael O’Rielly; Matthew DelNero, Chief of the Wireline Competition Bureau; and Carol Matthey, Deputy Chief of the Wireline Competition Bureau; (2) Nicholas Degani, legal advisor to Commissioner Ajit Pai; and (3) Travis Litman, legal advisor to Commissioner Jessica Rosenworcel. The purpose of each of these meetings was to discuss NTCA’s views with respect to potential universal service fund (“USF”) reforms being considered in the above-referenced proceeding.

We opened each meeting by describing principles adopted by the NTCA Board that had guided NTCA’s advocacy in this proceeding; those principles are set forth in the attachment hereto. We explained how these principles apply to certain issues raised in the proceeding, and how they correspond to many of the objectives that have been articulated by the Federal Communications Commission (the “Commission”) and individual offices with respect to potential USF reforms. Certain board members then described in each meeting the challenges they share with many other NTCA members in obtaining the certainty needed to justify new investments going forward, both in terms of near-term uncertainty arising out of the pendency of reforms as well as longer-term concerns related to the complexity and continuing lack of clarity of some of the potential changes under consideration, including both a “bifurcated approach” to reform of existing USF mechanisms and the prospects for a model-based support path. NTCA further noted the need for sustainability of investments that are made leveraging USF resources, particularly the importance of ensuring investments are efficient as measured over the life of the networks and the need to provide a reasonable opportunity to recover costs incurred in accordance with the rules in place at the time investments are made. NTCA noted the many successes that smaller, rate-of-return-regulated rural local exchange carriers (“RLECs”) have made to date in deploying broadband-capable networks, and urged the Commission to build upon and not disrupt the mechanisms that had enabled these successes, while also defining targeted options for support for those companies that may require or desire alternatives and solving in a surgical, thoughtful way for situations in which carriers had found themselves unable to invest to date.

Marlene H. Dortch  
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Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Michael R. Romano

Michael R. Romano

Senior Vice President – Policy

cc: Stephanie Weiner  
Rebekah Goodheart  
Amy Bender  
Nicholas Degani  
Travis Litman  
Matthew DelNero  
Carol Matthey

**NTCA BOARD MEMBERS IN ATTENDANCE  
FCC MEETINGS – JANUARY 12, 2016**

Jim Dauby, Perry-Spencer Rural Telephone Cooperative (Indiana; NTCA President)

Doug Boone, Premier Communications (Iowa; NTCA Vice President)

Mark Bahnson, Bloomingdale Telephone Co. (Michigan)

Allen Hoopes, Silver Star Communications (Wyoming)

Fred Johnson, Farmers Telecommunications Cooperative (Alabama)

John Klatt, Lakeland Communications (Wisconsin)

Mitchell Moore, Clear Creek Communications (Oregon)

Keith Oliver, Home Telephone Co. (South Carolina)

## **NTCA REFORM PRINCIPLES**

- 1) RLECs should be able to recover past investment and expenses consistent with USF rules in place at the time those investments were made.
- 2) RLECs should be able to recover future investments and expenses through a USF mechanism that is predictable, sufficient and sustainable.
- 3) Any obligations on RLECs arising in connection with USF support should be calibrated to the amount of available funding.
- 4) Any model implemented must be accurate and transparent.
- 5) Any USF reforms should aim not toward broadband deployment measured by interim arbitrary broadband speed standards alone, but rather toward the deployment of “future-proof” fiber networks that can satisfy speed standards over the life of the network and thereby better ensure rural consumers have access to services that are reasonably comparable in quality and price to those available in urban areas.