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March 17, 2016

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

**Re: Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42
Telecommunications Carriers Eligible for Universal Service Support, WC Docket
No. 09-197
Connect America Fund, WC Docket No. 10-90**

Dear Ms. Dortch:

On March 15, 2016, Loretta Polk and I from the National Cable & Telecommunications Association (NCTA) met with Amy Bender from the Office of Commissioner O’Rielly, and on March 16th we met with Travis Litman from the Office of Commissioner Rosenworcel, and Nick Degani from the Office of Commissioner Pai, to discuss the Commission’s proposed reforms to the federal universal service low-income Lifeline program and the proposed privacy regulations applicable to Internet service providers (ISPs). On March 17, 2016, Steve Morris and I from NCTA met with Rebekah Goodheart from the Office of Commissioner Clyburn to discuss Lifeline reform.

In our meetings we expressed support for the Commission’s plan to increase competition and innovation in the Lifeline marketplace by reducing barriers to entry for providers seeking to provide Lifeline discounts to their eligible low-income customers. Specifically, we commended the proposal to adopt a national process for becoming a Lifeline broadband provider, as opposed to requiring new entrants to apply for an Eligible Telecommunications Carrier (ETC) designation in each state in which they provide service. As the Commission has noted, the current multi-state ETC designation process has been identified as an impediment to service provider participation in the Lifeline program.¹ Providing a single, nationwide designation option for broadband Lifeline support is a positive step toward encouraging new providers to participate. Furthermore, allowing existing ETCs to receive Lifeline support for broadband without requiring them to undergo a new or additional designation process will help to ensure that eligible low-income subscribers can benefit from the subsidy as soon as possible.

¹ *Lifeline and Link Up Reform and Modernization*, WC Docket Nos. 11-42, 09-197, and 10-90, Second Further Notice of Proposed Rulemaking, 30 FCC Rcd 7818, 7866, ¶132 (2015) (*2015 Lifeline Reform FNPRM*).

We also urged the Commission to provide eligible low-income consumers with the widest choice of broadband services possible by allowing the use of Lifeline discounts on any broadband service offered by a participating service provider. As explained in the comments recently filed by the National Telecommunications and Information Administration, “Lifeline consumers should have the ability to use their subsidy to purchase the broadband services that meet their needs.”² We expressed concern that a strict minimum speed standard would compel providers to deny low-income consumers the Lifeline discount on low-priced offerings that they otherwise would find attractive. Accordingly, rather than precluding Lifeline recipients from using their discounts on low-cost broadband tiers at speeds below 10 Mbps download/1 Mbps upload, the Commission should allow them to choose among the same service offerings that are available to non-Lifeline subscribers.

To ensure that Lifeline recipients are not relegated to inferior broadband, the Commission could require providers to offer any Lifeline-specific broadband tiers at 10 Mbps/1 Mbps. If, however, a service provider chooses to make all of its broadband offerings available to Lifeline recipients, so long as one of these available tiers meets the 10/1 Mbps speed requirement, the Lifeline recipient should not be precluded from choosing to subscribe to a lower tier of service. As the Commission learned through its Lifeline broadband pilot program, low-income consumers do not uniformly want or need the same speeds or services.³ In fact, one pilot project that tested low-income consumers’ preferences for a range of speeds found that, when given the choice between broadband download speeds of 1 Mbps, 6 Mbps, 12 Mbps, and 24 Mbps, “the 6 Mbps plan was the most popular in all groups.”⁴ So long as Lifeline customers are not limited to slower speed tiers, they should be free to subscribe to them if they so choose, rather than required to pay for faster, more expensive speed tiers that they may not need or want just to make use of the Lifeline discount.

On privacy, we urged the Commission to give full consideration to the proposal recently submitted by NCTA and other industry associations, which addresses the principles of transparency, respect for context and consumer choice, data security and data breach notifications, and to model ISP broadband requirements on the well-established and time-tested policies employed by the Federal Trade Commission (FTC).⁵ These are the policies that have governed ISP broadband privacy until the reclassification of broadband Internet access service in the *Open Internet Order*, and that still apply to the remaining participants in the Internet ecosystem. Harmonizing with the successful FTC framework in this way will benefit consumers

² *Ex Parte* Comments of the National Telecommunications and Information Administration, WC Docket No. 11-42, at 13 (filed Mar. 9, 2016) (“[W]e have concerns about an outright dismissal of providers’ strong objections to [minimum speed] standards.”).

³ Julie Veach, Chief, Wireline Competition Bureau, *Driving Lifeline Updates With Data*, Official FCC Blog (May 22, 2015), <https://www.fcc.gov/blog/driving-lifeline-updates-data>.

⁴ *Wireline Competition Bureau Low-Income Broadband Pilot Program Staff Report*, WC Docket No. 11-42, 30 FCC Rcd 4960, 4972-73, ¶¶ 25-26 (Wireline Comp. Bur. 2015).

⁵ Letter from Matthew M. Polka, President and CEO, American Cable Association, *et al.*, to Tom Wheeler, Chairman, Federal Communications Commission, <https://www.ncta.com/sites/prod/files/Letter-PrivacyPrinciples-3-1-16.pdf> (Mar. 1, 2016).

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by safeguarding privacy interests in a consistent manner throughout the Internet, while also promoting innovation and competition. We urged the Commission to seek comment on the industry proposal.

Respectfully submitted,

/s/ Jennifer K. McKee

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cc: A. Bender
T. Litman
N. Degani
R. Goodheart