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LNGS | LUKAS, NACE, GUTIERREZ & SACHS, LLP

March 23, 2016

FILED VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-B204
Washington, D.C. 20554

Re: *Ex Parte* Notification
WC Docket No. 11-42

Dear Ms. Dortch:

On March 22, 2016, undersigned counsel and Kevin Frawley, on behalf of Smith Bagley, Inc., met with Stephanie Weiner, Gigi Sohn, Eric Feigenbaum, Trent Harkrader, Jamile Kadre and Anthony Jones in Chairman Wheeler's office. On March 23, 2016, we met with Travis Litman in Commissioner Rosenworcel's office. At each meeting we discussed the Commission's upcoming Lifeline reform item.

We discussed the company's proposal for enhanced Tribal Lifeline support and its recent ex parte letter, filed in the above-referenced docket. As noted therein, the Commission's 2000 Tribal Lifeline Order created Tier 4 Lifeline support to accelerate infrastructure investment in the nation's most remote Tribal Lands. That Order was directly responsible for increasing household telephone penetration on the Navajo Nation from under 40% in the 2000 Census to over 80% in the 2010 Census.

We discussed how creating an enhanced Lifeline support mechanism for facilities-based carriers operating on Tribal Lands will accelerate investment in new cell sites, upgrades to 4G LTE, and increases in backhaul capacity, which is extraordinarily expensive in areas where special access choices are limited.

Finally, we discussed how Lifeline is an efficient means of supporting affordable service to remote areas. Any enhanced Tribal Lifeline support would only be expended if a carrier delivers the required services to a Lifeline customer and would cease as soon as the customer stopped taking service. The cost of such a mechanism for facilities-based carriers would be far less per customer than CAF Model support, and is estimated to be only $25-30 million per year. This cost can be financed out of savings realized elsewhere in the Commission's Lifeline reform order. In sum, the time for moving remote Tribal Lands to the next level, to provide high-quality and affordable 4G LTE broadband, is now.

We have enclosed for reference copies of materials handed out at the meeting. Should you have any questions, please contact undersigned counsel directly.

Sincerely,

David A. LaFuria
Counsel for Smith Bagley, Inc.

Enclosure

cc (via e-mail):

Stephanie Weiner
Gigi B. Sohn
Eric Feigenbaum
Trent Harkrader
Jamile Kadre
Anthony Jones
Travis Litman
Kevin Frawley, Esq.

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March 14, 2016

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W., Room TW-B204
Washington, DC 20554

Attn: Wireline Telecommunications Bureau

Re: WC Docket No. 11-42

Dear Ms. Dortch:

On behalf of Smith Bagley, Inc. ("SBI"), we write to provide the Commission with information for the record in the above-captioned proceeding. This information, which provides a detailed view of the capital investments and annual operating expenses SBI is prepared to invest with increased Lifeline support, demonstrates the critical importance of the Commission's Lifeline program in enabling the deployment of advanced broadband infrastructure to serve Tribal communities.

As we explain below, SBI is prepared to invest approximately [[redacted]] in capital and operating expenses on Tribal Lands it serves over the next five years, to improve its coverage and upgrade its network to 4G LTE. This proceeding will likely determine whether Tribal residents see these proposed investments. Without an increase in Tribal Lifeline support, SBI will be unable to undertake most of the planned investments in broadband infrastructure on Tribal Lands that are described in this letter. If legacy high-cost support is phased out for Tribal Lands, it is unclear that any investments can be made beyond major towns and highways.

SBI provides commercial mobile wireless services, as well as ancillary services such as fixed wireless Internet access, and small and medium size enterprise services on Navajo, Hopi, Zuni, Ramah Navajo and White Mountain Apache lands in Arizona, New Mexico, and Utah, as well as substantial non-Tribal rural areas in the region. The company has over [[redacted]] customers, with more than 60,000 subscribers accessing Lifeline benefits to gain access to basic telephone services.

With respect to Internet access and related data services, SBI's HSPA+ network serves consumers and businesses in the region at speeds often approaching or exceeding 4/1 Mbps.

As explained below, achieving higher speeds depends on access to sufficient spectrum, as well as access to high-speed point-to-point backhaul networks, so that speeds from handset to cell site are maintained from the cell site to the Internet.

In the 2000 Census, less than 40% of households on the Navajo Nation had access to a telephone of any kind.[1] That is, just sixteen years ago, over 60% of Navajo residents had to go outside of the house, to a community pay phone or a neighbor, to place or receive a call. SBI's prior experiments with various forms of a "safety phone" were not well-received due primarily to affordability. The combination of low population density and poor demographics made it impossible to invest in new cell sites outside of towns and through roads.[2] In 2000, after seven years of trying, SBI had 17 cell sites on non-Tribal Lands and 5 located on Tribal Lands.

The Commission rightly recognized the extraordinary conditions then extant on many Tribal Lands across the country and took remedial action. In 2000, the Commission created Tier 4 Lifeline for Tribal Lands, in large part to provide an incentive for carriers to construct telecommunications facilities in remote areas that had theretofore failed to attract investment. In its 2000 Tribal Lifeline Order, the Commission found:

> We also believe that our adoption of enhanced Lifeline support will encourage: (1) eligible telecommunications carriers to construct telecommunications facilities on tribal lands that currently lack such facilities…
>
> * * * *
>
> Infrastructure Development. By providing carriers with a predictable and secure revenue source, the enhanced Lifeline support just discussed, in conjunction with the expanded support that we provide under the Link Up program, is designed to create incentives for eligible telecommunications carriers to deploy telecommunications facilities in areas that previously may have been regarded as high risk and unprofitable. We note that, unlike in urban areas where there may be a greater concentration of

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[1] *See* Telephone Penetration by Income by State (Data Through 1999), Industry Analysis Div., Common Carrier Bur., FCC (March, 2000) at 4, *accessed at* http://transition.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/pntris99.pdf; U.S. Gen. Accountability Office, *Challenges to Assessing and Improving Telecommunications for Native Americans on Tribal Lands* at 14 & Fig. 3 (2006), *accessed at* http://www.gao.gov/products/GAO-06-189.

[2] For example, according to the 2010 Census, Navajo County, AZ, including non-Tribal Lands, has 10.8 inhabitants per square mile, while Apache County, AZ, including non-Tribal Lands, has only 6.4. *See* http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk. On Tribal Lands within these counties, many areas are below 5 inhabitants per square mile.

> both residential and business customers, carriers may need additional incentives to serve tribal lands that, due to their extreme geographic remoteness, are sparsely populated and have few businesses. In addition, given that the financial resources available to many tribal communities may be insufficient to support the development of telecommunications infrastructure, we anticipate that the enhanced Lifeline and expanded Link Up support will encourage such development by carriers. In particular, the additional support may enhance the ability of eligible telecommunications carriers to attract financing to support facilities construction in unserved tribal areas. Similarly, it may encourage the deployment of such infrastructure by helping carriers to achieve economies of scale by aggregating demand for, and use of, a common telecommunications infrastructure by qualifying low-income individuals living on tribal lands.
>
> * * * *
>
> To the extent that the cost to extend facilities, due to the geographic remoteness of a location or other geographic characteristics, is extraordinarily high, we recognize that the level of support provided here, in combination with existing levels of universal service high-cost support, may not always be sufficient to attract the necessary facilities investment. Accordingly, although we anticipate that the measures adopted in this Order will address a significant number of the obstacles to subscribership on tribal lands identified on the record before us, we anticipate that additional regulatory steps may be necessary to encourage the deployment of facilities in areas where the cost of deployment is extraordinarily high.[3]

For Tribal Lands where SBI serves, the Commission's action was transformational. Beginning immediately after the Tribal Lifeline Order issued, SBI commenced construction of new cell sites on Tribal Lands, hired Tribal citizens, created a supporting business infrastructure, and began a massive outreach program, coinciding with each newly inaugurated cell site. The best evidence that the FCC's Tribal Lifeline Order transformed the lives of Tribal residents can be found in the 2010 Census, where the number of Navajo households with access to a

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[3] *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Unserved and Underserved Areas, Including Tribal and Insular Areas*, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, 15 FCC Rcd. 12,208, 12,235-6 (2000) (footnotes omitted) ("Tribal Lifeline Order").

telephone rose to 81%.[4] By 2014, the number had risen to 91.6%.[5] This represents hundreds of thousands of people receiving basic telecommunications services that Americans have taken for granted for most of a century.

Without the Commission's Tribal Lifeline initiative in 2000, SBI believes there is an absolute zero chance that any carrier would extend high quality mobile wireless service into these remote areas. It hadn't been done for decades and SBI's best business modeling between 1993 and 2000 produced a losing proposition, even when it looked at an extremely long-term return period. The FCC's bold initiative was an unqualified success for Tribal Lands, and the Commission deserves full credit.

As a direct result of the Tribal Lifeline Order, SBI has been able to invest in its infrastructure and borrow funds needed to add spectrum that is vital to voice coverage, and to future 4G LTE broadband service. For example, since 2000, SBI has increased its cell count from 17 to [[redacted]], with [[redacted]] being located on Tribal Lands, and more new cell sites are on the way. It has purchased new equipment, including 2G/3G/HSPA+ technology, point-to-point microwave equipment, switching facilities and switch core investments, along with other plant, construction equipment, repair trucks, and related equipment to build and operate its network. Most recently, SBI invested over [[redacted]] million to upgrade its existing network to 3G/HSPA+, providing consumers with improved data throughput. In addition, SBI has taken on the substantial additional cost of leasing interconnection facilities needed to backhaul traffic from cell sites to its switching center in Show Low, Arizona. These costs are ongoing, and they rise each year as new towers are added.

Since 2000, SBI has invested [[redacted]] in total capital and system operating costs to provide high-quality mobile services to Tribal residents. In addition, the Company has purchased, either on the open market or at FCC auction, spectrum assets valued at over [[redacted]], without which it could not provide coverage, nor could it even consider a 4G LTE upgrade in the future.

The Commission is considering an update of its Lifeline program to allow support to be used for broadband services, a much needed development that will ensure that low-income Americans have opportunities to participate in the information economy. Using Lifeline support to spur the deployment of broadband infrastructure will provide enormous benefits to rural communities and consumers living on Tribal Lands, by enhancing public safety, bringing

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[4] American Factfinder, Selected Population Profile in the U.S., 2010 American Community Survey, at: http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_10_1YR_S0201&prodType=table.

[5] Id.

health care and education benefits, and generating economic opportunity.[6] SBI supports commenters advocating a higher Lifeline support amount for Tribal Lands, in large part to allow a quantity of broadband service that allows consumers to use the Internet in a meaningful way.[7]

For example, Gila River Telecommunications notes that the "ACAM model uses a $55.00 benchmark rate for broadband end user revenue and the Commission's rate survey shows a 'reasonably affordable' rate for 10 Mbps/1 Mbps broadband is $71.40."[8] These figures suggest that Lifeline support for Tribal Lands should be set $15-35 above the current level. SBI supports a focused increase for facilities-based carriers, provided there is a corresponding improvement in broadband infrastructure and service availability flowing from such an initiative. As previously noted, support that improves infrastructure creates benefits in public safety, health care, education, economic opportunity, and fulfills the Congressional directive that rural citizens deserve access to services that are reasonably comparable to those in urban areas.

To demonstrate how important universal service support is to upgrading infrastructure, SBI has enclosed with this letter as Exhibit 1, a confidential summary of capital investments and annual operating expenses it is prepared to invest with increased Lifeline support. There are two components to this analysis. First, the capital and operating costs of upgrading its existing network to 4G LTE. Second, the capital and operating costs of building [[redacted]] new cell sites to provide high-quality service in the more remote areas of SBI's Tribal service area.

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[6] *See, e.g., Lifeline and Link Up Reform and Modernization et al*., WC Docket No. 11-41 *et al*., Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, 30 FCC Rcd 7818, 7828 (para. 17) (2015) (noting that "[t]he ability to use and participate in the economy increasingly requires broadband for education, health care, public safety, and for persons with disabilities to communicate on par with their peers"); *Lifeline: Improving Accountability and Effectiveness, Hearing Before S. Comm. on Commerce, Science & Trans., Subcomm. on Communications, Tech., Innovation & Internet*, June 2, 2015, Testimony of Jessica J. González, Executive V.P. & Gen. Counsel, Nat'l Hispanic Media Coalition, at 2 (indicating that "broadband Internet access has become an essential service, and it has become increasingly critical in promoting the economy, public health, public safety, and education. I can think of no better way of improving the effectiveness of Lifeline than by supporting the FCC's efforts to modernize it for the broadband age …").

[7] SBI has argued generally that the Commission should give priority to connecting up the remaining low-income households, and that "it would be counterproductive for the Commission to impose a budget which would have the effect of preventing the remaining Tribal households from accessing Lifeline benefits, or which would prorate benefits to existing participants." SBI Comments, WC Docket No. 11-42, *et al*. (filed Aug. 31, 2015) ("SBI Comments"), at 16.

[8] *See ex parte* letter, filed by Gila River Telecommunications, Inc., dated February 16, 2016 at n.4. http://apps.fcc.gov/ecfs/document/view?id=60001462876.

Upgrading Existing Network to 4G LTE

With respect to the capital cost of upgrading its existing network on Tribal Lands to LTE, SBI estimates the cost to be [[redacted]], broken out as follows:

LTE Cell Site Equipment	[[redacted]]
Hardware/Licenses at Switch Core	[[redacted]]
Fiber Construction	[[redacted]]
Microwave Backhaul Upgrade	[[redacted]]

SBI estimates the **annual** cost of operating an LTE network on existing Tribal cell sites to be [[redacted]], broken out as follows:

Increased Fiber Lease Costs	[[redacted]]
Increased Cell Site Rents/Maintenance	[[redacted]]
LTE Core/Cell Site Software and Support	[[redacted]]
Increase in Non-Network Operating Costs	[[redacted]]

In sum, on Tribal Lands, in order to upgrade its existing 3G network to 4G LTE technology and maintain it over a five-year period, SBI estimates that it will invest [[redacted]] in capital, plus [[redacted]] in total operating costs, for a total of [[redacted]].

Constructing [[redacted]] New Towers on Tribal Lands

In addition to upgrading its existing network, SBI plans to build [[redacted]] new cell sites on Tribal Lands. The capital cost of building these new cell sites is estimated to be [[redacted]], broken out as follows:

Cell Site Construction/LTE Equipment/Backhaul	[[redacted]]
Microwave Construction/Upgrade	[[redacted]]
Fiber Construction	[[redacted]]

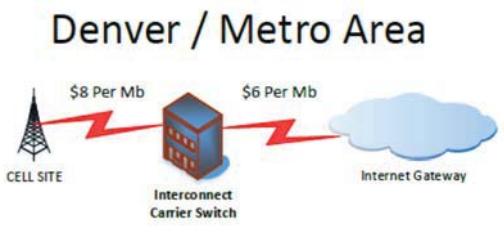
Once all of [[redacted]] sites are constructed, SBI estimates the **annual** cost of operating an LTE network on these new towers to be [[redacted]], broken out as follows:

Cell Site Rent/Maintenance	[[redacted]]
Fiber Lease Costs	[[redacted]]
LTE Core/Cell Site Software and Support	[[redacted]]

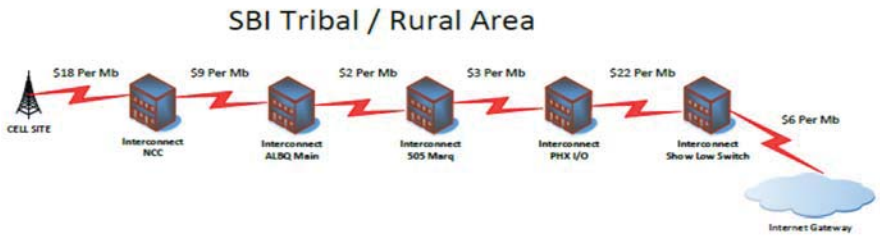
To build [ ] new 4G LTE cell sites and operate them over a five-year period, SBI estimates that it will invest [ ] in capital, plus [ ] in total operating costs, for a total of [ ].

Combining the 4G LTE upgrade and adding [ ] new cell sites, SBI estimates the total cost over the next five years to be [ ]. These extraordinary numbers highlight two critical aspects of operating on Tribal Lands. First, the lack of existing infrastructure requires far more new construction than would be required in most non-Tribal Lands. For example, there are fewer towers on which to collocate and many areas require multiple microwave links to reach. To illustrate where support is needed most, SBI has attached as Exhibit 2 a screen shot showing where 4G LTE services are unavailable on the Navajo Nation in northeastern Arizona. Notwithstanding the lack of coverage shown, SBI asserts that this map overstates effective coverage throughout the Tribal Lands that it serves.

Second, there are fewer competitive options for facilities, raising the cost of transporting traffic to extraordinary levels. In a typical urban area, the cost of transporting traffic is approximately $1400.00 per month for 100 Mb of throughput ($14.00 per Mb x 100), illustrated as follows:



On rural Tribal Lands, SBI often pays as much as $6000.00 per month for 100 Mb of throughput ($60.00 per Mb x 100), in large part because it is required to lease as many as six different paths to bring traffic from its cell site to the Internet, illustrated as follows:



Going forward, the recurring fiber costs to run SBI's Tribal network is expected to continue at these levels, a cost that can only be reduced with an increase in the quantity of facilities in the region, to provide carriers such as SBI with alternatives.

This lack of existing infrastructure, on which to collocate or otherwise make use of, exists because of decades of underinvestment in these areas. In order for service on rural Tribal Lands to be made reasonably comparable with urban areas, there are catch-up investments needed to bring infrastructure levels up to a reasonable standard.

Summary Comments

The current Lifeline program does not allow a return on the investments proposed above, over even a very long-term horizon. Yet, it is fair to ask how much of SBI's estimated investments can be made with additional Lifeline support. SBI believes it can make all of the listed investments with an increase to the Lifeline program of $20 per month, and that its broadband subscriber base will stabilize or increase to cover the investments.

It is important to note that Lifeline support is only provided if SBI gets a customer, and therefore investments must be made in order to capture customers. If SBI cannot capture a sufficient number of customers, it will be unable to invest at the levels outlined in this letter. Moreover, if another carrier wishes to invest in these areas to build infrastructure and capture customers, it will garner Lifeline support and SBI will not.

SBI can also state with certainty that if Lifeline is not increased, while legacy support is eliminated, most or all of the investments for a 4G LTE upgrade and the construction of new cell sites in remote areas will never be constructed. Today, SBI's 4G LTE plans only extend to [redacted] Customer revenues are now, and will be, insufficient to recover the cost of extending 4G LTE beyond profitable towns and highways, into remote Tribal Lands.

If the FCC acts to increase the level of support available in the Lifeline program, then, upon request, SBI will provide the Commission with a report on how much additional Lifeline support it receives, and how such support was used to increase broadband availability on the Tribal Lands that it serves.

Recently, the GAO released a report providing many insights into the challenges of increasing broadband penetration on Tribal Lands.[9] A few takeaways:

- Non-payment rates among tribal residents is twice that of non-Tribal, suggesting affordability as an issue and the need for increased support and alternative service offerings to keep such citizens connected.

[9] U.S. Government Accountability Office, *TELECOMMUNICATIONS, Additional Coordination and Performance Measurement Needed for High-Speed Programs on Tribal Lands* (Jan. 2016), *accessed at* http://www.gao.gov/assets/680/674906.pdf.

- There are a number of related universal service programs that can provide middle mile connectivity, access for schools and libraries, and health care facilities, however ***none*** provide for discounts to consumers who cannot afford service. Those programs are critical to knitting together a broadband ecosystem and the training/education initiative needed to improve digital literacy. But they do not substitute for the critical role that Lifeline plays.

- There is an important distinction between Internet availability and Internet adoption. Various infrastructure programs can increase availability, but only Lifeline directly attacks adoption, by increasing affordability. By increasing Lifeline subsidies, the FCC increases affordability while also providing an incentive to increase availability.

- This docket allows the FCC to sharpen performance metrics for the Tribal Lifeline program. There should be measurable improvement in broadband penetration as a result of increasing Lifeline support for broadband, just as there was when the FCC inaugurated Tier 4 Lifeline in 2000.

In closing, the Commission has now established a broadband performance goal of 10/1 throughout the nation, including Tribal Lands.[10] That goal is achievable throughout the Tribal Lands where SBI serves only if robust 4G LTE networks are deployed, because many areas are unlikely to see a fiber to the home (FTTH) deployment, ever.

Providing additional Lifeline support only when a carrier builds facilities and successfully signs up a customer is the best and most efficient way to provide an incentive for facilities-based carriers to construct broadband infrastructure on Tribal Lands, and to increase affordability for low-income Tribal residents.[11] Finally, SBI attaches as Exhibit 3, three letters from Tribal leaders in areas where SBI serves, attesting to the critical need for broadband investment and specifically requesting an increase in Tribal Lifeline support to benefit their citizens.

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[10] *See, Connect America Fund et al.,* Report and Order, 29 FCC Rcd 15644, 15649, para 15 (2014).

[11] As SBI has explained:

> Over [a] six-year period, a $20 monthly Lifeline subsidy for broadband (more than double the current subsidy) would cost the government $1,440 per customer, and would only be provided to qualifying low-income households. That is, if a carrier has no broadband facilities, or cannot get a customer, it gets no support. Lifeline pays support only when a customer takes service, and stops when the customer drops service—[unlike Connect America Fund Phase II model support,] it does not provide a guaranteed six-year subsidy.

SBI Comments at 20.

We trust that you will find this information to be useful. Should you have any questions, please contact undersigned counsel directly.

Sincerely,

David A. LaFuria
Counsel for Smith Bagley, Inc.

cc: Hon. Thomas Wheeler
Hon. Mignon Clyburn
Hon. Jessica Rosenworcel
Hon. Ajit Pai
Hon. Michael O'Rielly
Philip Verveer
Gigi Sohn
Stephanie Wiener
Claude Aiken
Travis Litman
Amy Bender
Rebekah Goodheart
Nicholas Degani
John Wilkins
Matthew DelNero
Trent Harkrader
Ryan Palmer
Eric Feigenbaum
Charles Eberle
Jonathan Lechter
Jodie Griffin
Nathan Eagan
Jay Schwarz
Irene Flannery
Sayuri Rajapakse
Daniel Margolis
Janet Sievert

Exhibit 1

Exhibit 2

Screen shot of National Broadband Map, showing unavailability of 4G data services. Red arrow highlighting Navajo Nation in northeastern Arizona, March 13, 2016.

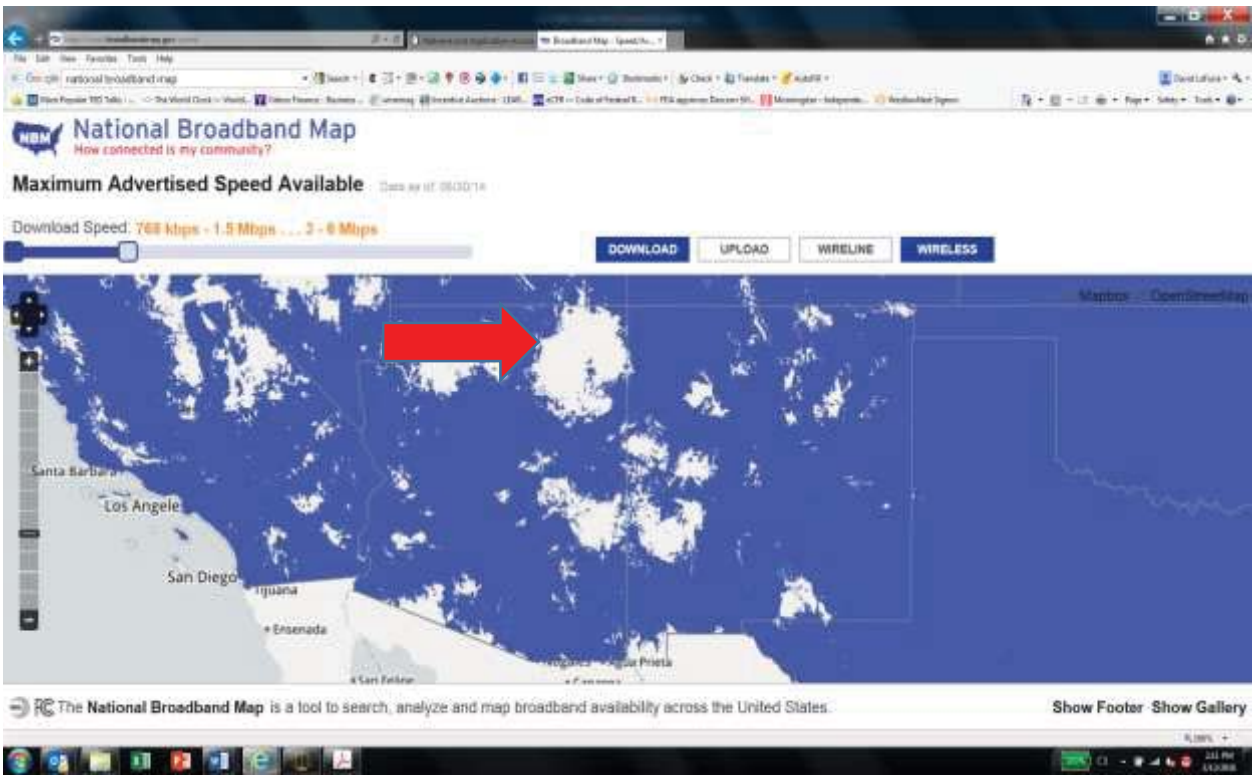

Exhibit 3

Letters from Tribal Leadership

THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT
JONATHAN NEZ VICE PRESIDENT

TELECOMMUNICATIONS REGULATORY COMMISSION
Office Of The President and Vice President

M. Teresa Hopkins
Executive Director

Thomacita White
Administrative Assistant

*****

February 24, 2016

Hon. Thomas Wheeler
Federal Communications Commission
445 Twelfth Street, S.W.
Eighth Floor
Washington, DC 20554

Re: CC Docket 11-42
Lifeline Reform

Dear Chairman Wheeler,

As you know, improving infrastructure on Tribal Lands is a challenge we must continue to meet in the 21st Century. Despite significant gains over the past decade in telephone penetration (see the Comments of my Navajo Nation Telecommunications Regulatory Commission, filed August 28, 2015), broadband availability and adoption on Tribal Lands is not reasonably comparable to that which is available in urban areas of the United States. The Telecommunications Act of 1996 authorized the FCC to improve telecommunications and information services on Tribal Lands, and we commend the Commission's work to increase telephone and Internet access, especially for low-income households. You have spoken frequently of the need to ensure that all Americans have access to high-quality broadband, including residents of Tribal Lands.

We understand that the Commission is in the midst of reforming its Lifeline program and is considering whether to allow program funds to be used for broadband. We think such a step is overdue, and we urge you to consider according special treatment for Tribal residents by increasing Lifeline subsidies on Tribal Lands for wireless technology and broadband access. It should be noted that despite improvements over the past 16 years under Lifeline Tier 4 support, Tribal Lands continue to lag the rest of the US with respect to wireless and broadband access, in particular the unavailability of 3G/4G coverage sufficient to support advanced public safety, telemedicine, and education services, which are urgently needed. More specifically, for more rural Tribal Lands, such as the Navajo Nation, the "Digital Divide" may have narrowed ever so slightly while growing far deeper than any time in the past while surrounding communities reap the benefits from investments in 4G wireless and fiber facilities. For these compelling reasons, and to the extent that funds are available within the current universal service program, we urge you to repurpose them to accelerate investment in broadband on Tribal Lands.

*Post Office Box 7440 * Window Rock * Arizona * 86515 * Phone: 928-871-7854 * Facsimile: 928-871-7856 * www.nntrc.org*

We realize that past pilot programs have failed to quantify how broadband adoption would increase with subsidies. We believe this failure is not a demonstration that Native Americans do not want broadband, but rather a failure to involve the Tribes and Tribal governments in administering those programs. Native Americans look to their elders to understand what programs can benefit them, not some outside broadband provider with a complicated program where some people get one discount, while their neighbors get a different discount. The Navajo government, and my NNTRC, stands ready to assist the FCC in administering a new broadband adoption program, and I challenge you to use the Navajo Nation as a testbed for such a program.

In sum, we ask you to use the opportunity of Lifeline reform to address the chronic and severe broadband infrastructure deficiency suffered by residents of Tribal Lands by increasing Lifeline support for Tribal residents.

Sincerely,

M. Teresa Hopkins, Executive Director
Navajo Nation Telecommunications
Regulatory Commission

cc: Office of Native Affairs and Policy

FIRST MESA CONSOLIDATED VILLAGES

February 23, 2016

Honorable Thomas Wheeler
Federal Communications Commission
445 Twelfth Street, S.W.
eight Floor
Washington, D.C. 20554

Ref: CC Docket 11-42
Lifeline Reform

Dear Chairman Wheeler:

I am the Traditional Kikmongwi of First Mesa Consolidated Villages of Walpi, Sichomovi and Tewa on the Hopi Indian Reservation located in Northeastern Arizona since time immemorial. My authority and responsibility is acknowledged by the Constitution and By-laws of the Hopi Tribe, created, ratified and approved by the United States Government after the 1934 Indian Reorganization Act. We settled on land that was remote to allow us to practice our traditional ceremonies knowing that new comers would someday come from the east. Today, we remain the only tribe holding on to our traditional form of government.

Our isolated location keeps modern technology enjoyed by most American citizens away from our people. It was not until CellularOne of Northeastern Arizona established wireless communications and provided for Vision One, a federal subsidized program. We were told federal grants became available to supplement the infrastructure required for wireless services. However, our signals today are not comparable to urban areas enjoying 3G and 4G services. We have now become depended on our wireless services to receive emergency services and improve our daily lifestyles.

This letter is to ask on behalf of my people to use the Lifeline Program to improve broadband infrastructure to allow for improved services. We have allowed the use of our lands to build the communications network as our contribution and appreciation for services. We would be honored to have you visit us to verify my comments and especially to better know my people. I remain.....

Sincerely,

James Tewayguna

Mr. James M. Tewayguna, Kikmongwi

CC: Mr. Herman Honanie, Tribal Chairman

POST OFFICE BOX 260
POLACCA, ARIZONA 86042

TELEPHONE: (928) 737-2670
FAX: (928) 737-2347

Executive Office of the Chairman
WHITE MOUNTAIN APACHE TRIBE

RONNIE LUPE
CHAIRMAN

February 24, 2016

Honorable Thomas Wheeler, Chairman
Federal Communications Commission
445 Twelfth Street, S.W.
Eighth Floor
Washington, DC 20554

Re: CC Docket 11-42
Lifeline Reform

Dear Chairman Wheeler:

As you know, improving infrastructure on Tribal Lands is a challenge we must continue to meet in the 21st Century. Despite significant gains over the past decade, broadband availability and adoption on Tribal Lands is not reasonably comparable to that which is available in urban areas of the United States. The Telecommunications Act of 1996 authorized the FCC to improve telecommunications and information services on Tribal Lands, and we commend the Commission's work to increase telephone and Internet access, especially for low-income households. You have spoken frequently of the need to ensure that all Americans have access to high-quality broadband, including residents of Tribal Lands.

We understand that the Commission is in the midst of reforming its Lifeline program and is considering whether to allow program funds to be used for broadband. We think such a step is overdue, and we urge you to consider according special treatment for Tribal residents by increasing Lifeline subsidies on Tribal Lands for wireless technology and broadband access. It should be noted that despite improvements over the past 16 years under Lifeline Tier 4 support, Tribal Lands continue to lag the rest of the US with respect to wireless and broadband access, in particular the unavailability of 3G/4G coverage sufficient to support advanced public safety, telemedicine, and education services, which are urgently needed. More specifically, for more rural Tribal Lands, such as the Fort Apache Indian Reservation, the "Digital Divide" may have narrowed ever so slightly while growing far deeper than anytime in the past while surrounding communities reap the benefits from investments in 4G wireless and fiber facilities. For these compelling reasons, and to the extent that funds are available within the current universal service program, we urge you to repurpose them to accelerate investment in broadband on Tribal Lands.

In sum, we ask you to use the opportunity of Lifeline reform to address the chronic and severe broadband infrastructure deficiency suffered by residents of Tribal Lands by increasing Lifeline support for Tribal residents.

P.O. Box 1150 • Whiteriver, Arizona 85941
Phone (928) 338-2500 • Fax: (928) 338-1514

Thank you for your attention into this matter. On behalf of the White Mountain Apache Tribe, I look forward to continuing the good working relationship with you.

Sincerely,

Ronnie Lupe, Chairman
White Mountain Apache Tribe

C: File
Kasey Velasquez, Vice-Chairman
Tribal Council
Jim Palmer, Attorney General
Judd Hinkle, Cellular One

Tribal Lifeline Support Must Be Increased To Provide Access in Remote Areas

- Lifeline drives infrastructure investment in remote areas more efficiently than the CAF/RoR program.
- Over a six-year period, a Tribal Lifeline for broadband subsidy of $50.00 would cost $3,600 per customer.
- Over the same six-year period, CAF Phase II Model pays over $10B to cover 4M locations, a cost of $4,934 per customer (assuming a 50% take rate).
- Today, 135,000 facilities-based Tribal Lifeline customers x $15 = annual increase of $24M, assuming every customer takes broadband (0.27% increase in total USF).
- An increase of $15 per month to facilities-based carriers will be an efficient investment in Tribal broadband networks.

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