

# **E-Rate Service Provider Forum**

**For E-Rate Service Providers and Consultants**

December 7, 2005

Wireline Competition Bureau  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

Dear Sir or Madam:

The E-Rate Service Provider Forum (“ESPF”) writes in response to your Public Notice<sup>1</sup> seeking comment on a petition from the states of Louisiana and Mississippi asking that the Commission extend a special filing window for Funding Year (“FY”) 2006 until September 30, 2006, for schools and libraries in Louisiana and Mississippi directly affected by Hurricane Katrina and waive the 2-in-5 rule for such directly affected schools and libraries for FY 2006.

ESPF represents a broad national association of telecommunications, Internet access, and internal connections service providers and E-rate consultants. The Forum was founded early in 2005 as a vehicle to share E-rate information and to represent the interests of E-rate service providers and consultants in the evolution of the program. ESPF members are intimately familiar with the operational details of the E-rate program and are acutely aware of the impact of FCC rules and procedures on the E-rate process as they affect both their customers and their businesses.

ESPF supports the request of the states of Louisiana and Mississippi, but urges the Commission, if it approves the petition, to provide, as the petition proposes, that funding for requests filed in the special FY 2006 window (that is, on applications submitted after February 16, 2006, and up until September 30, 2006) be provided from unused funds from prior years.

ESPF believes the Commission acted appropriately in the face of the massive devastation caused by Hurricane Katrina by providing special relief for directly affected schools and libraries in the states of Alabama, Louisiana, and Mississippi in Order FCC 05-178. As the petition points out, and as the nation has seen for itself in the media coverage of the aftereffects of Katrina, the damage is so great that it is unreasonable to expect many of the directly affected schools and libraries to be able to assess the damage and make reasonable

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<sup>1</sup> DA 05-3001, Released November 18, 2005. CC Docket Nos. 96-45, 02-6, and WC Docket Nos. 02-60, 03-109.

projections of the populations they will serve in the future in the short time before the close of the regular FY 2006 filing window. Authorizing a special filing window that will remain open until September 30, 2006, will permit these schools and libraries more time to prepare well-thought-out requests that will be better matched with their future needs. It will help avoid commitment of funds that may ultimately be unneeded.

The effect of such a special window for these two states could, however, have harmful effects on the rest of the states and territories if the Universal Service Administrative Company (USAC) would have to wait until the close of the special window to determine total demand and decide the funding threshold for Priority 2 services. Therefore, we urge the Commission to accept the proposal in the petition that unused funds from prior years be set aside to fund requests filed after the close of the regular window during the proposed special window. That would permit USAC to conduct business as usual with respect to applicants filing within the regular FY 2006 window with the knowledge that it has \$2.25 billion to fund in-window applications.

In its filing with the Commission of November 2, 2005, *Federal Universal Service Support Mechanisms Fund Size Projections for the First Quarter 2006*, USAC estimated that there is \$365 million in unused funds from FYs 1999 through 2003 available to carry forward to future years. Additional unused funds may be identified in future quarterly filings. That money should be earmarked for applicants filing during the proposed special FY 2006 window. If those unused funds were ultimately insufficient to fund all requests submitted on applications filed in the special FY 2006 window, the Commission might have to adopt new rules of priority. The states of Louisiana and Mississippi have accepted that possible outcome in their petition in order to prevent other states and territories from suffering extended delays as a result of a special filing window for directly affected entities in those states. If on the other hand, the total of unused funds turns out to be greater than the demand in the special filing window, the Commission would be able to carry the unneeded portion of that total forward into FY 2007.

We urge the Commission to grant the request of the states of Louisiana and Mississippi for a special filing window for FY 2006 funded by an earmark of unused funds from prior years.

Sincerely,



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On Behalf of the E-Rate Service Provider Forum  
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