

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

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In the Matter of	)	
	)	
Schools and Libraries Universal Service	)	CC Docket No. 02-6
Support Mechanism	)	
_____	)	

**COMMENTS ON THE FY 2010 DRAFT ELIGIBLE SERVICES LIST  
FOR THE SCHOOLS AND LIBRARIES UNIVERSAL SERVICE MECHANISM  
(DA 09-1233)**

E-Rate Central submits these Comments in response to the FCC’s Public Notice released June 2, 2009 (designated DA 09-1233) seeking comment on USAC’s proposed Eligible Services List (“ESL”) for Funding Year 2010.

E-Rate Central is an independent firm providing E-rate application and consulting services to schools and libraries nationwide. It also provides E-rate support services for several states and is an active member of the State E-Rate Coordinators’ Alliance (“SECA”).

**Internet2 Access**

ESL Citation:           The Digital Transmission Services entry (p. 2) notes that digital transmission connections to Internet2 are eligible, but the Ineligible for E-rate Funding as Telecommunications Services entry (p. 6) notes that Internet2 membership dues are ineligible. Further, the Ineligible for E-rate Funding as Internet Access Services entry (p. 9) indicates that Internet2 fees are ineligible.

Problem:                The references to Internet2 “membership dues” and “fees” are confusing and misleading. In particular:

- K-12 schools and public libraries are technically not eligible for Internet2 membership, but can receive Internet2 services through Sponsored Educational Group Partnerships (“SEGPs”) with institutions of higher learning.

- The ESL contains no definition of Internet2 “fees.” Although Internet2 “fees” may mean the same as “membership dues” or, more precisely, SEGP fees, USAC has apparently been interpreting “fees” to include any charges for Internet2 access itself.

There is no clear indication in the ESL as to whether the Commission considers the actual cost of Internet2 access — i.e., ISP charges for Internet2 access — to be an eligible expense.

Recommendation: E-Rate Central believes that Internet2 access should be considered an eligible service, and that the Commission can confirm its eligibility within the current rules simply by clarifying the ESL.

There are several reasons for treating Internet2 as an eligible service, including:

- The Telecommunications Act of 1996 clearly established an objective of the E-rate program to support school and library access to advanced services.
- USAC’s apparent basis for treating Internet2 access as ineligible is that it is a non-public, Intranet service. Given the recent clarification on the eligibility of Intranet, password-protected Web hosting, this interpretation appears outdated.
- As a practical matter, although Internet2 is not a fully public network, it is an extensive world-wide network broadly used by the educational community, including an increasing number of E-rate eligible schools and libraries.
- Effective use of Internet2 requires significant bandwidth. E-rate incentives to expand Internet2 usage in the United States would be consistent with recent broadband planning and initiatives.

We recommend that the definition of Internet be clarified to include Internet2. For example, we suggest that the third introductory paragraph in the Internet Access section of the ESL (p. 7) be changed to read: “To qualify as Internet access, all service must reach the boundary of public Internet or Internet2 space.”

If the Commission wishes to retain SEGP fees as ineligible — and such fees are normally negligible — we would recommend that the two references to “membership dues” and “fees” be changed to **Sponsored Educational Group Partnerships (“SEGPs”) fees**.

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Respectfully Submitted by:



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June 23, 2009