Charles W. McKee
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February 4, 2010

Via Electronic Submission

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th St., SW, Room TW-A325
Washington, DC 20554

Re: Ex Parte Communication
High-Cost Universal Service Support, WC Docket No. 05-337
NCTA Petition for Rulemaking to Reduce Universal Service High-Cost Support Provided to Carriers in Areas Where There Is Extensive Unsubsidized Facilities-based Voice Competition, RM-11584
A National Broadband Plan for Our Future, GN Docket No. 09-51
International Comparison and Consumer Survey Requirements in the Broadband Data Improvement Act, GN Docket No. 09-47
Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, GN Docket No. 09-137

Dear Ms. Dortch:

Yesterday, Pete Sywenki and I met with Don Stockdale, Katie King, Rebekah Goodheart, Carol Mattey, Alexander Minard, Randy Clarke, Tom Koutsky and Elise Kohn (via telephone) to discuss reforms to stimulate ubiquitous competitive broadband. A copy of the presentation made by Sprint is attached. Sprint's discussion was consistent with its filed comments in the above-captioned proceedings.

Pursuant to Section 1.1206 of the Commission's Rules, a copy of this letter is being filed electronically in the above-referenced dockets. If you have any questions, please feel free to contact me at (703) 433-3786.

Office: (703) 433-3786 Fax: (202) 585-1940 charles.w.mckee@sprint.com

Sincerely,

/s/ Charles W. McKee
Charles W. McKee

cc: Don Stockdale
Katie King
Rebekah Goodheart
Carol Mattey
Alexander Minard
Randy Clarke
Tom Koutsky
Elise Kohn

Broadband Support Plan

Reform to Stimulate Ubiquitous Competitive Broadband

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Broadband Support Plan

Goal: Ubiquitous broadband competition

1) Competition is the key to ensuring continuous improvement in broadband

Lower prices, higher speeds, better devices, more investment

2) Target solutions to address impediments to achieving the goal directly

Broadband Supply -- Competitive broadband supply is widespread, target supply-side support to areas lacking competitive supply

Broadband Demand – Broadband adoption varies distinctly, target demand-side support to those areas and segments of the population where adoption is lagging

3) Increase incentives for carriers to increase broadband penetration

Place carrier emphasis on increasing broadband penetration by reducing emphasis on carrier-to-carrier transfers

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Summary

Features of Sprint's proposed Broadband Support Plan

Estimate $4B per year in total support

$2.5B to expand broadband adoption

- $839M in Broadband Device Discounts
- $601M in Broadband Service Discounts in Rural Areas
- $1,009M in Broadband Service Discounts in Urban Areas
- $100M for Broadband User Education

-Support consumers directly, targeted to low-income households
-Consumer chooses broadband provider
-Support for broadband education programs

$1.5B to support supply in high-cost areas

-Simple, practical modification of existing high-cost program
-Targets support to areas currently receiving the most support
-Incentive for carriers to improve broadband adoption

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Broadband Penetration

Percentage of Households without Broadband

	US	Urban	Rural
Household Income			
Under $35K	71%	69%	80%
Over $35K	31%	27%	46%

Source: Current Population Survey (October 2007), US Census Bureau

Where is broadband penetration lagging?
-- Rural households lag urban households
-- Lower-income households lag higher income households

What are the primary causes for lack of penetration?
-- device and service prices
-- low "e-literacy"
-- inhibited competition
-- misplaced carrier motivations

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Broadband Demand Support

Objectives:

-Target areas where penetration lags
-Target those households where adoption lags
-Directly address the primary causes for lack of adoption
-Promote competition by allowing users to decide how to spend support

Coupon Program (for households w/ income <$35K per year)
Device discount: $50 toward broadband device/technology
Rural Service discounts: $13/mo toward broadband subscription
Non-Rural Service discounts: $6.50/mo toward broadband subscription

Broadband Education Program Funding
$100M per year for community e-literacy programs

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Broadband Supplier Support in High-Cost Areas

Modify existing high-cost USF support amounts by recognizing competition and the multi-faceted capabilities of today's networks

Allocate a portion of cost recovery to broadband, high-speed internet and other non-traditional services
--$6.50/line/month for recovery from internet access recovery
--$6.50/line/month for recovery from other non-voice services

Targeted, Pro-competitive, Technology Neutral Support

Provide significant, ongoing support for all providers in areas where existing high cost support is highest

Eliminate support in competitive areas

Eliminate support in areas where service recovery allocation exceeds existing support

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