



National Cable & Telecommunications Association

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August 20, 2010

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

**Re: Universal Service Contribution Methodology, WC Docket No. 06-122
Connect America Fund, WC Docket No. 10-90
A National Broadband Plan for Our Future, GN Docket No. 09-51
High-Cost Universal Service Support, WC Docket No. 05-337
Framework for Broadband Internet Service, GN Docket No. 10-127**

Dear Ms. Dortch:

On August 19, 2010, Steve Morris and the undersigned, on behalf of the National Cable & Telecommunications Association (NCTA), met by phone with Vickie Robinson, Carol Pomponio, Claudia Fox, Nicholas Degani, Chin Yoo, and Elise Kohn of the Wireline Competition Bureau's Telecommunications Access Policy Division to discuss issues related to the above-captioned dockets.

NCTA expressed concern about the significant effect that any reclassification of broadband services as telecommunications services would have on universal service contributors and consumers, particularly under the current revenue-based contribution regime. Reclassification of broadband would lead to new contribution assessments on customers purchasing broadband services, undermining the adoption goals identified in the National Broadband Plan. In addition, reclassification would cause confusion and potentially large changes in the contribution factor if the Commission did not provide clear guidance on how broadband revenue should be reported for contribution purposes. We noted that adding broadband service revenue to the contribution base would not significantly broaden the pool of end user contributors because the vast majority of broadband customers already contribute through contribution assessments on voice services.

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As it has in prior comments, NCTA expressed support for a universal service fund contribution regime based primarily on telephone numbers. In addition, we stated that one way to address the issue of the ever-increasing contribution factor would be to retain the existing contribution methodology while adopting the Commission's proposal to cap the overall size of the universal service fund. The Commission should also redistribute high-cost support by reducing it in areas that are subject to competition.

Respectfully submitted,

/s/ Jennifer K. McKee

Jennifer K. McKee

cc: V. Robinson
C. Pomponio
C. Fox
N. Degani
C. Yoo
E. Kohn
A. Bender
K. King