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September 23, 2010

VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
The Portals
445 - 12th Street, SW
Washington, DC 20554

Re: Notice of *Ex Parte* Presentation – High-Cost Universal Service Support, WC Docket No. 05-337; A National Broadband Plan for Our Future, GN Docket No. 09-51; Connect America Fund, WC Docket No. 10-90

Dear Ms. Dortch:

On September 22, 2010, Ross Lieberman of the American Cable Association (“ACA”), and the undersigned, counsel to the ACA, met with the following staff of the Federal Communications Commission’s Wireline Competition Bureau: Carol Matthey, Rebekah Goodheart, Patrick Halley, Amy Bender, Katie King, and Elise Kohn. The purpose of the meeting was to discuss the creation of the Connect America Fund (“CAF”) and the terms and conditions under which the CAF would operate. As part of an overall plan to reform the Universal Service Fund (“USF”) and its individual component funds,¹ the ACA supports the creation of a new broadband support mechanism to drive access to broadband services in unserved areas.

Many member companies of the ACA, which include broadband providers in rural areas, believe that they could provide broadband service efficiently in unserved areas if the

¹ Other elements of the ACA’s proposal for reform of USF include (1) capping the amount of money distributed by the fund at 2009 levels and (2) permitting smaller eligible telecommunications carriers to continue to draw from the High-Cost fund until they choose to receive funding under the CAF.

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government provided capital grants to enable them to extend their infrastructure to premises (last mile support) and to construct or obtain middle mile links with sufficient capacity. Additional support for operations may be needed in select instances in areas where costs of service are significantly above the national average.

The ACA strongly believes that the Commission should award any broadband support on a competitively-neutral basis. This has important policy benefits. First, the quality and performance of broadband service should be greater as additional and more capable broadband providers vie to receive support. Second, the fund will be more efficient when more entities participate. Third, it will limit any government role in providing competitive advantages among broadband providers.

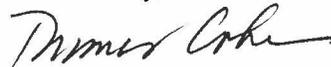
To ensure funds are awarded in a competitively-neutral manner, the Commission should adopt the following policies:

1. Funds should be awarded through the use of reverse auctions or some other methodology that is provider-neutral; and
2. Unserved/Underserved areas should be determined by reference to an objective government-established standard, such as census block groups, and not in a manner that favors any provider.

The ACA intends to continue to discuss with its members issues raised in this meeting and provide further information to the Commission.

We request that this letter, which is being filed electronically, be placed in the file for the above-captioned proceeding.

Sincerely,



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cc: C. Matthey
R. Goodheart
P. Halley
A. Bender
K. King
E. Kohn