



**FEDERAL COMMUNICATIONS COMMISSION
WIRELESS TELECOMMUNICATIONS BUREAU
MEMORANDUM**

TO: FCC Secretary

CC: Jane Jackson
Margaret Wiener
Gary Michaels
Martha Stancill

FROM: Scott Mackoul

SUBJECT: Notice of *Ex Parte* with Mid-Rivers Wireless – **GN Docket No. 09-51** and
WC Docket No. 10-90

DATE: October 6, 2010

This memorandum provides notice of an oral *ex parte* initiated by FCC staff to discuss issues relating to the National Broadband Plan's recommendation that the Commission create a Mobility Fund to provide one-time support for deployment of 3G networks. This notice is to be included in GN Docket No. 09-51 (National Broadband Plan) and WC Docket No. 10-9 (Connect America Fund).

On September 7, 2010, Bill Wade, General Manager, Erin Lutts, External Relations Manager, and Vern Stickel, Accounting Manager, of Mid-Rivers Wireless (collectively, "Mid-Rivers"), met with Jane Jackson, Margaret Wiener, Gary Michaels, Martha Stancill, and Scott Mackoul of the Commission's Wireless Telecommunications Bureau via teleconference.

The conversation initially touched on the National Broadband Plan's recommendation for reforming the Universal Service Fund (USF), with Mid-Rivers expressing its concern that current USF funding received would disappear due to the National Broadband Plan's proposal to phase out competitive eligible telecommunications carrier (CETC) USF funding over a five-year period. Mid-Rivers noted that the current CETC USF funding established in the 1996 Telecommunications Act has allowed Mid-Rivers to build-out to parts of its 30,000 square mile service area in Eastern Montana. Mid-Rivers stated that decisions to make long term investments were based on the availability of stable CETC USF support, and if this support becomes unpredictable, it would have a negative impact on Mid-Rivers' continued build out efforts and could possibly affect its ability to pay off debt the company incurred relying



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on USF support. Mid-Rivers stated that they require on-going funding support as well as capital dollars to continue providing services in these high-cost, hard-to-serve areas.

With regard to a Mobility Fund, Mid-Rivers advocated using geography instead of population to target funding because a geographic approach would help build-out in sparsely populated rural areas that currently have no coverage. Mid-Rivers also expressed concern about using a reverse auction mechanism to distribute funding, believing it would clearly favor other carriers who have the ability to average costs across lower-cost, more populated areas. Mid-Rivers also discussed the fact that in Eastern Montana, many geographic areas remain without any basic wireless service, much less 3G wireless services. The lack of any wireless service, according to Mid-Rivers, is a major threat to public safety, not only for the residents of these areas but also for the travelers, hunters, firefighters, and others that visit these areas, whereas the speed of a wireless data service in a particular area does not have a direct bearing on the public's ability to make a 911 call. Mid-Rivers suggested giving greater weight in the Mobility Fund awards process to areas without any wireless service. Mid-Rivers also advocated providing the funds to the "areas with the greatest need" regardless of state borders, and asked that the Commission base the distribution of the Mobility Fund on more than simply population in order to insure that less-populated rural areas can benefit from the Fund.

Finally, Mid Rivers stated that other concerns for smaller carriers, besides costs, are nationwide data roaming at reasonable rates, access to spectrum, and handset exclusivity arrangements that limit small carriers' access to devices.