

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

In the Matter of)	
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Lifeline and Link Up)	WC Docket No. 03-109

Reply Comments of Educational Services Network, Corp.

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Summary

In these Reply Comments, Educational Services Network, Corp. (“EDNet”) reiterates its support for the Commission’s proposal to launch a pilot program that would support low-income consumers in gaining access to and using broadband services. Indeed, the comments in this proceeding reflect widespread support for this proposal, and EDNet broadly endorses these parties’ views. As the record reflects, a low-income broadband support pilot program should address broadly the reasons that contribute to low broadband subscription rates among low-income consumers, including the cost of the service, the cost of computers or other end-user devices needed to use the service, and poor digital literacy.

While several commenters acknowledge that a pilot program should target the needs of Americans who are non-native speakers of English, EDNet remains the only party to have volunteered unequivocally for a leading role in developing and implementing such a program. The Commission’s newly-issued *Seventh Section 706 Report* confirms the acute need for federal support to improve broadband subscription rates among low-income consumers in Puerto Rico.

Finally, EDNet opposes limiting eligibility for the low-income broadband support pilot program to carriers that have previously been designated as Eligible Telecommunications Carriers (ETCs) under Section 214(e) of the Communications Act of 1934, as amended. Because broadband is not a supported service, such a designation is irrelevant to a carrier’s ability to provide broadband service, let alone administer a low-income support pilot program for such services, and the Commission has alternative sources of authority under which to conduct this pilot program.

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Educational Services Network, Corp. (“EDNet”), hereby submits the following Reply Comments on the Commission’s March 4, 2011 Notice of Proposed Rulemaking in the above-captioned dockets (the “Notice”).¹

EDNet echoes the support in the record for a low-income broadband support pilot program, and urges the Commission to fund at least one pilot project focused on the needs of Americans in insular areas who are non-native speakers of English. While several commenters acknowledge the critical need to improve broadband access and digital literacy for these Americans, only EDNet volunteered unequivocally to lead the development and implementation of a pilot project focused specifically on their needs. EDNet opposes limiting access to pilot program funds to carriers currently designated as Eligible Telecommunications Carriers (“ETCs”) under Section 214(e) of the Communications Act of 1934, as amended (the “Act”). There is no legal requirement that the Commission take this step, which would needlessly exclude broadband providers with some of the greatest experience and deepest expertise in facilitating access to broadband by low-income consumers.

¹ *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Notice of Proposed Rulemaking, FCC 11-32 (rel. Mar. 4, 2011).

I. EDNet supports commenters endorsing broadband pilot programs that address broadly the causes of low subscribership among low-income consumers.

The record reflects widespread support for a low-income broadband support pilot program.² Indeed, NASUCA is one of the only commenters to oppose the pilot program, and its objections are based on perceived legal constraints, not on any argument that low-income consumers already have financial resources digital literacy levels, and training necessary to enable broadband adoption.³

EDNet agrees that the Commission's pilot program should address comprehensively all of the reasons for low subscription rates among low-income consumers, including potentially lack of availability of the service, lack of affordability of the service, lack of computer equipment or other devices to use the service, and lack of digital literacy skills necessary to use or understand the benefits of broadband.⁴ Indeed, the 2010 Connect Puerto Rico Residential Technology Assessment found each of these factors at work in Puerto Rico. Underscoring its conclusion that broadband adoption and usage lags well behind the rest of the nation, Connect Puerto Rico found that only 31 percent of households in Puerto Rico subscribe to broadband, far below the national average of 67 percent.⁵ Of those that do not subscribe:

² *E.g.*, One Economy at 13; Gila River Telecommunications at 6; Media Action Grassroots Network at 21; Leadership Conference on Civil and Human Rights at 3; Cox Communications at 10; Comcast at 3; CenturyLink at 24; Benton Foundation *et al.* at 6; San Juan Cable (“OneLink”) at 2; LULAC/One Economy/MMTC at 2; ViaSat at 4.

³ NASUCA at 31 (“[E]xpenditures for low income support may have more ‘bang for the

⁴ *E.g.*, CenturyLink at 24; Comcast at 3; Cox Communications at 10.

⁵ Connect Puerto Rico Residential Technology Assessment Results, at 6 (available at: http://en.connectpr.org/documents/PR_RT_A_2010Q1_FINAL.pdf).

- **39 percent** said that broadband service is not available at their home or that they are not sure whether it is;⁶
- **36 percent** said that they do not need broadband or the Internet or “don’t know” why they do not subscribe;⁷
- **27 percent** said that they do not subscribe because they do not have a computer⁸ (only 55 percent of Puerto Rican households do); and
- **16 percent** said that Internet service is too expensive.⁹

Thus, a low-income broadband support pilot project in Puerto Rico must go well beyond addressing cost issues. Cost is undoubtedly a factor, with the Commission’s recent Section 706 Report finding that household income in unserved areas of Puerto Rico is roughly half to two-thirds that of the lowest U.S. state.¹⁰ The issues clearly run deeper, however, with large numbers of households lacking necessary hardware, access to service, or skills and training necessary to understand the uses and importance of broadband.

EDNet is highly experienced in overcoming these obstacles. For the past seven years, EDNet’s mission has been to help Puerto Ricans improve their quality of life and economy using the benefits of the Internet and education technology. EDNet’s

⁶ *Id.*

⁷ *Id.* at 59.

⁸ *Id.*

⁹ *Id.*

¹⁰ See *Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act*, GN Docket No. 10-159, Seventh Broadband Progress Report And Order On Reconsideration, FCC 11-78 (rel. May 20, 2011) (“*Seventh Section 706 Report*”), at Apps. B (Unserved Population SBDD Census Tract Data, showing Puerto Rico \$17,977 vs. Mississippi \$36,716), C (Unserved Population Form 477 County Data, showing Puerto Rico \$16,761 vs. Arizona \$28,378), D (Unserved Population Form 477 Census Tract Data, showing Puerto Rico \$20,979 vs. Mississippi \$30,287).

services help schools, libraries and governmental entities implement their technology plans and services supported under the federal schools and libraries universal service support mechanism (“E-Rate”). EDNet is eager to seize the opportunity to leverage this experience to help Puerto Rican families gain broadband access in their own homes as well.

II. EDNet remains the only commenter unequivocally committed to focus on the needs of non-native speakers of English.

While several commenters recognizes the need for a pilot to focus on Americans who are non-native speakers of English,¹¹ none proposes to operate a pilot focused as strongly on Americans who speak English as a second language as EDNet’s would be. One Economy offers three different pilot proposals, one using 4G wireless broadband, one involving reverse auctions, and one using shared wi-fi access in multiple dwelling units.¹² While each of these has merit, they do not fully address the needs of Americans who are non-native speakers of English. Indeed, One Economy makes only a passing mention of an idea to make content and applications accessible to non-adopters “in their language.”¹³

By leveraging its experience in serving this vulnerable population, EdNet could do considerably more to overcome the barriers to broadband adoption that

¹¹ Benton Foundation *et al.* at 6 (“It is critical that the Commission test programs with non-English speaking populations”); National Hispanic Media Coalition at 2 (“strong outreach to the Latino community could do a great deal of good for many people”); Comcast at 5 (supporting “an effort that not only makes broadband service more affordable, but also makes broadband service more useful”); One Economy at 32 (citing importance of outreach to non-adopters “in their language”).

¹² One Economy at 23-24.

¹³ One Economy at 32.

Americans who are non-native speakers of English face. In this respect, EDNet agrees with OneLink that there is an acute and plainly evident need for support to make broadband service and computers more affordable, and to promote digital literacy among the Americans in Puerto Rico who lack strong English language skills.¹⁴ In EDNet's experience, however, outside large urban areas, broadband offerings are expensive (relative to the rural area's residents lower income), and are not always reliable. Thus, infrastructure concerns likely compound these affordability and digital literacy issues.

III. EDNet opposes limiting eligibility for a broadband pilot to ETCs

As the record reflects, many broadband providers that are not currently designated as ETCs under Section 214(e) of the Act¹⁵ would be well placed to offer broadband services to low-income Americans under the Commission's broadband pilot program. These providers, in many cases, would contribute valuable experience and deep expertise to a low-income broadband support pilot project despite their lack of an ETC designation.¹⁶

As such, the Commission should not require pilot program participants to be designated as ETCs. *First*, any current designation as an ETC is irrelevant to the provision of broadband service. Broadband is not currently within the definition of universal service that defines the scope of support under Section 254 of the Act and the showing required to obtain ETC designation under Section 214(e). Current ETCs have never received direct support for broadband service under the Commission's high cost or

¹⁴ OneLink at 2.

¹⁵ 47 U.S.C. § 214(e).

¹⁶ *E.g.*, ViaSat at 8; One Economy at 39; Cox Communications at 13.

low income mechanisms, nor were they required in most cases to make any particular showing that they even *offer* broadband service to obtain their ETC designations.

Second, an ETC designation is not required in order for the Commission to provide support to providers of broadband service, because the Commission has other independent sources of authority to adopt a low-income broadband support pilot program.¹⁷ For decades before the enactment of Sections 254 and 214(e) of the Act, the Commission pursued its universal service goals using its broad authority to “to make available, so far as possible, to all the people of the United States, without discrimination on the basis of race, color, religion, national origin, or sex, a rapid, efficient, Nation-wide, and world-wide wire and radio communication service with adequate facilities at reasonable charges.”¹⁸ By referring broadly to “communications service,” the Section 1 directive for the Commission to ensure “adequate facilities at reasonable charges” clearly sweeps more broadly than the framework for supporting *telecommunications* services under Sections 214 and 254 of the Act.

Further, Section 706(b) of the Telecommunications Act of 1996 (“Telecommunications Act”) provides a further statutory basis for low-income broadband support. Section 706(b) requires the Commission annually to “determine whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion.”¹⁹ In its most recent report, the Commission reiterated its negative finding on that question, obligating it to “take immediate action to accelerate

¹⁷ *Contra*. NASUCA at 30.

¹⁸ 47 U.S.C. § 151.

¹⁹ 47 U.S.C. § 1302(b).

deployment of such capability by removing barriers to infrastructure investment and by promoting competition in the telecommunications market.”²⁰

In the *Seventh Section 706 Report*, the Commission identified several barriers to broadband adoption that mirror those it has identified in this proceeding, namely the affordability of broadband service,²¹ affordability of computers and other equipment necessary to access broadband service;²² and a lack of digital literacy and understanding of broadband’s relevance.²³ It is evident that a pilot program that both makes broadband service and equipment more affordable and promotes digital literacy and usage training would be squarely within the four corners of the Commission’s twin mandates under Section 1 of the Act and Section 706 of the Telecommunications Act. By making broadband more affordable, more relevant, and easier for users to understand, this pilot program would increase demand for broadband. This increased demand, in turn, would accelerate deployment and increase competition, as providers deploy more resources to meet this demand, increase innovation, and contribute to still further growth in the broadband market.

²⁰ *Id.*; *Seventh Section 706 Report* at para. 64.

²¹ *Seventh Section 706 Report* at para. 70.

²² *Id.* at para. 72.

²³ *Id.* at paras. 73-74.

IV. Conclusion

For the foregoing reasons, EDNet urges the Commission to create a low-income broadband support pilot program, to make non-ETCs eligible to participate in the pilot program, and to support at least one pilot project focusing on the needs of insular areas and Americans who speak English as a second language. EDNet looks forward to applying to lead such a pilot project in Puerto Rico.

Respectfully submitted,



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