

October 4, 2011

**EX PARTE**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> St., SW  
Washington, D.C. 20554

Re: *Connect America Fund*, WC Docket No. 10-90; *A National Broadband Plan for Our Future*, GN Docket No. 09-51; *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135; *High-Cost Universal Service Support*, WC Docket No. 05-337; *Developing a Unified Inter-carrier Compensation Regime*, CC Docket No. 01-92; *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45; *Lifeline and Link-Up*, WC Docket No. 03-109

Dear Ms. Dortch:

On Friday, September 30, Mary Henze, Mike Lieberman (participating via telephone), and the undersigned of AT&T, Eric Einhorn and Malena Barzilai of Windstream, Chris Miller and Alan Buzacott of Verizon, and Tiffany Smink (participating via telephone) and Jeff Lanning of CenturyLink met with Carol Matthey, Amy Bender, Katie King, Alex Minard, and Joe Cavender of the Wireline Competition Bureau to discuss rules to implement the universal service provisions of America's Broadband Connectivity Plan (ABC Plan). In addition to answering staff's questions about the discussion draft of rules that USTelecom filed last Wednesday on behalf of the ABC Plan Coalition,<sup>1</sup> we noted certain corrections to the discussion draft that we identified after the filing date. We provide those corrections below, which are redlined for ease of review.

As requested by staff, the ABC Plan Coalition members will supplement the record by identifying existing rules that will be obsolete, at least as applied to price cap eligible telecommunications carriers (ETCs) and competitive ETCs, once the Commission has phased-out legacy high-cost universal service support. We also will suggest reporting and certification requirements that could apply to Connect America Fund support recipients and will provide a timeline, under which the Connect America Fund will begin disbursing support in July 2012. Finally, we will propose additional edits to the September 28 discussion draft based on comments and questions from staff.

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<sup>1</sup> See Letter from Jonathan Banks, USTelecom, to Marlene Dortch, FCC, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; GN Docket No. 09-51; CC Docket Nos. 01-92, 96-45 (filed Sept. 28, 2011) (attaching the USF rules discussion draft).

## Part 54 – Universal Service

### Subpart A – General Information

#### § 54.5 Terms and definitions.

*Broadband service.* For purposes of Subparts A through D of this Part 54, “broadband service” means an Internet access service that ~~is capable of providing~~ customers with a minimum actual downstream bandwidth of 4 Megabits per second and a minimum actual upstream bandwidth of 768 kilobits per second, and also provides a robust service that is sufficient for households to use education and health care applications specified by the Commission.

### Subpart D – Universal Support for High Cost Areas.

#### § 54.320 Transition to Connect America Fund support for price cap carriers and competitive eligible telecommunications carriers.

(b) A provider that receives legacy high-cost support as a price cap eligible telecommunications carrier or a competitive eligible telecommunications carrier and elects to participate in the Connect America Fund is required to select whether to receive high-cost support amounts at an affiliated company group basis that are either (1) the amount of legacy high-cost support calculated pursuant to § 54.319; or (2) the amount of support available from the Connect America Fund. This election shall first be made on May 15, 2012 and on an annual basis thereafter until the provider elects to receive Connect America Fund support amounts, at which time the provider’s remaining legacy high-cost support and legacy high-cost support service and reporting obligations are immediately eliminated.

### Subpart K – Interstate Common Line Support Mechanism for Rate-of-Return Carriers

#### § 54.901 Calculation of Interstate Common Line Support

(c) *Phase-down in frozen interstate common line support for rate-of-return carriers that have converted to price cap regulation.* As of July 1, 2012, the calculation of frozen interstate common line support for rate-of-return carriers that have converted to price cap regulation in this section will no longer apply to price cap carriers. The Commission shall phase down interstate access-common line support for price cap carriers pursuant to § 54.319.

Sincerely,

/s/ Cathy Carpino  
Cathy Carpino

cc: Carol Matthey  
Amy Bender  
Katie King  
Alex Minard  
Joe Cavender