



Public Service Commission of Wisconsin

Phil Montgomery, Chairperson
Eric Callisto, Commissioner
Ellen Nowak, Commissioner

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October 7, 2011

Chairman Julius Genachowski
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: WC Docket No. 10-90; GN Docket No. 09-51; WC Docket No. 07-135; WC Docket No. 05-337; CC Docket No. 01-92; CC Docket No. 96-45; WC Docket No. 03-109

Dear Chairman Genachowski:

Yesterday, you outlined significant reforms to the universal service fund (USF) and intercarrier compensation (ICC) systems. The goal of these reforms is to end broken and fractured systems that have been rendered obsolete by changing technologies and refocus our policies towards getting more broadband to more Americans. I commend you for taking a bold step toward important reforms.

While I await the details of these proposals, the need for reform is clear. We need to fix broken systems, eliminate abuse of the system that harms consumers and business and spur more private investment in networks. During difficult economic times, these moves will facilitate job creation and create a strong foundation for even more job growth down the road. As you said, the status quo is no longer an option. I agree.

I am also encouraged that you have presented ideas that maintain a significant role for states. As the Public Service Commission of Wisconsin (PSCW) identified in its comments, and I identified in recent meetings with FCC staff, there are significant concerns with preemption of state authority. The PSCW urged an *expanded* role for states with respect to broadband support because states have localized knowledge that can maximize customer benefits by verifying that support is properly targeted.

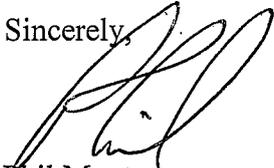
Based on your comments, it appears that states will have an important role in ensuring accountability of broadband support as well as a role in the efficient interconnection of the IP networks of today and tomorrow. Maintaining strong state roles in these areas are critical developments and will increase the consumer benefits recognized through reform.

The ICC reform you outlined today appears to be aimed at eliminating problems with call completion that are plaguing rural America, including rural areas of Wisconsin. Aside from the economic losses associated with these call completion issues, this can also create a public safety concern. Moving towards a unified rate for ICC may be the only way to ensure a long-term solution, and it appears that is the intention of your proposal.

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Again, I commend you for taking the important steps needed to implement much needed reforms. The American people are counting on us to help the private sector jumpstart our economy and produce jobs. Doing so will require fresh ideas and leaders who are willing to move forward with bold reforms. While I will need to review the details and work with my colleagues to form positions on your specific proposals, I am encouraged that we are on the road to reform.

Sincerely,

A handwritten signature in black ink, appearing to read 'Phil Montgomery', written over the word 'Sincerely,'.

Phil Montgomery
Chairman