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October 19, 2011

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W., Room TW-B204  
Washington, DC 20554

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

Madam Secretary:

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, we hereby provide you with notice of an oral ex parte presentation in connection with the above-captioned proceeding. On October 17, 2011, Benjamin Moncrief, Kevin Joseph, and undersigned counsel, on behalf of C Spire Wireless ("C Spire"), met with Commissioner Copps and Margaret McCarthy to discuss universal service reform.

We discussed the importance of phasing down ongoing support under the CETC mechanism simultaneously with the phasing in of a replacement mechanism that provides ongoing support for mobile broadband. We also discussed the need for a mobility fund that is at least \$1 billion, with appropriate accountability mechanisms, to ensure that wireless carriers are expanding infrastructure investment and encouraging economic development.

We also discussed objections to the right of first refusal ("ROFR") set forth in the ABC Plan. Using the ROFR, incumbent price cap carriers may choose to be the sole recipient of support from the Connect America Fund ("CAF"). The amount of support provided to price cap carriers exercising the ROFR is to be determined by a model. That model is based on the cost of building fixed point-to-point connections to residential and business locations. Yet nothing in the ABC Plan would prevent a price cap carrier from exercising the ROFR, and then meeting its build-out requirements by deploying a mobile broadband network, for example 4G LTE. If adopted, a ROFR represents a clear abrogation of the Commission's core principle of competitive neutrality, favoring the most profitable telecommunications carriers in the nation.

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C Spire also discussed its participation in the federal universal service program, including the benefits delivered to rural citizens in its ETC service areas in Mississippi and Alabama. Cellular South described how federal support has helped the company build hundreds of cell sites and deliver high-quality services to many rural areas that have been unserved or underserved since the inception of cellular service twenty years ago.

C Spire provided a map showing how dozens of cell sites in rural Mississippi would be jeopardized if support is reduced. Because the map contains information on the company's business operations and locations of cell sites that could be decommissioned, C Spire will submit to the Commission, under separate cover, a copy of the map which will be marked "CONFIDENTIAL INFORMATION – NOT FOR PUBLIC INSPECTION / SUBJECT TO PROTECTIVE ORDER IN WC Docket No. 10-90, 07-135, 05-337, and 03-109, GN Docket No. 09-51, CC Docket No. 01-92 and 96-45 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

C Spire also discussed how the amount of support that it understands is being allocated to the Mobility Fund is inadequate to provide high-quality service in much of rural America. A fund of less than \$500 million per year is insufficient and it is far less than the 25% market share that wireless currently holds. C Spire noted that a recent CDC study indicate that over 26% of households in America are now wireless-only. Additionally, other studies indicate that low income and minority households are substantially more likely to rely on a mobile device as their *only* means of accessing the Internet.

It is therefore unclear why the Commission in reforming universal service and intercarrier compensation would agree to any plan put forth by ABC members which would, (1) increase support to legacy landline technologies by over \$1 billion per year, (2) create new set-aside "replacement" mechanisms that protect intercarrier compensation revenue streams for landline operations of the two largest ABC Plan companies, (3) allow subscriber line charges to increase, and (4) reduce by billions the amount that these companies pay to other carriers to transport and terminate calls.

If adopted, the ABC Plan will allow its two largest carriers to realize billions of increased revenue, and a right of first refusal that allows them to receive a subsidy to help them build mobile 4G networks that will compete against small and regional wireless carriers in rural areas. At this late date, when the vast majority of what the FCC proposes to do in the upcoming order is unclear, one thing is clear: With over 90% of support flowing to landline carriers, the ABC Plan is a non-starter for rural consumers.

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If you have any questions or require any additional information, please contact undersigned counsel directly.

Sincerely,



David A. LaFuria  
Counsel for C Spire Wireless

cc: Hon. Michael J. Copps  
Margaret McCarthy, Esq.  
Benjamin Moncrief, Esq.  
Kevin Joseph, Esq.