RVW, INC.
4118 HOWARD BOULEVARD
P.O. BOX 495
COLUMBUS, NEBRASKA 68602-0495
402 564-2876 • FAX 402 563-3655

ARCHITECTURE • ENGINEERING • BILLING SERVICES

October 24, 2011

Marlene Dortch
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Connect America Fund, WC Docket,* No. 10-90, *National Broadband Plan for Our Future,* GN Docket No. 09-51, *Establishing Just and Reasonable Rates for Local Exchange Carriers,* 07-135, *High-Cost Universal Service Support,* WC Docket No. 05-337, *Developing a Unified Intercarrier Compensation Regime,* CC Docket No. 01-92

To the Commission:

RVW, Inc. (RVW) hereby files this letter in the above-captioned dockets. RVW is a professional engineering firm with over 70 years of experience in the planning, design, costing and implementation of telecommunications and electrical infrastructure rural America including projects undertaken for both small and large service providers. Our resume includes projects using both wireline (Fiber-to-the-Node and Fiber-to-the-Home) and wireless (WiMAX) technology, and planning, design and implementation engineering of over $100 million broadband projects funded by the American Recovery and Reinvestment Act of 2009. RVW has provided costing data, broadband mapping input and other support that has been used by clients in this and other recent regulatory proceedings and remains deeply interested in the outcome of the above-captioned proceedings.

RVW applauds the FCC's vision in establishing, as part of the National Broadband Plan, 100 Mbps as a goal for broadband in the USA BY 2020. However, the 100 Mbps vision must extend into truly rural areas for such areas to survive and compete successfully in the 21st Century.

Furthermore, RVW has been encouraged by the Consensus Framework created by rural, mid-size, and large carriers, and by other RLEC promulgated proposals that encourage investment in broadband facilities in rural areas and could serve as the basis for sensible, measured, and carefully calibrated USF and inter-carrier compensation (ICC) reforms.

RVW is now gravely concerned that reported amendments to – or wholesale departures from – the Consensus Framework and other RLEC promulgated proposals will wreak damaging impacts on incentives to deploy and maintain broadband networks in rural service areas. If the reported potential amendments are adopted, it is the opinion of RVW that investment in broadband plant in rural areas will be severely depressed and directly result greatly reduced broadband deployment Nationwide. These adverse repercussions will be visited upon consumers and businesses including the farmers, ranchers, and miners that supply our nation's food, fiber and energy. Specifically RVW is concerned that adoption of incentive regulatory schemes in lieu of the rate of return approach will continue to result in vast areas unserved or underserved by

broadband and the FCC's vision will remain unfulfilled. Incentive regulatory schemes have proven totally ineffective in incenting broadband deployment in rural areas. By contrast the rate of return approach has been proven to actually incent broadband deployment in truly rural areas and should be continued, not curtailed.

In these regards, it is particularly important that the Commission refrain from adopting rules that affect investments retroactively. Doing so will shatter market confidence in the industry and devastate market trust in the regulatory process: investors will view regulatory structures as shifting, unstable, and unpredictable if retroactively applicable rules are adopted. Investments already sunk in broadband plant in rural areas must be recovered or else the service providers who made these necessary and socially desirable investments and their lenders face certain bankruptcy. No rational investor will direct capital to projects whose ability to recover costs and generate income is subject to retroactive fiat.

Moreover, the Commission must position USF affirmatively for the future. The Commission must avoid the temptation to bandage existing programs, leaving true reform for an undetermined future time. That approach would simply result in debilitating market uncertainty for rural telecommunications, rural America, and interdependent economic communities. If the Commission is not ready to adopt fully the RLEC portion of the Consensus Framework and other RLEC proposals at this time, then it should, at the least, incorporate these proposals as the primary path forward for reform in upcoming notices of proposed rulemaking.

For the reasons stated above, we urge the Commission to foster market certainty and avoid outcomes that will depress investor confidence and the resultant ability of rural telecommunications providers to deploy, maintain, and operate advanced networks. The Commission encouraged successfully the groundbreaking Consensus Framework, and yet appears to be departing in material respects from this input. The Commission should proceed with caution in light of the broader ripple effects of reform throughout the economy, and should look above all else to ensure that reform does not undermine broadband deployment, investor and lender confidence, or the needs of consumers. The Commission should look back to the sensible and carefully constructed roadmap for reform set forth in the Consensus Framework and other RLEC proposals in the closing days of its reform process.

Respectfully submitted,

RVW, Inc.

Robert J. Tupper, President and Chief Telecommunications Engineer