

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	
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 an Unified Intercarrier 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
Universal Service Reform – Mobility Fund	WT Docket No. 10-208

**REPLY OF THE USA COALITION**

The Universal Service for America Coalition (“USA Coalition” or “Coalition”), by its attorneys, respectfully submits this reply in response to the oppositions filed opposing T-Mobile USA, Inc’s (“T-Mobile”) Petition for Reconsideration or Clarification in the above referenced docket.<sup>1</sup> The USA Coalition takes no position on whether or not the Federal Communications Commission (“FCC” or “Commission”) should grant T-Mobile’s request. However, if the Commission grants T-Mobile’s Petition, the Commission’s decision should not result in the reduction of the funding levels set in the *USF/ICC Reform Order* for existing competitive eligible telecommunications carriers (“CETCs”).<sup>2</sup> Instead, to the extent necessary, the Commission should either (1) retroactively increase the total size of the support available to

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<sup>1</sup> T-Mobile USA, Inc. Petition for Reconsideration or Clarification, *Connect America Fund*, WC Docket No. 10-90 (filed Dec. 29, 2011).

<sup>2</sup> Connect America Fund, WC Docket No. 10-90, Report & Order & FNPRM, FCC 11-161, ¶ 29 (rel. Nov. 18, 2011) (*USF/ICC Reform Order*).

CETCs on December 31, 2011 to include an amount sufficient to provide support to newly-designated CETCs without affecting support amounts for other previously-designated CETCs or (2) provide any additional support from some other source so that further reductions to existing CETCs are not necessary.

In its Petition, T-Mobile requests that the Commission make available to CETCs newly-designated in 2012 (or designated at some later date if the CETC's application was pending at the time the *USF/ICC Reform Order*) transitional support based on the newly-designated CETC's annualized 2012 monthly USF support amount for the period of 2012 for which the newly-designated CETC was so designated, or what that support would have been if the CETC had been designated as an CETC in 2012.<sup>3</sup> Unfortunately, the T-Mobile Petition does not explain where the funding necessary to grant its Petition will be found.

In its Petition, T-Mobile asserts that "the requested relief would not increase the total amount of high-cost CETC support to be disbursed during the transition."<sup>4</sup> As such, it appears that T-Mobile intends for the Commission to take the necessary support from other CETCs by reducing the baseline support level established in the *USF/ICC Reform Order* for all CETCs by the amount necessary to provide the requested funding. Otherwise, the addition of T-Mobile and other newly-designated CETCs would cause the total amount of high cost CETC support to increase.

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<sup>3</sup> See T-Mobile Petition at 17 ("In the case of a carrier granted ETC status in 2011 that received support for part of 2011, the total amount of support received for 2011 should be divided by the number of months for which it received support in 2011, rather than by 12, in order to calculate the "monthly baseline support amount." In the case of a carrier that filed an ETC application prior to adoption of the CAF Order that is granted too late to receive support for 2011, the "monthly baseline support amount" should be equal to the average monthly amount of high-cost support that the carrier would have received for 2011 if it had been designated an ETC and received support for 2011 under the prior rules.").

<sup>4</sup> Petition at 7.

The USA Coalition agrees with other parties opposing the Petition that further reducing the amount available to previously-designated CETCs during the phase-down period would be grossly unfair to those CETCs and would threaten the orderly transition to the new USF support mechanisms.<sup>5</sup> CETCs already face challenges in the transition, and reducing the amount of support available to them (perhaps by a significant amount, given T-Mobile's large customer base) would further strain the ability of CETCs to continue serving high cost areas at reasonable rates and would create the potential for market shock. Moreover, T-Mobile seeks transitional USF support not only for the states in which the newly-designated CETCs have already received CETC designations but also in states where carriers had applications pending as of the date of the Order, and thus previously-designated CETCs might not know the amount of USF support they will receive for months or years, and could even be required to repay support in some states to the Universal Service Fund so that the support could be redistributed to newly-designated CETCs. For this reason, if T-Mobile's petition were granted, the additional funding must be added to the capped funds available to CETCs so as to offset any increase caused by the Commission's decision to provide support to the newly-designated carriers.

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<sup>5</sup> See, e.g., *Mobi Opposition to T-Mobile Petition for Reconsideration*, WC Docket No. 10-90 at 9-10 (filed Feb. 9, 2012); *C Spire et al Opposition to T-Mobile Petition for Reconsideration*, WC Docket No. 10-90 at 7-8 (filed Feb. 9, 2012).

## CONCLUSION

For the foregoing reasons, regardless of whether the FCC grants T-Mobile's Petition, the USA Coalition respectfully urges the Commission to reject any measures that would reduce the amount of support available to CETCs during the transition period under the *ICC/USF Reform Order* as of January 1, 2012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Todd D. Daubert', with a long horizontal flourish extending to the right.

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