

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 a 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

**COMMENTS ON CENTURYLINK PETITION FOR WAIVER**

Windstream Communications, Inc. (“Windstream”) files these comments in response the Petition for Waiver filed by CenturyLink on June 26, 2012.<sup>1</sup> While Windstream is not in a position to evaluate the specific claims regarding impact of the waiver on CenturyLink’s operations, Windstream takes this opportunity to urge the Commission to take all reasonable steps to ensure that Connect America Fund (“CAF”) Phase I funding for price-cap local exchange carriers (“LECs”) can be utilized to the fullest extent possible. This approach is

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<sup>1</sup> CenturyLink, Petition for Waiver, Connect America Fund, WC Docket No. 10-90, et al. (filed Jun. 26, 2012).

needed to serve the Commission’s broadband deployment goals and help bridge the “rural-rural divide” in the near term. Moreover, because CenturyLink’s petition, if granted, would not necessarily address the CAF Phase I challenges faced by *other* price-cap LECs, the Commission also should remain open to *other* proposals for using those funds to promote deployment.

The core goal of CAF Phase I is to “expand voice and broadband availability as much and as quickly as possible” and to begin “closing the rural-rural divide.”<sup>2</sup> It is particularly important to ensure that funds be used to promote infrastructure build out *as quickly as possible* to ensure that all Americans can share in the benefits of the broadband era. The Commission has repeatedly recognized the immense importance of broadband connectivity to American life and to our national economic success. As it explained in the *USF Transformation Order*:

Fixed and mobile broadband have become crucial to our nation’s economic growth, global competitiveness, and civic life. Businesses need broadband to attract customers and employees, job-seekers need broadband to find jobs and training, and children need broadband to get a world-class education. Broadband also helps lower the costs and improve the quality of health care, and enables people with disabilities and Americans of all income levels to participate more fully in society. Community anchor institutions, including schools and libraries, cannot achieve their critical purposes without access to robust broadband. Broadband-enabled jobs are critical to our nation’s economic recovery and long-term economic health, particularly in small towns, rural and insular areas, and Tribal lands.<sup>3</sup>

Indeed, studies have routinely demonstrated that broadband deployment contributes directly to jobs and economic growth.<sup>4</sup> The benefits of broadband are not purely economic, though: The

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<sup>2</sup> *Connect America Fund*, 26 FCC Rcd 17663, 17720, 17713 ¶¶ 145, 128 n.201 (2011) (“*USF Transformation Order*”).

<sup>3</sup> *Id.* at 17667-68 ¶ 3.

<sup>4</sup> *See, e.g.*, Federal Communications Commission, *CONNECTING AMERICA: THE NATIONAL BROADBAND PLAN* at 257 (2010), available at <http://download.broadband.gov/plan/national-> (continued on next page)

Commission’s National Broadband Plan added that “[b]roadband-enabled online learning has the power to provide high-quality educational opportunities” to those who would otherwise be left behind, and it noted that “with broadband, people with disabilities can live more independently, wherever they choose.”<sup>5</sup> Likewise, “[b]roadband-enabled health information technology (IT) can improve care and lower costs,” and “[a] broadband-enabled Smart Grid could increase energy independence and efficiency.”<sup>6</sup>

In light of the well-documented benefits of broadband, the Commission should ensure that robust broadband service is deployed to those who need it as quickly as possible. Strict adherence to requirements that have the effect of leaving already budgeted and allocated Phase I funds unused for the purpose of reaching unserved consumers would undercut this central Commission objective. Indeed, a regime that precluded use of such funds would deprive those Americans who lack robust broadband service of the economic, educational, health, energy, and other advantages just discussed. There is simply no basis for asking Americans in hard-to-reach

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[broadband-plan.pdf](#) (describing broadband deployment projects in rural Virginia towns that led to thousands of new jobs and tens of millions in private investments) (“National Broadband Plan”); Shane Greenstein and Ryan McDevitt, *The Broadband Bonus: Accounting for Broadband Internet’s Impact on U.S. GDP*, NBER Working Paper No. 14758 (Feb. 2009), available at <http://www.nber.org/papers/w14758.pdf>; Raul Katz, *The impact of broadband on the economy: Research to date and policy issues*, in TRENDS IN TELECOMMUNICATIONS REFORM 2010-2011: ENABLING TOMORROW’S DIGITAL WORLD (2011)); Robert Crandall, William Lehr, and Robert Litan, *The Effect of Broadband Deployment on Output and Employment: A Cross-section Analysis of U.S. Data*, *The Brookings Institute: Issues in Economic Policy* (July 2007), available at [http://www.brookings.edu/~media/research/files/papers/2007/6/labor%20crandall/06labor\\_crandall.pdf](http://www.brookings.edu/~media/research/files/papers/2007/6/labor%20crandall/06labor_crandall.pdf); Sharon Gillett et al., *Measuring the Economic Impact of Broadband Deployment*, Prepared for the U.S. Department of Commerce, Economic Development Administration (Feb. 2006), available at [http://cfp.mit.edu/publications/CFP\\_Papers/Measuring\\_bb\\_econ\\_impact-final.pdf](http://cfp.mit.edu/publications/CFP_Papers/Measuring_bb_econ_impact-final.pdf).

<sup>5</sup> National Broadband Plan at 5.

<sup>6</sup> *Id.* at xi.

areas to continue to suffer to continue to suffer the “individual and societal costs of digital exclusion”<sup>7</sup> – costs the National Broadband Plan recognized would, “absent action,” “grow”<sup>8</sup> – while the Commission works to develop and implement CAF Phase II. Thus, given the important public policy considerations favoring expeditious use of CAF I funds, Windstream urges the Commission to grant requests for waivers designed to enable use of CAF Phase I funding to bring robust broadband service to areas in need of it.

In addition, Windstream emphasizes that the challenges faced by one price cap LEC will not necessarily mirror those faced by another. Put differently, the waiver that one provider requires in order to put more of its allocated Phase I support to use will not necessarily be of any use to another provider, which may face special circumstances that warrant a different sort of waiver. To this end, Windstream notes that a grant of CenturyLink’s petition would do little or nothing to facilitate use of the \$60,404,310 of incremental CAF Phase I support that the Wireline Competition Bureau has allocated to Windstream.<sup>9</sup> So while a grant of CenturyLink’s petition could well promote the goals of CAF Phase I with respect to CenturyLink, further action may well be necessary to facilitate use of CAF Phase I funding in areas served by Windstream and/or other price-cap LECs. The fact that the present waiver request, even if granted, would enable CenturyLink to use only a portion of its allocated incremental funding is indicative of the need for further relief from the overly restrictive CAF Phase I rules. Accordingly, the Commission

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<sup>7</sup> *Id.* at 5.

<sup>8</sup> *Id.*

<sup>9</sup> See Public Notice, *Wireline Competition Bureau Announces Support Amounts for Connect America Fund Phase One Incremental Support*, WC Docket Nos. 10-90, 05-337 at ¶ 9 (rel. Apr. 25, 2012).

should stand ready to consider and grant additional waiver requests to the extent those requests would promote the Commission's pro-deployment vision of CAF Phase I.

Respectfully submitted,

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