

Universal Service Reform: Getting it Right

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www.wispa.org



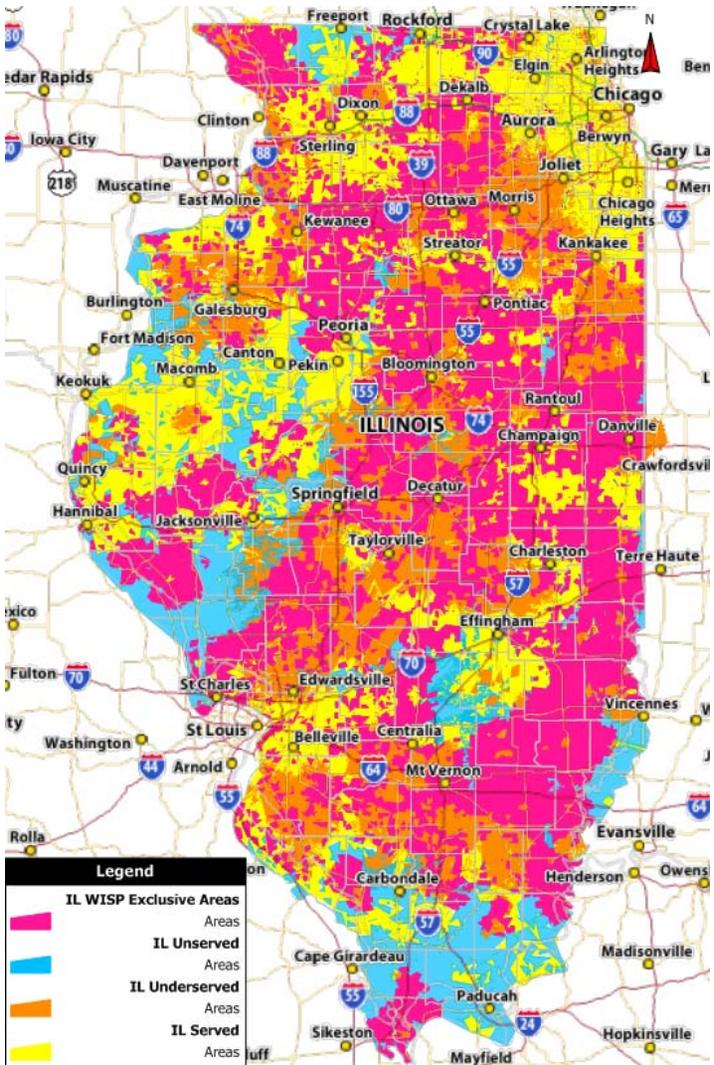
About WISPA

- Founded in 2004 by small group of WISPs
- Today
 - 700+ members . . . and growing
 - Two annual trade shows
 - Increasing commitment to advocacy and member services

What is a WISP?

- Typically . . .
 - Based in rural communities and small towns with little or no choice of broadband provider
 - Community and customer focused
 - A few hundred to several thousand customers per WISP
 - WISPs serve approximately 3,000,000 total customers
 - WISPs primarily use unlicensed 900 MHz, 2.4 GHz and 5 GHz bands and “lightly licensed” 3650 MHz band.
 - Most do *not* rely on federal subsidies

Exclusive WISP Areas



WISPs and USF

- Standalone broadband providers are not providers of “telecommunications services”
 - Most are not ETCs and are ineligible for USF support
- Many WISPs have begun offering interconnected VoIP
- WISPs have suffered under a system that funds competitors who use USF support to subsidize broadband
- USF reform is overdue, now let’s get it right

WISPs and USF

WISPA's Message

If WISPs cannot receive CAF support, then . . .
. . . we don't want our competitors to get it so
they can compete with us in areas we already
serve, and
. . . we shouldn't have to contribute to the
system.

WISPs and USF

- If WISPs cannot receive CAF support . . .
 - FCC should grant WISPA’s petition for reconsideration to ensure that CAF funds do not subsidize areas where unsubsidized voice and unsubsidized broadband are each offered by different entities
 - Focus on the services available to an end user, not on whether a single company offers both voice and broadband services
 - Funding recipients should be required to offer interconnection to enable “self-provisioning” of broadband in adjacent unsubsidized areas

WISPs and USF

- . . . we don't want our competitors to get it so they can compete with us in areas we already serve . . .
 - FCC should **reject** all of the requests to waive the CAF Phase I rules (CenturyLink, Windstream, FairPoint, ACS)
 - Phase I intended to be simple, one-time program to expedite broadband service while more detailed Phase II rules are being finalized, not a process that invites specific exceptions
 - \$775 per-location support level based on suggestions of price cap carriers, who now claim that it is insufficient
 - FCC correctly relied on National Broadband Map as the source for determining unserved areas
 - FCC correctly rejected efforts to consider technical and additional qualitative characteristics of existing broadband service
 - **GRANT OF WAIVERS WOULD DIRECTLY FUND WISP COMPETITORS AND REDUCE FUNDING FOR REMOTE AREAS**

WISPs and USF

- . . . we don't want our competitors to get it so they can compete with us in areas we already serve . . .
 - FCC should apply declined Phase I funds to the Remote Areas Fund
 - FCC anticipated that not all of the \$300 million Phase I funds would be accepted
 - Waiver requests acknowledge the high costs to provide **wireline** service in some areas, suggesting that these are “extremely high cost” areas that should be funded through the RAF
 - FCC should forbear from enforcing the ETC requirement for the RAF so that WISPs are eligible for subsidies
 - Wireless deployments are substantially more cost-effective

WISPs and USF

- ... and we shouldn't have to contribute to the system.
 - Unfair for WISPs to pay into CAF when they are ineligible to receive CAF subsidies
 - Would potentially subsidize larger, well-financed broadband competitors
 - Will result in higher costs for consumers

WISPs and USF

- Voucher system for RAF
 - One-time payment to consumer to subsidize installation
 - Consumer can choose provider
 - Reduces administrative overhead
 - Encourages cost-efficient deployment

Thank You.

Where There is a WISP,
There is a Way

