



February 5, 2013

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**Ex Parte**

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Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**Re: Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09- 51, WT Docket No. 10-208**

Dear Ms. Dortch:

On February 1, 2013, Cathy Carpino of AT&T and Mark Montano and the undersigned of Verizon met with Irene Flannery of the Office of Native Affairs and Policy and Alex Minard and Chris Cook of the Wireline Competition Bureau to discuss high-cost recipients' reporting obligations under section 54.313 of the Commission's rules. Mary Henze of AT&T participated via phone.

In the meeting, we asked the Commission to clarify which reporting obligations are effective for the upcoming July 1, 2013 filings. We agreed with staff that the Commission has sought and obtained approval from the Office of Management and Budget (OMB) for only the information collection and reporting requirements in section 54.313(a)(2)-(6) (for voice services only) and section 54.313(h). The Commission should clarify in a Public Notice that the other section 54.313(a) reporting obligations, and the requirement to file new five-year build out plans, are not effective because the Commission has not obtained approval from OMB for those rules' information collection and reporting requirements. We explained that it is important for the Commission to issue a Public Notice so that all high-cost recipients, as well as state commissions, understand what information should be included in the July 1, 2013 filing.

We also asked the Commission to clarify that, not only is the section 54.313(a)(9) reporting obligation not effective, but the underlying tribal engagement requirement is itself not effective. We explained that, by requiring high-cost recipients to have discussions with Tribal governments on Commission-specified topics, the Commission is directing these providers to collect information, as that term is defined in the statute.<sup>1</sup> As such, the Commission must obtain OMB approval, which it has not done, before directing providers to comply with this rule.

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<sup>1</sup> 44 U.S.C. § 3502(3)(a)(i).

Of the reporting requirements that are not effective, several are the subject of petitions for reconsideration. We urged the Commission to grant the Petition for Clarification and Reconsideration or, in the Alternative, for Waiver filed by CTIA and US Telecom.<sup>2</sup> In particular, the Commission should (1) eliminate obligations to collect and file broadband data as potentially called for by section 54.313(a)(11), for ETCs other than carriers receiving Connect America Fund (CAF) Phase II support; and (2) limit the filing of five-year service quality improvement plans and associated progress reports to those ETCs that receive CAF Phase II support. We also urged the Commission to grant the pending US Telecom petitions for reconsideration of the tribal engagement rule.<sup>3</sup>

We stressed that, if the Commission intends to seek OMB approval of the other 54.313(a) reporting requirements that are not currently effective, i.e., 54.313(a)(7) and 54.313(a)(8), it must obtain such approval well in advance of July 1. We explained that the Commission must provide ETCs with sufficient time between the effective date of the rule and July 1 to collect and report the required data.

Finally, we asked the Commission to clarify that the term “affiliate” in section 54.313(a)(8) refers only to affiliated ETCs, not to non-ETC affiliates. Given that the purpose of the rule is to “simplify[] the process of determining the total amount of public support received by each recipient, regardless of corporate structure,”<sup>4</sup> there is no need for the Commission to require ETCs to report information about affiliates that do not receive “public support,” i.e., non-ETC affiliates.

This letter is being filed electronically pursuant to Section 1.1206 of the Commission’s rules. Please contact me if you have any questions.

Sincerely,



cc: Irene Flannery  
Alex Minard  
Chris Cook

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<sup>2</sup> CTIA and United States Telecom Association Petition for Clarification and Reconsideration or, in the Alternative,

For Waiver, *Connect America Fund, et al.*, WC Docket No. 10-90, *et al.*, (Jun. 25, 2012)

<sup>3</sup> Petition for Reconsideration of the United States Telecom Association, *Connect America Fund, et al.*, WC Docket No. 10-90, *et al.*, (Dec. 29, 2011); Petition for Reconsideration and Clarification of the United States Telecom Association, *Connect America Fund, et al.*, WC Docket No. 10-90, *et al.*, (August 20, 2012).

<sup>4</sup> *Connect America Fund*, WC Docket No. 10-90 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, ¶ 603 (2011).