



Federal Communications Commission
Washington, D.C. 20554

July 25, 2013

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20054

Re: *Connect America Fund*, WC Docket No. 10-90

Dear Ms. Dortch:

On November 18, 2011, the Federal Communications Commission (Commission) released the *USF/ICC Transformation Order*, which comprehensively reformed and modernized the universal service and intercarrier compensation systems.¹ In the *USF/ICC Transformation Order*, the Commission adopted a framework for providing ongoing support to areas served by price cap carriers, including areas where broadband service is not currently provided, known as Connect America Phase II. Specifically, the Commission will provide ongoing support to these areas through a combination of a forward-looking cost model and competitive bidding. The Commission delegated to the Wireline Competition Bureau (Bureau) the task of developing the forward-looking cost model.²

Consistent with Office of Management and Budget (OMB) guidelines,³ the Bureau sought peer review of versions one and two of the Connect America Cost Model (CAM). In this letter, the Bureau submits into the record the peer review charge letter, the peer review submissions that were provided to the Bureau, and the Bureau's responses to those peer review submissions.⁴ These documents also are available at: <http://www.fcc.gov/encyclopedia/peer-review-agenda>.

¹ See *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (*USF/ICC Transformation Order*), *pets. for review pending sub nom.* In re: *FCC 11-161*, No. 11-9900 (10th Cir. filed Dec. 8, 2011).

² See *USF/ICC Transformation Order*, 26 FCC Rcd at 17737, para. 192.

³ OMB Final Information Quality Bulletin for Peer Review, 70 Fed. Reg. 2664 (Jan. 14, 2005) (requiring that influential scientific information on which a federal agency relies in a rulemaking proceeding be subject to peer review to enhance the quality and credibility of the government's scientific information).

⁴ See Attachments (including peer review charge letter, peer review submissions, and Bureau's responses, respectively).

As always, we welcome the input of interested parties on matters related to the development of the CAM for Connect America Phase II implementation.

Respectfully Submitted,

_____/s/_____
Michael J. Jacobs
Legal Advisor to the Chief
Wireline Competition Bureau
Federal Communications Commission

Attachments