

November 6, 2013

*Ex Parte Notice*

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

Re: E-Rate Reform, WC Docket No. 13-184

Dear Ms Dortch:

On November 4, 2013, Angie Kronenberg, Alan Hill, and Jenny Gilbert, from COMPTTEL, joined by Greg Green, CEO of FatBeam, met separately with Nick Degani from Commissioner Pai's office and with Christi Barnhart from Commissioner Rosenworcel's office.

During the meeting, Mr. Green and Ms. Kronenberg discussed modernizing the E-Rate program. Mr. Green expressed his support for the program, describing how the program is working to meet the broadband needs of schools and libraries, and his belief that certain changes can be enacted to ensure that school districts continue to benefit from the E-Rate program. Mr. Green discussed the importance of retaining the competitive bidding process, as it encourages competition, which in turn, reduces the costs incurred by the Fund and the school districts. Greg emphasized that additional time is essential to the competitive bidding process, noting that when given advanced notice, FatBeam is able to save the Fund, and the school districts, a significant amount of money, while offering greater capacity to schools. FatBeam supplied statistical data supporting its position, which demonstrated schools that FatBeam serves as part of the E-Rate program were able to save anywhere from \$650,580, to \$2.4 million over a contract term.

Mr. Green explained that the FCC should consider ways to further educate recipients on how to attract competitive bids in order to help them and the Fund save money. He described that in one instance a recipient gave limited time (only three months) for completion of a fiber project, which resulted in only one bid. He explained that projects proposed with stringent time limitations create a natural advantage to the larger companies which already have a footprint or are able to build more quickly than the smaller competitors. The result is that the cost savings that competitors could offer are lost for the recipients and the Fund. To that end, Greg described how additional education for recipients about the types of services that can meet the needs of schools and libraries and the time needed for planning and competitive bidding would be beneficial for maximizing the efficiency of the program.

Greg also mentioned the need for an overlap in funding where recipients plan to replace their current service with a new fiber network. Allowing for some overlap of funding where the recipient and the Fund ultimately will be saving money and gaining faster speeds by new fiber

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builds, would attract more competitors and incent recipients to consider replacing their current inadequate service with new fiber.

Additionally, Mr. Green suggested increased transparency where USAC withholds funds. Currently, when funding is held, no explanation is offered, and providers do not have the opportunity to resolve issues in a timely manner. As such, it is a hardship on providers when funding is withheld. Mr. Green proposed developing a transparent process that would provide ample opportunity for the company in question to resolve the issue with USAC.

In closing, Mr. Green reiterated his support for the E-rate program and his appreciation for the agency's effort to improve the program in its reform proceeding. Mr. Green also provided Ms. Barnhart with the attached documents during the meeting.

Respectfully submitted,

*/s/ Angie Kronenberg*

Attachments

cc: Nick Degani  
Christi Barnhart