



November 8, 2013

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Connect America Fund, WC Docket No. 10-90; High-Cost Universal Service Support, WC Docket No. 05-337; AT&T Petition to Launch a Proceeding Concerning the TDM-to-IP Transition; Petition of the National Telecommunications Cooperative Association for a Rulemaking to Promote and Sustain the Ongoing TDM-to-IP Evolution, GN Docket No. 12-353; Technology Transitions Policy Task Force, GN Docket No. 13-5; Expanding the Economic Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268*

Dear Ms. Dortch:

On Thursday, November 7, 2013, Shirley Bloomfield, Chief Executive Officer of NTCA–The Rural Broadband Association (“NTCA”), together with the undersigned, met with Commissioner Ajit Pai and his wireline legal advisor, Nicholas Degani, regarding the above-referenced proceedings.

We discussed the pressing need for adoption of a targeted program to refine universal service support mechanisms in areas served by rate-of-return-regulated rural local exchange carriers (“RLECs”) to facilitate consumer choice and stimulate adoption of broadband. We noted that NTCA had already submitted straightforward proposed rules explaining how such targeted updates could aid the transition from legacy support mechanisms to a Connect America Fund (“CAF”) for RLEC-served areas. *See, e.g.,* Comments of NTCA, *et al.*, WC Docket No. 10-90 (filed June 17, 2013), at 1-10 and Attachment 1; *Ex Parte* Letter of Michael R. Romano, Senior Vice President – Policy, NTCA, to Marlene H. Dortch, Secretary, Federal Communications Commission (the “Commission”), WC Docket No. 10-90, *et al.* (filed Sept. 12, 2013). We also noted NTCA’s desire, consistent with that same *ex parte* filing, to continue conversations regarding the development of voluntary model-based options for prospective CAF support for interested RLECs once work on the separate and distinct CAF model for price cap-regulated carriers is complete. We urged the Commission ultimately to find paths forward that will ensure that consumers in RLEC-served areas can participate meaningfully in an IP-enabled, broadband-capable world while having a panoply of affordable, high-quality service options from which to choose on a supported network.

We further discussed the still-lingering need for changes to the quantile regression analysis (“QRA”)-based caps in the wake of the Sixth Order on Reconsideration released by the Federal Communications Commission (the “Commission”) earlier this year and the Wireline Competition Bureau’s order earlier this summer providing additional temporary relief from the caps. We urged adoption of NTCA’s suggested replacement for the QRA-based caps (as submitted in the same September *ex parte* letter noted above) because this proposal would strike a much better balance between the desire for fiscal discipline that drove adoption of the QRA mechanism in the first instance and the need for transparency, accuracy, and predictability in the administration of universal service.

Consistent with prior *ex parte* communications, NTCA also urged reconsideration of the elimination of Safety Net Additive support for companies that qualified based upon investments during 2010 and 2011. *See, e.g., Ex Parte* Letter of Michael R. Romano, Senior Vice President – Policy, NTCA, to Marlene H. Dortch, Secretary, Commission, WC Docket No. 10-90, *et al.* (filed July 26, 2013), at 2.

Finally, NTCA urged the Commission to bolster the availability of advanced wireless services in rural areas – and the competitiveness of wireless markets generally – by auctioning limited and valuable spectrum on the basis of smaller geographic areas. Indeed, larger areas could effectively preclude the participation of many regional or smaller providers in the auctions. Moreover, the upcoming 600 MHz auctions present the opportunity for the Commission to make advanced wireless services more widely available by licensing spectrum on the basis of Cellular Market Areas that ensure rural consumers are not the “forgotten ones” as carriers prevailing at auction then choose where to build out and use that spectrum.

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission’s rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Michael R. Romano
Michael R. Romano
Senior Vice President – Policy

cc: Commissioner Ajit Pai
Nicholas Degani