April 14, 2014

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-B204
Washington, DC 20554

Re: WC Docket No. 10-90; GN Docket No. 09-51
WC Docket No. 05-337; CC Docket No. 96-45

Madam Secretary:

In accordance with Section 1.1206 of the Commission’s rules, 47 C.F.R. § 1.1206, we hereby provide you with notice of an oral ex parte presentation in connection with the above-captioned proceedings. On April 10, 2014, Grant Spellmeyer and undersigned counsel, on behalf of United States Cellular Corporation (“U.S. Cellular”) met with Louis Peraertz and Rebekah Goodheart in Commissioner Clyburn’s office.

On April 14, we met with Priscilla Argeris in Commissioner Rosenworcel’s office, Daniel Alvarez in Chairman Wheeler’s office, and Nicholas Degani in Commissioner Pai’s office. Undersigned counsel also met with Amy Bender in Commissioner O’Rielly’s office. We discussed several aspects of the Connect America Fund item scheduled to be adopted at the upcoming April 23 meeting.

We discussed the fact that any change to the scheduled July 1 pause in the phase down of legacy support to competitive wireless carriers requires a process, consistent with the Administrative Procedures Act. Substantively, there does not appear to be any record evidence supporting the continuation of a phase down before Mobility Fund II is operationalized. Continuing support is needed to maintain facilities constructed in rural areas under the legacy program.

U.S. Cellular urged the FCC to fully implement Mobility Fund II at the earliest possible date. The best evidence that Mobility Fund II is needed can be found in the bids made at Auctions 901 and 902. In each case, demand for support far exceeded available funding. In Mobility Fund II, when the standard will be areas that lack 4G service, many additional areas will be eligible and the resulting demand will be even higher.
In response to suggestions that Mobility Fund II may be shifted into the CAF, U.S. Cellular urged the FCC to seek comment on immediately removing the Right of First Refusal (RoFR) for price cap carriers. As set forth in the CAF Order, a price cap carrier is permitted to use CAF support to build a subsidized 4G network in areas where other wireless carriers are attempting to compete. Worse yet, support to build 4G will be provided based on the cost of building a wireline network. We can think of no valid public policy reason why a price cap carrier should be permitted to completely block competition for five years, while building a subsidized wireless network that competes against smaller independent carriers. To retain a monopoly on support for five years fundamentally violates Chairman Wheeler’s mantra of “competition, competition, competition.”

We noted that a robust Mobility Fund Phase II will result in significant public safety benefits. Towers built in rural areas using Auction 901 and 902 funding are available for colocation by the nationwide public safety network.

We discussed the possibility of increasing the throughput requirement to 10 Mbps. While supporting the concept of incrementally advancing the speed requirement over time, we noted that cost is a significant consideration for wireless carriers, and any increase in speed should be made after new spectrum comes on the market, to enable carriers to acquire enough to meet any new requirements.

Respectfully submitted,

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Counsel for United States Cellular Corporation

cc: Louis Peraertz
Rebekah Goodheart
Priscilla Argeris
Daniel Alvarez
Nicholas Degani
Amy Bender
Grant Spellmeyer