

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

<b>In the Matter of:</b>	)	
	)	
<b>Connect America Fund</b>	)	<b>WC Docket No. 10-90</b>
	)	
<b>Universal Service Reform – Mobility Fund</b>	)	<b>WT Docket No. 10-208</b>
	)	
<b>ETC Annual Reports and Certification</b>	)	<b>WC Docket No. 14-58</b>
	)	
<b>Establishing Just and Reasonable Rates for Local Exchange Carriers</b>	)	<b>WC Docket No. 07-135</b>
	)	
<b>Developing an Unified Intercarrier Compensation Regime</b>	)	<b>CC Docket No. 01-92</b>
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**COMMENTS BY THE IDAHO PUBLIC UTILITIES COMMISSION**

The Idaho Public Utilities Commission (“Idaho PUC”) submits the following comments in response to the Commission’s Further Notice of Proposed Rulemaking (“FNPRM”) issued with its *Report and Order, Declaratory Ruling, Order, Memorandum Opinion and Order, Seventh Order on Reconsideration*, in the above-referenced dockets on June 10, 2014 (hereinafter “*CAF-II Order*”). In its FNPRM, the Commission solicited comments on a host of issues and directed that the comments be filed no later than 30 days after publication in the Federal Register, i.e., August 8, 2014. *Omnibus Order CAF-II Order* at ¶ 338. The Idaho PUC submits these comments in response to several issues.

**Increase the Minimum Broadband Speed to 10 Mbps Downstream**

In its FNPRM, the Commission sought comments on its proposal to increase the minimum broadband speed for universal service funding to 10 million bits per second (Mbps)

downstream. As the Commission noted in its *CAF-II Order*, increasing the downstream speed to 10 Mbps will provide consumers in rural parts of Idaho with access to advanced telecommunication and information services that are comparable to services in Idaho's urban areas. *Id.* at ¶ 140. Increasing the Phase II downstream speed to 10 Mbps will increase the number of Idaho households that would be eligible for funding.

### **Longer Term for Price Cap Carriers Accepting State-Level CAF-II Support**

The Commission also asked in its FNPRM whether carriers accepting a state-level commitment for CAF-II model-based support should have more than five years to upgrade their eligible customers. *CAF-II Order* at ¶ 148. Considering the challenges of increasing the downstream broadband speeds to 10 Mbps, the Idaho PUC believes that the Commission should increase the term of CAF-II support for price cap carriers that accept state-level support. More specifically, the Idaho PUC believes it is reasonable and appropriate for the Commission to extend the period of support for carriers accepting a state-level commitment for several additional years. We believe a term of seven to ten years for state-level commitments is reasonable and appropriate.

### **Serving Partial Census Blocks**

The Commission also seeks comments whether it is reasonable for price cap carriers accepting state-level commitment and winners in a competitive bidding process to partially serve census blocks. *Id.* at ¶¶ 163, 165. The Idaho PUC believes it is reasonable for carriers accepting a state-level commitment and winners in the competitive bidding process to serve less than 100% of the funded locations. Given the challenges of terrain coupled with the sparse density of some census blocks in rural Idaho, we believe it is unreasonable to expect a carrier to serve an entire census block in a state with an average population of 19.5 persons per square mile (compared to

the national average of 89.5 per square mile). Fourteen Idaho counties have a population of less than five persons per square mile. *See* U.S. Census Bureau data. We believe an “all-or-nothing” census block requirement is not the right approach. Instead, we find it reasonable to establish a goal of serving 95% of the funded locations. Based upon the deployment of the necessary infrastructure to serve a 10 Mbps downstream speed, it is reasonable to allow carriers receiving Phase II support to adjust their deployment commitment after either making a state-level commitment or becoming the successful bidder in the competitive bidding process.

### **Eligibility Areas for Phase II Support**

Given the areas to be served with Phase II support, the Idaho PUC agrees with the Commission’s proposal to exclude from Phase II support those census blocks where there is a facilities-based terrestrial competitor offering fixed residential voice and broadband services at 10 Mbps standard. *Id.* at ¶ 174.

### **Challenge Process**

Finally, the Idaho PUC understands that competing carriers should be able to challenge whether a particular area is served by another broadband competitor offering speeds of 10 Mbps. However, challenges should be supported by some form of evidence rather than simply lodging a claim that the area is already served by another competitor providing services at 10 Mbps. In other words, competitive providers should be required to provide some modicum of evidence rather than simply make an unsubstantiated claim that an area is served by a competitor.

### **Conclusion**

In conclusion, the Idaho PUC supports the Commission’s proposal to increase broadband downstream speeds to 10 Mbps. The Idaho PUC believes that a seven-year term for Phase II support at a minimum is reasonable for those carriers accepting a state-level commitment. The

Commission should allow Phase II carriers the flexibility to deploy facilities to less than 100% of the funded locations. A goal of 95% appears reasonable. Finally, the Idaho PUC believes that challenges regarding the presence of a competing broadband competitor should be evidence-based.

Respectfully submitted this 7<sup>th</sup> day of August 2014.

For the IDAHO PUBLIC UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Donald L. Howell, II". The signature is fluid and cursive, with a horizontal line drawn underneath it.

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