



1776 K STREET NW  
WASHINGTON, DC 20006  
PHONE 202.719.7000  
FAX 202.719.7049

7925 JONES BRANCH DRIVE  
MCLEAN, VA 22102  
PHONE 703.905.2800  
FAX 703.905.2820

www.wileyrein.com

Thomas J. Navin  
202.719.7487  
tnavin@wileyrein.com

August 8, 2014

**VIA ECFS**

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

Re: *Connect America Fund et al.*, Report and Order, Declaratory Ruling, Order, Memorandum Opinion and Order, Seventh Order on Reconsideration, and Further Notice of Proposed Rulemaking, WC Docket Nos. 10-90, 14-58, & 07-135, WT Docket No. 10-208, CC Docket No. 01-92, FCC 15-54 (rel. June 10, 2014)

Dear Ms. Dortch:

Puerto Rico Telephone Company, Inc. ("PRT") hereby files these attached Comments in the above-referenced proceedings.

Please contact me with any questions.

Best regards,  
/s/ Thomas J. Navin  
Thomas J. Navin

cc: Julie Veach  
Carol Matthey  
Vickie Robinson  
Daniel Alvarez  
Rebekah Goodheart  
Priscilla Argeris  
Nicholas Degani  
Amy Bender  
Mike Jacobs  
Jamie Susskind

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	WC Docket No. 10-90
Connect America Fund	)	
	)	WT Docket No. 10-208
Universal Service Reform – Mobility Fund	)	
	)	WC Docket No. 14-58
ETC Annual Reports and Certifications	)	
	)	WC Docket No. 07-135
Establishing Just and Reasonable Rates for Local Exchange Carriers	)	
	)	CC Docket No. 01-92
Developing an Unified Intercarrier Compensation Regime	)	

**COMMENTS OF PUERTO RICO TELEPHONE COMPANY, INC.**

Francisco J. Silva  
Walter Arroyo  
**PUERTO RICO TELEPHONE COMPANY, INC.**

Nancy J. Victory  
Thomas J. Navin  
**WILEY REIN LLP**  
1776 K Street, NW  
Washington, DC 20006  
(202) 719-7000

August 8, 2014

Counsel for Puerto Rico Telephone  
Company, Inc.

**TABLE OF CONTENTS**

**I. INTRODUCTION AND BRIEF SUMMARY .....4**

**II. PRT AGREES THAT THE MINIMUM BROADBAND SPEED REQUIREMENT SHOULD BE 10 MBPS DOWNSTREAM. ....5**

**III. THE COMMISSION SHOULD ALLOW INSULAR CARRIERS THE FLEXIBILITY TO MEET THEIR SERVICE OBLIGATIONS AND DEPLOY TO AS MANY NEW LOCATIONS AS POSSIBLE.....7**

A. If Allowed Flexibility, PRT Will Be Able to Deploy To Three Times As Many New, Unserved Locations as Those Funded by the CAM. ....8

B. Although PRT Plans to Meet All of the Commission’s Proposed Service Obligations, the Commission Should Clarify the 100 Milliseconds Latency Requirement.....11

C. The Commission Should Clarify Whether Non-Contiguous Carriers Can Use Phase II Support to Maintain and Operate Networks Built During Phase I. ....12

**IV. THE COMMISSION SHOULD EXTEND THE TERM OF PHASE II FROM FIVE YEARS TO TEN YEARS FOR NON-CONTIGUOUS CARRIERS.....13**

**V. THE COMMISSION SHOULD USE THE SAME MEASURES THAT IT USED DURING PHASE I TO MONITOR AND ENFORCE COMPLIANCE WITH SERVICE OBLIGATIONS DURING PHASE II.....14**

**VI. CONCLUSION .....15**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	WC Docket No. 10-90
Connect America Fund	)	
	)	WT Docket No. 10-208
Universal Service Reform – Mobility Fund	)	
	)	WC Docket No. 14-58
ETC Annual Reports and Certifications	)	
	)	WC Docket No. 07-135
Establishing Just and Reasonable Rates for Local Exchange Carriers	)	
	)	CC Docket No. 01-92
Developing an Unified Intercarrier Compensation Regime	)	

**COMMENTS OF PUERTO RICO TELEPHONE COMPANY, INC.**

Puerto Rico Telephone Company, Inc. (“PRT”) submits these Comments in response to the Federal Communications Commission’s (“Commission”) Further Notice of Proposed Rulemaking (“FNPRM”) seeking comment on performance requirements for insular carriers receiving frozen high cost support (“frozen support”) during Connect America Fund Phase II.<sup>1</sup> Specifically, these comments respond to the FNPRM’s questions concerning any conditions the Commission should impose on the use of frozen support for those price cap carriers in insular areas like Puerto Rico.

PRT accepts the Commission’s invitation to submit a proposal for “tailored service obligations” that “reflect [its] level of support and would be consistent with the Commission’s

---

<sup>1</sup> See *Connect America Fund et al.*, Report and Order, Declaratory Ruling, Order, Memorandum Opinion and Order, Seventh Order on Reconsideration, and Further Notice of Proposed Rulemaking, WC Docket No. 10-90 et al., FCC 14-54 (rel. June 10, 2014) (“FNPRM”).

goal of ensuring universal availability of modern networks capable of providing voice and broadband service to homes, businesses, and community anchor institutions.”<sup>2</sup> Indeed, PRT proposes to deploy 10 Mbps/768 kbps broadband Internet access to 58,425 unserved locations, which is significantly greater than the 17,346 unserved locations identified by the Connect America Model (“CAM”).<sup>3</sup> Many of these new locations will receive broadband Internet access for the first time from a wireline network of any kind.

## I. INTRODUCTION AND BRIEF SUMMARY

PRT agrees with the Commission that the CAM fails to accommodate the unique circumstances of serving insular areas and that it must therefore support universal service in these areas pursuant to a different mechanism.<sup>4</sup> Neither the Phase I nor Phase II broadband cost models provided sufficient support to deploy broadband in insular areas. However, in both circumstances, the Commission addressed this anomaly by bypassing use of its model to ensure that insular areas like Puerto Rico are not left behind in the digital economy.<sup>5</sup> Consistent with its past approach, PRT supports the Commission’s decision here to allow insular carriers to maintain their existing “frozen” support provided that such support is used to deploy and maintain broadband networks in unserved areas of Puerto Rico.

---

<sup>2</sup> *Id.*, ¶ 211.

<sup>3</sup> As the Commission states, unserved areas include any area “where there is [no] terrestrial provider of fixed residential voice and broadband service that meets our Phase II performance requirements.” *Id.*, ¶ 207.

<sup>4</sup> See *Connect America Fund High-Cost Universal Service Support*, Report and Order, 29 FCC Rcd. 3964, ¶ 152 (2014) (“CAM Inputs Order”); *Connect America Fund et al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd. 17663, ¶ 193 (2011) (directing the Bureau to maintain existing support levels if the model fails accommodate price cap carriers serving insular areas).

<sup>5</sup> See *Cam Inputs Order*, ¶ 152 (providing frozen support because the Phase II model failed to accommodate Puerto Rico); *Over \$32 Million Authorized to Expand Broadband Access in Rural Puerto Rico, Hawaii and Alaska from Connect America Fund*, News, 2013 WL 5870147, at \*1 (rel. Oct. 31, 2013) (providing \$31.6 million in funding because Phase I failed to accommodate Puerto Rico).

PRT also supports the Commission’s proposal to increase the minimum broadband speed requirement to 10 Mbps downstream for carriers electing to receive frozen support during CAF Phase II. As with lower broadband speeds, Puerto Rico’s deployment of 10 Mbps broadband speed has long lagged behind the rest of the country. PRT will use its frozen support to help close the gap and make modern broadband speed available to an unprecedented number of Puerto Ricans across the island. As detailed below, PRT plans to deploy networks and offer services to over 58,425 unserved locations where no competitor or PRT offers broadband service at the required speed today. This is over three times the amount of unserved locations funded by the CAM.<sup>6</sup> But for PRT to reach this goal, it is necessary that the Commission provides PRT and other non-contiguous carriers with sufficient flexibility to meet the unique demands and circumstances presented by insular areas.

**II. PRT AGREES THAT THE MINIMUM BROADBAND SPEED REQUIREMENT SHOULD BE 10 MBPS DOWNSTREAM.**

PRT supports the Commission’s proposal to hold non-contiguous carriers receiving frozen support to a 10 Mbps downstream speed standard.<sup>7</sup> Broadband speeds in Puerto Rico have lagged behind the rest of the nation for far too long: while 37.3% of Americans have a connection with at least 10 Mbps downstream, only 13.2% of Puerto Ricans have such a

---

<sup>6</sup> There are 17,346 locations in PRT’s service area meeting this definition. *See Wireline Competition Bureau Releases Connect America Cost Model Illustrative Results Using Higher Speed Benchmark*, Public Notice, WC Docket No. 10-90, DA 14-833, Attachment 2 (rel. June 17, 2014) (“Illustrative Results Notice”).

<sup>7</sup> *See* FNPRM, ¶ 203. PRT also supports without comment both the Commission’s proposal regarding minimum usage allowance and its proposal that insular carriers not use support in areas where there is a terrestrial provider of fixed residential voice and broadband service. *See id.*, ¶¶ 205, 207.

connection.<sup>8</sup> Indeed, fewer Puerto Ricans enjoy modern download speeds than residents in any other state in the country.<sup>9</sup>

This gap is not surprising: Puerto Ricans cannot subscribe to speeds they do not have access to. The percentage of unserved Americans in the U.S. territories “is approximately nine times the national average.”<sup>10</sup> In Puerto Rico specifically, the Commission has observed that more than half the population of Puerto Rico lacks access to broadband Internet access services meeting the benchmark speed of 4 Mbps downstream and 1 Mbps upstream—a disparity of approximately 45 percent compared to the national average.<sup>11</sup> Because Puerto Rico suffers from a lower average income than the rest of the country,<sup>12</sup> which results in a lower subscribership take rate, it is likely that even more Puerto Ricans lack access to 10 Mbps downstream speeds.

PRT plans to use its frozen support to bridge the 10 Mbps broadband speed availability gap between Puerto Rico and the rest of the United States. As discussed in detail below, PRT expects to bring 10 Mbps downstream speeds to 58,425 unserved locations in Puerto Rico. This would result in a significant increase in modern speed broadband availability across the island. Importantly, it also would help bring modern broadband speeds to schools and libraries and other anchor institutions served by the same communities.

---

<sup>8</sup> See WIRELINE COMP. BUR., FCC, INTERNET ACCESS SERVICES: STATUS AS OF JUNE 30, 2013, 42 (June 2014).

<sup>9</sup> See *id.* at 41-42.

<sup>10</sup> See *Eighth Section 706 Report*, 27 FCC Rcd. 10342, ¶ 56 (2012).

<sup>11</sup> See *id.* at App. C.

<sup>12</sup> See *Report by the President’s Task Force on Puerto Rico’s Status* (Mar. 11, 2011), available at [http://www.whitehouse.gov/sites/default/files/uploads/Puerto\\_Rico\\_Task\\_Force\\_Report.pdf](http://www.whitehouse.gov/sites/default/files/uploads/Puerto_Rico_Task_Force_Report.pdf) (“Per capita income remains at less than one-third that of the mainland.”).

### **III. THE COMMISSION SHOULD ALLOW INSULAR CARRIERS THE FLEXIBILITY TO MEET THEIR SERVICE OBLIGATIONS AND DEPLOY TO AS MANY NEW LOCATIONS AS POSSIBLE.**

The Commission proposes that non-contiguous carriers submit build-out plans based on the service obligations and deployment commitments that are proposed in the FNPRM.<sup>13</sup> PRT's economic analysis indicates that, if allowed the flexibility to use its funding in a way that maximizes deployment to locations currently unserved by any provider, PRT will be able to serve over three times as many locations as those that are funded by the CAM. Moreover, PRT will be able to do so while also adhering to all of the Commission's proposed service obligations, assuming the Commission continues to allow non-contiguous carriers to conduct latency testing at the consolidation point prior to traffic being routed to the undersea cable.<sup>14</sup>

But to achieve these goals, it is important that the Commission allow as much flexibility as possible throughout the Phase II term. Insular areas pose unique and difficult challenges to non-contiguous carriers, each facing a different set of circumstances that will demand different approaches to broadband deployment. The CAM did not fully take these circumstances into account, and using CAM-funded locations to determine non-contiguous carriers' build-out obligations will not result in maximum broadband deployment to currently unserved locations. Instead, allowing non-contiguous carriers the flexibility to propose build-out targets on an individual basis will ensure that Phase II funding is spent as efficiently as possible.<sup>15</sup>

---

<sup>13</sup> See FNPRM, ¶ 211.

<sup>14</sup> The service obligations proposed by the Commission include the 10 MBPS broadband speed requirement, voice and broadband rate comparability, one service offering with at least a 100 GB usage allowance, and the requirement that carriers meet a roundtrip network latency of 100 milliseconds or less. See *id.*, ¶¶ 203 – 206.

<sup>15</sup> The Commission should not limit the ability of frozen support recipients to substitute unserved locations outside of funded areas for unserved locations within funded areas. *C.f., id.*, ¶¶ 167-72 (proposing a five percent cap on such substitutions).

While PRT plans to meet the service obligations proposed by the Commission in the FNPRM, the Commission should clarify that PRT will be able to measure latency from its Internet core. In addition, the Commission should clarify that carriers will be allowed to use their funding to maintain, operate, and upgrade networks at the new speed benchmark that were identified during Phase I for upgrade using a lower speed threshold. Resolving these ambiguities will allow PRT to predict more accurately the number of new, currently unserved locations to which it will be able to build out over the term of Phase II.

**A. If Allowed Flexibility, PRT Will Be Able to Deploy To Three Times As Many New, Unserved Locations as Those Funded by the CAM.**

The Commission should allow non-contiguous carriers flexibility to deploy to as many currently unserved locations as possible by tailoring proposals to each carrier rather than adopting uniform requirements that inevitably will fail to accommodate each carrier's unique situation. In the FNPRM, the Commission seeks comment on the specific build-out obligations that non-contiguous carriers should have in census blocks that do not currently have broadband service meeting the Commission's requirements.<sup>16</sup> The Commission first suggests that non-contiguous carriers be required to build out to all locations that are funded by the CAM.<sup>17</sup> It then asks if, as an alternative to deploying to all funded locations, carriers should be allowed to serve some subset of locations within their respective service areas where the average cost equals or exceeds the funding benchmark established by the Bureau.<sup>18</sup>

The Commission should not impose any specific build-out requirements on non-contiguous carriers, including requiring them to build out to all locations that are shown as

---

<sup>16</sup> See *id.*, ¶ 208.

<sup>17</sup> See *id.*

<sup>18</sup> See *id.*, ¶ 209. Funded locations are defined by the Commission as those with a model estimated average cost between \$52.50 and \$172.51 that are not served by a competitor.

funded by the CAM. According to the Bureau's latest illustrative results, there are 29,343 funded locations in PRT's service area. Because PRT already serves 11,997 of these locations at speeds of 10/768, there are a total of 17,346 locations in Puerto Rico that are unserved at 10/768, within funded census blocks.<sup>19</sup>

Although PRT certainly is capable of building out to all 17,346 of these locations using frozen support during the Phase II term, doing so would be uneconomical and would result in less overall deployment to locations currently not served by a provider at the requisite speed than is possible given the amount of Phase II funding. PRT's engineering department has identified several census blocks containing a portion of the 17,346 locations that will have an upgrade cost in excess of \$2,500, including several in excess of \$10,000. As a result, building out to all 17,346 locations will impose extremely high costs on PRT and consume a disproportionate amount of Phase II funding. For example, PRTC's engineering analysis indicates that PRTC could build to 84% of the funded locations with the lowest cost to upgrade for 37% of the cost of all funded locations. This implies that the highest cost 16% of the funded locations would consume 63% of the total cost of upgrading the network to meet the Commission's broadband standards. As the Commission has recognized in the past, it makes little sense for carriers to invest exorbitant capital to fund extremely expensive locations rather than deploy to many more locations at a much lower cost.

In light of this, the Commission instead should allow PRT to develop its own deployment proposal based on the realities of serving Puerto Rico. The vast majority of the 139,106 unserved locations in Puerto Rico have a model estimated cost below the lower benchmark of \$52.50 and would not be eligible for upgrade under the parameters suggested by the

---

<sup>19</sup> See Illustrative Results Notice, Attachment 2.

Commission. PRT's analysis indicates that, if allowed to identify the most cost-effective unserved locations to maximize deployment, PRT will be able to deploy to over three times the amount of locations that are funded by the CAM, reaching 58,425 locations currently unserved as the requisite speed threshold. As a result, if the Commission makes eligible for Phase II funding any location that is currently unserved by either PRT or a competitor at the requisite speed threshold, it will allow more than three times the number of additional locations to access broadband service at 10/768. This build-out strategy best effectuates the Commission's goal to make broadband available to as many new locations as possible.

The Commission has acknowledged the difficulties faced by insular carriers from the beginning of this proceeding. The FNPRM recognizes that "there may be differing circumstances for each of the non-contiguous carriers," and suggests adopting tailored service obligations for each.<sup>20</sup> PRT's proposal addresses these concerns, but it requires that the Commission allow a degree of flexibility for non-contiguous carriers to develop their own deployment plans. Thus, the Commission should not adopt build-out requirements for non-contiguous carriers based on CAM model cost estimates that have been determined by the Commission to be inappropriate for establishing support levels for insular carriers. Instead, each carrier should be allowed to deploy broadband to currently unserved locations in a manner that makes sense given the realities of their service area. This would result in Phase II funding being used efficiently to bring broadband to as many currently unserved locations as possible.

---

<sup>20</sup> FNPRM, ¶ 211.

**B. Although PRT Plans to Meet All of the Commission’s Proposed Service Obligations, the Commission Should Clarify the 100 Milliseconds Latency Requirement.**

PRT plans in its proposal to adhere to the service obligations that the Commission proposes in the FNPRM, including that non-contiguous carriers offer voice and broadband service at reasonably comparable rates to those in urban areas,<sup>21</sup> that non-contiguous carriers be subject to the same usage allowance as carriers receiving model-based support,<sup>22</sup> and that non-contiguous carriers not use any support in areas where there is a competitor offering fixed residential voice and broadband service.<sup>23</sup>

PRT also conditionally agrees with the Commission’s proposed requirement that non-contiguous carriers meet a roundtrip network latency of 100 milliseconds or less.<sup>24</sup> The Commission proposes to allow non-contiguous carriers to conduct their latency network testing from the customer location to a point at which traffic is consolidated for transport to an Internet exchange point in the continental United States.<sup>25</sup> PRT believes that, in its case, this testing would take place at PRT’s Internet core. If the Commission agrees, PRT accepts the 100 milliseconds latency requirement. If, however, the Commission proposes to measure from another point, PRT requests that it clarify to which point it will be required to measure to determine whether it will be able to meet the latency benchmark.

---

<sup>21</sup> See *id.*, ¶ 204.

<sup>22</sup> See *id.*, ¶ 205.

<sup>23</sup> See *id.*, ¶ 207.

<sup>24</sup> See *id.*, ¶ 206.

<sup>25</sup> See *id.*

**C. The Commission Should Clarify Whether Non-Contiguous Carriers Can Use Phase II Support to Maintain and Operate Networks Built During Phase I.**

The Bureau's decision to allow non-contiguous carriers to elect to receive frozen support has created some inconsistency between two 2013 Commission orders regarding the deployment obligations of carriers receiving such support. In an October 2013 Order, the Bureau made clear that carriers "may use their frozen high-cost support either to recover the costs of past network upgrades to extend broadband-capable networks in areas substantially unserved by a competitor, or to maintain and operate existing networks in such areas, or a combination of the two."<sup>26</sup> In a May 2013 Order, the Commission directed the Bureau to ensure that funding "is not provided to the same census blocks under both Phase I incremental support and Phase II."<sup>27</sup> Both statements cannot be true: if carriers cannot use funding in the same census blocks under Phase I and Phase II, then they necessarily cannot use their Phase II frozen support to recover the cost of past network upgrades made during Phase I.

The Commission must clarify this ambiguity before the Phase II term begins because carriers project their broadband deployment capability based on their broadband deployment requirements. Whether carriers can use Phase II support to upgrade networks built during Phase I is critical to this analysis. Indeed, PRT's broadband deployment proposal discussed above takes into account the assumption that PRT will be able to use Phase II funding to upgrade past networks to 10 Mbps speeds. If that is not the case, PRT needs time to provide the Commission with a broadband deployment projection based on the revised obligations.

---

<sup>26</sup> *Connect America Fund et al.*, Order, 28 FCC Rcd. 14887, ¶ 10 (2013).

<sup>27</sup> *Connect America Fund*, Report and Order, 28 FCC Rcd. 7766, ¶ 21 (2013).

#### **IV. THE COMMISSION SHOULD EXTEND THE TERM OF PHASE II FROM FIVE YEARS TO TEN YEARS FOR NON-CONTIGUOUS CARRIERS.**

The Commission asks whether there are specific extenuating circumstances in non-contiguous areas that require extending the term of frozen support for longer than five years.<sup>28</sup> While PRT will meet its current proposal in five years, there will still be significant areas of Puerto Rico that remain unserved. Therefore, the Commission should use a ten-year support term for non-contiguous frozen support, consistent with its approach to “competitive bidding,”<sup>29</sup> because a longer term would better serve the Commission’s goals by substantially increasing deployment in the jurisdiction that suffers from the worst broadband deployment in the United States.

As PRT has explained in previous filings,<sup>30</sup> one symptom of Puerto Rico’s poor economy is a drastically lower take rate than exists in the contiguous United States. Puerto Rico’s per capita income is the lowest in the nation, and its ongoing economic malaise has resulted in take rates ranging from 25 to 35 percent, which pales in comparison to take rates throughout the rest of the country.<sup>31</sup> Carriers depend on increased subscribership to recover investment and operating costs associated with building out their networks out to previously unserved areas. Without recovery costs to pay for recently built networks, carriers are forced to use federal subsidies to maintain and operate those networks rather than to continue creating new infrastructure to reach previously unserved Americans.

---

<sup>28</sup> See FNPRM, ¶ 210.

<sup>29</sup> See *Connect America Fund; ETC Annual Reports and Certifications*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket Nos. 10-90 & 14-58, FCC 14-98, ¶ 12 (rel. July 14, 2014).

<sup>30</sup> See Comments of Puerto Rico Telephone Company, Inc., WC Docket No. 10-90, Jan. 7, 2014.

<sup>31</sup> The CAM assumes an 80 percent take rate.

But take rates increase over time: the longer broadband networks exist, the higher the rate of subscribership grows. As the population continues to subscribe at a higher rate, carriers recover more capital to maintain and operate existing networks, and they will be able to spend newly acquired federal funding to build out to more locations. As a result, extending the term of support for non-contiguous carriers during Phase II from five years to ten years would better serve the Commission's goals.

**V. THE COMMISSION SHOULD USE THE SAME MEASURES THAT IT USED DURING PHASE I TO MONITOR AND ENFORCE COMPLIANCE WITH SERVICE OBLIGATIONS DURING PHASE II.**

There is no need for the Commission to impose any additional measures beyond those used in Phase I to monitor and enforce compliance by non-contiguous carriers receiving frozen support during Phase II.<sup>32</sup> The rules for CAF Phase I required carriers receiving support to certify their compliance with their deployment obligations.<sup>33</sup> The rules also subjected carriers to random audits and other investigations to ensure compliance with the rules.<sup>34</sup> These requirements were sufficient: the Commission cites to no instances where a carrier has falsely reported its compliance with the program rules. In the absence of such a showing, it is unnecessary to impose additional measures to monitor and enforce compliance.

Moreover, implementing additional regulatory burdens would be counterproductive to the Commission's goals. Any dollar spent by carriers to address compliance and reporting obligations is a dollar that cannot be spent to provide broadband to more Americans. And considering that insular areas are already plagued by broadband availability deficiencies, that idea rings especially true for non-contiguous carriers. Thus, the Commission should use the

---

<sup>32</sup> See FNPRM, ¶ 209.

<sup>33</sup> See 47 C.F.R. § 53.313.

<sup>34</sup> See *id.* at § 54.320(a).

same measures it used to monitor and enforce compliance during Phase I to monitor and enforce compliance during Phase II.

## **VI. CONCLUSION**

For all the reasons discussed above, PRT asks the Commission to provide it maximum flexibility to use frozen support to significantly close the broadband availability gap in Puerto Rico.

Respectfully submitted,

Francisco J. Silva  
Walter Arroyo  
**PUERTO RICO TELEPHONE COMPANY, INC.**

By: Thomas J. Navin

Nancy J. Victory  
Thomas J. Navin  
**WILEY REIN LLP**  
1776 K Street, NW  
Washington, DC 20006  
(202) 719-7000

August 8, 2014

Counsel for Puerto Rico Telephone  
Company, Inc.