

Before the
Federal Communications Commission
Washington, D.C. 20554

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

**JOINT REPLY COMMENTS ON BEHALF OF THE
SCHOOLS, HEALTH & LIBRARIES BROADBAND (SHLB) COALITION
AND THE
STATE E-RATE COORDINATORS' ALLIANCE (SECA)**

The Schools, Health & Libraries Broadband Coalition (“SHLB Coalition”)¹ and the State E-rate Coordinators’ Alliance (“SECA”) are pleased to submit these joint reply comments on the important issue raised in paragraph 159 in the Further Notice of Proposed Rulemaking in this proceeding concerning the need to establish appropriate broadband speeds to meet the evolving needs of community anchor institutions (CAIs).²

As we stated in our initial comments, anchor institutions often have a great need for additional broadband capacity, and their needs continue to grow. Furthermore, anchor institutions are often an essential component of a “success-based build”³ strategy; anchor institutions can serve as “anchor

¹ “SHLB Coalition” is pronounced “SHELL-Bee Coalition.”

² In the Matter of 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, FCC 14-54, Order released June 10, 2014 at ¶ 159. This Order is hereinafter referred to as “FNPRM.”

³ A “success-based build” strategy can perhaps be understood as the opposite of a “build it and they will come” strategy.

tenants” and can help the network as whole achieve long-term financial sustainability. In other words, building out to community anchor institutions can provide great “bang for the buck”, as the capacity used to serve the anchor institutions can also be shared with the surrounding business and residential community. Perhaps most important, community anchor institutions serve the general public; the people who are most in need of health, information and educational services will benefit most from high-capacity, high-quality broadband to anchor institutions. Investing in broadband networks to serve community anchor institutions is an important social good and also has a multiplier effect on the economic activity in the community as a whole.

Our initial comments included two specific recommendations: First, we recommended that recipients of Connect America Fund (CAF) funding should be *required* to serve anchor institutions with high-capacity bandwidth as a condition of receiving funding. On this point, we are pleased that the National Telecommunications Cooperative Association (NTCA – The Broadband Association) also supported the idea that serving anchor institutions should be an important component of their service obligations.⁴

Second, we recommended that the minimum broadband speed for anchor institutions should be increased to a level higher than the present 4 Mbps/1 Mbps requirement for residential and small business customers. Our initial comments, however, did not include a specific minimum speed or bandwidth floor. We discuss this issue further below:

- The National Broadband Goal #4 specifically calls for 1 Gigabit capacity to anchor institutions by the year 2020.⁵ While achieving 1G connection speeds for each and every anchor institution in rural, unserved areas may not be attainable immediately, we believe this is a worthy standard and that the CAF program should drive toward achieving this goal by the year 2020.
- To be truly efficient, the CAF should provide incentives to deploy the most scalable technologies that are available. To state the obvious, it would be enormously inefficient, and poor public policy, for the CAF to provide funding to subsidize the deployment of interim technologies that will themselves need to be replaced in 5 to 10 years. In most cases, fiber

⁴⁴ Specifically, NTCA stated that “the Commission should ensure that all would-be ETCs and would-be unsubsidized competitors are held accountable for providing sufficiently robust connectivity not only to residential users and businesses, but also to anchor institutions, as proposed in the Further Notice.” NTCA Comments, p. 40.

⁵ Several commenters encouraged the FCC to set specific performance goals and to marshal USF resources to help achieve those goals.

optics provide the most scalable technology option, since the bandwidth can be increased simply by adding new electronics or by “dialing up” the speeds using existing electronics. In some (more limited) cases, wireless or coaxial services may also be scalable and economically efficient. The CAF should provide the maximum incentives possible to deploy durable infrastructure that will serve the CAIs’ needs for the longest period of time.

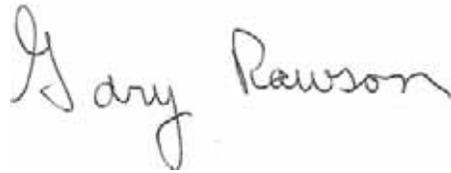
- It is extremely difficult to identify a single bandwidth target for each and every anchor institution, given their differences in size, the number of users, the number of devices, and the types of uses which vary to such a large degree from one institution to another. Nonetheless, it is important for recipients of CAF funding to recognize that anchor institutions almost always need greater bandwidth than a residential consumer.
- The existing CAF policies encourage recipients to reach out to the CAIs in the market and to incorporate their needs into their network design, but there is little evidence that this process has been effective. (In fact, the recently released broadband maps for schools and libraries indicate that there is still a substantial bandwidth gap in rural areas.)
- For all these reasons, we suggest that the CAF rules should be strengthened to provide additional incentives to CAF recipients to provide high-capacity, scalable bandwidth to the anchor institutions in their areas of service. One way to accomplish this would be to establish a presumption that CAF recipients must provide fiber connections to each anchor institution in their community, unless the CAI agrees in writing to a different technology. This would give control over the decision to the CAI, but would encourage the CAF recipient to engage in a dialogue with the CAI to understand the CAI’s broadband needs if it believes that deploying such technology is impossible to accomplish and some other technology will provide sufficient scalable bandwidth.

Establishing a presumption in favor of fiber will help rural communities obtain broadband services and capacity comparable services to urban areas. Broadband services are keenly important to enable these communities to flourish and for rural citizens to participate meaningfully in the digital age.

Respectfully submitted,



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