



For Immediate Release

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RURAL ASSOCIATIONS REVIEWING AND ASSESSING FCC USF/ICC ORDER

Seek a Quick Resolution to a Connect America Fund for Rate-of-Return Carriers and Restoration of Regulatory Certainty

November 21, 2011 (Washington, DC) – The National Telecommunications Cooperative Association (NTCA), the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) and the Western Telecommunications Alliance (WTA) have begun the process of reviewing the Federal Communications Commission (FCC) Order on Universal Service Fund (USF) and intercarrier compensation (ICC) reform. Although the rural associations appreciate the substantial efforts of the FCC to reform these complex systems, the associations remain concerned how specific aspects of the reform order – and items still left to be addressed in a further notice of proposed rulemaking – could affect rural consumers and the small, community-based carriers of last resort committed to serving them. Now that the order and further notice have been released, this review process will enable the associations to assess all of the potential impacts, share insights and concerns with the FCC, and seek a regulatory environment that will promote job creation and investment in rural broadband.

“We remain committed to working through these details with the FCC and ensuring that policy-makers understand the ultimate impact of the order on rural America,” stated NTCA Chief Executive Officer Shirley Bloomfield. “It is essential that the order and the final outcome of the further notice of proposed rulemaking eliminate lingering regulatory uncertainty so that small rural carriers can attract capital and operate high-quality rural broadband networks.”

In addition to reviewing the order to assess near-term impacts, the rural associations are eager to engage in the next steps of the reform process, specifically the creation of a Connect America Fund for rate-of-return carriers. While small carriers have made substantial investments in rural broadband to date, many still must deploy new facilities or upgrade existing networks to ensure reasonable comparability with broadband services in urban areas. To achieve the objectives of universal service, these carriers

need a sufficient support mechanism to promote broadband investment and sustain operations in hard-to-serve rural areas.

“The FCC’s broadband plan is incomplete, and the work will remain incomplete until the FCC creates a Connect America Fund for rate-of-return carriers,” OPASTCO President John Rose stated.

“A lot of time and effort has been put into both building robust rural broadband networks and crafting public policy that supports network build out. As we review the Order and provide further input to policymakers, we want to ensure that the FCC is not jeopardizing existing rural broadband networks and the communities that depend on them,” WTA Executive Vice President Kelly Worthington stated.

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*The **National Telecommunications Cooperative Association** is the premier association representing more than 570 locally owned and controlled telecommunications cooperatives and commercial companies throughout rural and small-town America. NTCA provides its members with legislative, regulatory and industry representation; meetings; publications; educational programs; and an array of employee benefit programs. Visit us at www.ntca.org.*

*The **Organization for the Promotion and Advancement of Small Telecommunications Companies** (OPASTCO) is the leading voice for rural telecommunications, representing approximately 460 small incumbent local exchange carriers serving rural areas of the United States. Its members include both commercial companies and cooperatives, which collectively serve more than 3 million customers. OPASTCO represents rural telecommunications interests before federal regulatory bodies and Congress, provides publications, and holds two conventions annually in January and July of each year, addressing the needs of the small telecommunications industry. The association has an affiliate 501(c)(3) nonprofit the foundation for Rural Education and Development (FRED). Visit us at www.opastco.org.*

***Western Telecommunications Alliance** (WTA) is a trade association whose membership is comprised of approximately 250 rural telecommunications carriers providing high-quality voice, video and data services throughout rural areas in the 24 states west of the Mississippi River. On average, WTA member companies serve fewer than 3,000 access lines with fewer than 500 customers in each exchange. WTA’s members serve some of the most rural and hard-to-serve communities in the country and are on the forefront of bringing 21st Century telecommunications services to rural America. Visit us at www.w-t-a.org.*