Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

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In the Matter of

Connect America Fund

WC Docket No. 10-90

COMMENTS OF THE NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION, THE NATIONAL EXCHANGE CARRIER ASSOCIATION, INC. THE ORGANIZATION FOR THE PROMOTION AND ADVANCEMENT OF SMALL TELECOMMUNICATIONS COMPANIES, AND THE WESTERN TELECOMMUNICATIONS ALLIANCE

The National Telecommunications Cooperative Association ("NTCA"),¹ the National Exchange Carrier Association, Inc. ("NECA"),² the Organization for the Promotion and Advancement of Small Telecommunications Companies ("OPASTCO"),³ and the Western Telecommunications Alliance⁴ (collectively, the "Rural Associations") hereby file comments in the above-captioned proceeding to highlight concerns with the placement of any reliance upon

¹ NTCA represents more than 570 rate-of-return-regulated local exchange carriers ("RLECs"), many of whom provide voice, video, and broadband Internet services to their communities; each member is a "rural telephone company" as defined in the Communications Act of 1934, as amended.

² NECA is responsible for preparation of interstate access tariffs and administration of related revenue pools, and collection of certain high-cost loop data. *See generally*, 47 C.F.R. §§ 69.600 *et seq.*; *MTS and WATS Market Structure*, CC Docket No.78-72, Phase I, Third Report and Order, 93 FCC 2d 241 (1983).

³ OPASTCO is a national trade association representing approximately 400 RLECs which, in turn, serve approximately three million rural customers throughout the U.S.

⁴ WTA is a trade association that represents over 250 small rural telecommunications companies operating in the 24 states west of the Mississippi River.

the National Broadband Map as an arbiter of universal service fund ("USF") eligibility and/or support levels.⁵

The Federal Communications Commission (the "Commission") is well aware of the challenges associated with mapping voice and broadband serving areas, and in then identifying the precise extent of services offered within such areas. As this very Public Notice acknowledges in seeking comment on "potentially" unserved areas, the National Broadband Map should be used at most as an indicator of where any given provider *might* serve. Even then, the extent of those service offerings is often unclear and the accuracy of the information underlying any indication of potential service requires careful validation. The Rural Associations are therefore encouraged by the efforts of the Wireline Competition Bureau (the "Bureau") to seek comment on whether broadband coverage as reflected on the National Broadband Map is overstated or understated. But as noted herein, substantial caution and additional, more robust safeguards are necessary in the use of any such data in carrying out the mission of universal service, and it is not clear that the instant proceeding alone or any forum like this can or will satisfy such concerns.

Indeed, this Public Notice and other items⁶ that similarly seek to examine the use of mapping to determine service coverage underscore the very real danger of using any maps as a conclusive trigger for establishing USF eligibility and support amounts. Universal service, being

⁵ See Wireline Competition Bureau Updates the List of Potentially Unserved Census Blocks in Price Cap Areas and Extends the Deadline for Comment on the List, Public Notice, DA 12-2001, WC Docket No. 10-90 (rel. Dec. 10, 2012) ("Public Notice").

⁶ See, e.g., Wireline Competition Bureau Seeks Comment on Procedures Relating to Areas Eligible for Funding and Election to Make a Statewide Commitment in Phase II of the Connect America Fund, Public Notice, DA 12-2075, WC Docket No. 10-90 (rel. Dec. 27, 2012).

a mandate of federal law,⁷ should not and cannot be placed at risk through reliance on unreliable data sets and methodologies that are still very much in "beta mode." Put another way, a statutory obligation should not be carried out through an experimental approach or "trial and error" decision-making. It is therefore essential that data underlying the National Broadband Map – or within any other database, commercial or public⁸ – be subjected to thorough review, data-driven (re)calibration, and vigorous procedural safeguards *before* being used in any form or format to eliminate, reduce, or otherwise modify USF support.

There are many reasons to be wary of reliance on the National Broadband Map, which the Commission itself has recognized precisely because data therein are prone to inaccuracy.⁹ Among other things, the map may *overstate* coverage by indicating that an entire census block is served by certain speeds when lesser speeds predominate within it¹⁰ or even by showing an entire census block as served when only a single location within receives broadband.¹¹

¹⁰ Id.

⁷ 47 U.S.C. § 254(b) and (c).

⁸ See also Application for Review of the Rural Associations, WC Docket Nos. 10-90 and 05-337 (filed May 15, 2012), at 4-13 and Exhibits 1-8 (describing the data errors resident within the quantile regression-based capping models adopted by the Bureau).

⁹ See, e.g., Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps To Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act, GN Docket No. 12-228, Ninth Broadband Progress Notice of Inquiry (rel. Aug, 21, 2012), at ¶ 31 (citations omitted) ("While we believe SBI Data to be the best available regarding deployment, we recognize that these data may tend to overstate deployment, for example, because some customers within a census block may not be able to achieve the reported speeds.").

¹¹ See Letter from Genevieve Morelli, President, ITTA, et. al., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, et. al. (filed Mar. 6, 2012).

Conversely, the map may *understate* because of faulty reporting or otherwise misrepresent service coverage through errors including:

- inconsistencies in the shapes and shading of the maps;
- inaccurate association of census blocks to study areas due to the method in which geographical boundaries are provided;
- errors in the Tele Atlas database utilized to create the map;
- the extension of census block boundaries outside of the respective Tele Atlas study area boundary, making it impossible to determine if the data matches;
- the inaccurate display of census areas on the map;
- boundary errors and lack of data granularity that prevent the accurate association of demographic information; and
- software errors that allow differing areas to fall into the same boundary.¹²

Finally, it is essential to note what the National Broadband Map does *not* show and why it is particularly ill-suited for any determinations with respect to universal service. First, the National Broadband Map does not show the <u>availability of voice services</u> – the only service that the USF actually supports.¹³ Thus, should USF support be reduced or eliminated because of an indication of broadband coverage on that map, this could lead to voice service rates becoming unaffordable or incomparable to rates in urban areas, or possibly even to a discontinuance of voice service altogether in the highest cost areas. Second, the National Broadband Map does not show prices for broadband service. This introduces the risk that USF support that can help to

¹² Comments of the Rural Associations, WC Docket No. 10-90, *et. al.* (filed Jan. 18, 2012), Appendix D, pp. 3-8; *see also*, Letter from Jeffrey Lanning, Assistant Vice President – Federal Regulatory Affairs, CenturyLink, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, *et. al.* (filed Jan. 27, 2012), Attachment, *Limitations of Connect America Fund Phase I Incremental Support Criteria*, pp. 4-15.

¹³ Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; High-Cost Universal Service Support, WC Docket No. 05-337; Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109; Universal Service Reform – Mobility Fund, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 17693 (2011), at ¶ 79 ("Today, all ETCs, whether designated by a state commission or this Commission, are required to offer the supported service – voice telephony service – throughout their designated service area.") (emphasis added).

keep rates for broadband affordable and reasonably comparable in a high-cost area – a stated goal of the Commission in its reforms¹⁴ – will be eliminated or reduced in error simply because two providers are shown to offer broadband in a given census block. Such an error could consign affected residents and businesses to a spike in broadband rates, albeit potentially from two providers that render the service on an equally unaffordable basis.

With regard to the instant Public Notice, it is certainly encouraging that the Bureau is seeking comment on the accuracy of the data used to populate the National Broadband Map. Even so, this limited comment process is inadequate to ferret out and resolve all of the structural and data shortcomings that linger within the map. For example, the Commission is separately engaged in the process of reconciling and better defining incumbent local exchange carrier study area boundaries;¹⁵ until that process is complete, on top of all of the other potential map-related errors described above, it is quite possible (or even probable) that: (a) some of the census blocks captured within the list as "potentially unserved price cap census blocks" are in fact within RLEC study areas; or (b) the list omits census blocks that are believed to be within RLEC study areas but sit in fact within price cap study areas. Indeed, the Rural Associations' preliminary analysis of the Bureau's attempt to identify "potentially unserved areas" indicates that:

- over 2,100 of the nearly 200,000 "potentially unserved" census blocks labeled as being in RLEC territories are not in such territories;
- over 6,800 of the 830,000 "potentially unserved" census blocks labeled as being in price cap territories are actually within RLEC territories; and
- 197 of the 927 "potentially unserved" census blocks labeled as being in "unclassified" territories are in either price cap or RLEC territories.¹⁶

¹⁵ *Connect America Fund*, WC Docket No. 10-90; *High-Cost Universal Service Support*, WC Docket No. 05-337, Report and Order (rel. Nov. 6, 2012).

¹⁶ The analysis was based on census block boundaries and data on telco study area boundaries obtained under license from TomTom (the current owner of TeleAtlas, on whose data the

¹⁴ See id. at 17695, \P 86 ("ETCs must make this broadband service available at rates that are reasonably comparable to offerings of comparable broadband services in urban areas.").

In short, the instant Public Notice only highlights once again the risk of significant error and the need for substantial caution, more vigorous data development and analysis, and additional procedural safeguards (*i.e.*, more robust than a 30-day comment cycle) *prior to* placing any reliance on the National Broadband Map or other similarly flawed databases as arbiters of universal service eligibility and support levels. While such tools could be informative, the more that they are used in a dispositive manner for purposes for which they were neither intended nor built, the greater the risk that data errors and structural limitations will undermine the statutory mandate of universal service.¹⁷ Rather than racing to implement experimental changes driven by faulty data sets and reliance on tools not built for the job(s) intended – and thereby revoking or reducing much-needed USF support on the basis of false positives or negatives – the Commission should take the time needed to refine and obtain the best possible data that truly reflect the availability and affordability of both voice and broadband services at a granular level.

Commission has previously relied for its geographic analyses). Although it is possible that the Commission's contemporaneous effort to define study area boundaries could resolve some of these concerns, these data points only underscore the perils of introducing significant errors in trying to proceed on parallel tracks with respect to the use of such information prior to a proper and complete vetting of mapping and coverage data that occurs in a more logical and measured sequence.

¹⁷ Another potentially fatal flaw is use of a map that shows coverage with advertised speeds of 3 Mbps downstream and 768 kbps upstream as a proxy for actual availability of services at 4 Mbps downstream and 1 Mbps upstream. As many have made clear time and again, achieving 1 Mbps upstream requires more significant network deployment, such that a map showing 768 kbps upstream hardly constitutes a reasonable proxy for determining "served" locations. *See, e.g.,* Windstream Election and Petition for Waiver, WC Docket Nos. 10-90 and 05-337 (filed July 24, 2012), at n. 4 ("As Windstream and others have previously noted – and as the Commission has acknowledged through the provision of a process for seeking a waiver of the CAF Phase I 1 Mbps upload speed requirement . . . – current technologies can deliver 768 Kbps upload speed with significantly lower deployment costs than 1 Mbps would require . . .); Comments of AT&T, CC Docket Nos. 01-92 and 96-45, WC Docket Nos. 10-90, 07-135, 05-337, and 03-109, and GN Docket No. 09-51, at 94 (April 18, 2011); Comments of ADTRAN, Inc., CC Docket Nos. 01-92 and 96-45, WC Docket Nos. 10-90, 07-135, 05-337, and 03-109, and GN Docket No. 09-51, at 10-11, 22 (April 18, 2011).

Respectfully submitted,

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