



January 9, 2014

Filed Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

RE: WC Docket Nos. 10-90, 07-135, 05-337 and 03-109; CC Docket Nos. 01-92 and 96-45; GN Docket No. 09-51; and WT Docket No. 10-208

Dear Ms Dortch:

On Wednesday, January 7, 2014, Bob DeBroux of TDS Telecommunications Corp.; Derrick Owens and Gerry Duffy representing WTA met with Daniel Alvarez, Legal Advisor, Wireline, Public Safety, and Homeland Security to Chairman Tom Wheeler to discuss present and future issues relating to the Chairman's announced plans to eliminate the Quantile Regression Analysis ("QRA").

WTA reiterated its long-standing support for the elimination of the QRA, which had injected so much unpredictability and uncertainty into the federal High Cost Loop Support ("HCLS") mechanism that many rural local exchange carrier ("RLEC") managements, owners and lenders had cancelled, postponed, or scaled-back significantly infrastructure investment projects and planning during 2012 and 2013. WTA recognizes that some mixture of policies, mechanisms and metrics needs to be developed to ensure that HCLS dollars continue to be used efficiently and effectively.

WTA noted that it and the other RLEC associations are continuing to discuss and refine the Capital Budget Mechanism that they first proposed prior to the November 2011 *USF/ICC Order*, and that they raised again with the Wireline Competition Bureau during several *ex parte* meetings in 2013.

WTA believes that there need be no inherent conflict between the goal of using HCLS to encourage the deployment of "reasonably comparable" broadband infrastructure, services and rates in the rural service areas of RLECs and the goal of using HCLS dollars efficiently and effectively. To the extent that broadband is able to produce even a significant fraction of the economic, educational, medical, governmental and social benefits that it appears capable of providing, any universal service or other government support of increased broadband investment and deployment will be repaid many times over. Whereas increasing RLEC high-cost support above 2011 levels and/or expanding the base of universal service contributors appear to be politically unpopular at this time, WTA hopes that the importance of ubiquitous, high-capacity wireline and wireless broadband to the future economic competitiveness and quality of life of the United States will be recognized by a sufficient number of far-sighted leaders that these and other potentially viable alternatives to encourage increased broadband deployment will be re-examined.

Marlene H. Dortch, Secretary
January 9, 2014
Page 2 of 2

Pursuant to Section 1.1206(b) of the Commission's Rules, this submission is being filed for inclusion in the public record of the referenced proceedings.

Respectfully submitted,

/s/ Gerard J. Duffy

Gerard J. Duffy
WTA Regulatory Counsel

Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP
2120 L Street NW (Suite 300)
Washington, DC 20037
Telephone: (202) 659-0830
Email: gjd@bloostonlaw.com

cc: Daniel Alvarez