



**Advocates for Rural Broadband**

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March 20, 2014

**Filed Via ECFS**

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

**RE: WC Docket No. 13-184**

Dear Ms Dortch:

On Tuesday, March 18, 2014, Steve Hanson and Rick Vitzthum of Kalama Telephone Company (“Kalama”) and Tenino Telephone Company (“Tenino”); and Eric Keber and Gerry Duffy representing WTA - Advocates for Rural Broadband (“WTA”) met with Nicholas Alexander of the Office of Strategic Planning & Policy Analysis, and with Kate Dumouchel, Charles Eberle and Mark Walker of the Wireline Competition Bureau’s Telecommunications Access Policy Division, to discuss the experiences of Kalama and Tenino with the Schools and Libraries (“E-Rate”) Program in the State of Washington.

Kalama and Tenino are rural incumbent local exchange carriers (“RLECs”) that serve approximately 4,000 total customers in and around the rural communities of Kalama (Cowlitz County) and Tenino (Thurston County) in western Washington. Each company’s local exchange service area contains a local school district comprised of an elementary, middle and high school. The Tenino service area contains a regional library, whereas the Kalama service area contains an independent library.

In the State of Washington, the E-Rate Program is dominated by the K-20 Educational Network (“K-20 Network”), which connects colleges, universities, K-12 school districts and libraries across the state. Several major transport providers, including the Northwest Open Access Network (“NOANET”), an electric public utility district consortium, furnish backbone facilities that connect the schools and libraries of various regions to the K-20 Network.

The major issue faced by Kalama and Tenino is that the K-20 Network and the school districts for which it contracts do not look to deal with RLECs and other small local service providers. For example, Kalama was not even afforded an opportunity to bid on the E-Rate service for the Kalama school district, and learned that it was not participating in the E-Rate project only when it was notified that service was being terminated on its existing facilities that were serving the Kalama schools. As a local carrier with an established network, Kalama can provide the high-capacity broadband service desired by the Kalama schools (elementary, middle and high schools) and deliver the traffic directly to and from the K-20 Network at significantly lower rates than the Kalama school district and E-Rate Program are currently paying.

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A second significant point is that statewide and regional programs tend to over-state the broadband service needs (and consequently, the E-Rate Program costs) of certain school districts and libraries. Kalama and Tenino are not saying that rural school districts and libraries do not have needs for high-capacity broadband services. Rather, some do and some do not, and the E-Rate Program is better served by allowing individual school districts and libraries to determine their own specific bandwidth needs rather than by imposing estimated statewide or regional bandwidth standards upon them. For example, the independent Kalama library opted out of a regional plan that would have required it to purchase 50 Megabits per second ("Mbps") bandwidth, and contracted directly with Kalama for the 15 Mbps service that it determined it needs. This has saved the library approximately \$300 to \$400 per month.

Kalama and Tenino are aware that the Commission has limited authority to require state and local educational and library authorities to change their contracting practices. However, as the steward of E-Rate Program funds, the Commission does appear to have the right to ask such authorities to detail the steps they took to determine: (a) whether other service providers (particularly, existing local service providers) were interested in providing E-Rate services to some or all of their schools and/or libraries; (b) the existing networks and facilities, available services and broadband speeds, and proposed rates of any such interested alternative service providers; and (c) the reasons why such alternative service providers were not chosen, particularly if their selection would have reduced E-Rate Program costs.

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 proceeding.

Respectfully submitted,

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