



**Advocates for Rural Broadband**

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August 1, 2014

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

**RE: WC Docket Nos. 10-90 and 14-58**

Dear Ms. Dortch:

On Thursday, July 31, 2014, Roy Choates of Rural Broadband Services Corporation, Inc. (“RBSC”) of Tahlequah, OK; and Derrick Owens of WTA – Advocates for Rural Broadband (“WTA”) met with Jonathan Chambers, Chief of the Commission’s Office of Strategic Planning & Policy Analysis, to discuss rural broadband experiments.

Mr. Choates briefly shared information regarding his 47 years in the telecommunications industry and his long experience in planning, building and operating networks. He detailed his current efforts to bring very high-capacity (Gigabit level) broadband networks and services to the Cherokee Nation and its educational and health care facilities in and around Tahlequah, Oklahoma. The attached handout describes these matters in greater detail.

Mr. Choates discussed the difficulties encountered by entrepreneurs trying to enter the telecommunications and broadband businesses. RBSC has gone through the basic initiation rights of negotiating interconnection arrangements and pole attachments with large companies, and of convincing businesses and institutions to try its services. It is now preparing to seek from the Rural Broadband Experiment Program the financing it needs to expand and extend its fledgling Tahlequah area network to connect hospitals and schools via very high speed broadband in a 14-county area. However, he is concerned that Commission requirements for winning bidders to provide three consecutive years of audited financial statements within ten business days after public notice of their selection, and to obtain expensive irrevocable letters of credit before support will be disbursed, will block or disrupt RBSC’s plans. As a start-up, RBSC does not have three years of financial statements, and would have to pay for a letter of credit with funds it urgently needs for infrastructure investment and service deployment. Even if waivers of one or both requirements are deemed likely to be granted, the uncertainty, delays and expense of preparing and prosecuting the necessary waiver requests are a substantial disincentive to the participation of start-ups in the experiments.

WTA notes that AT&T appears to have indicated that the Tahlequah area is not included in its broadband deployment plans for the foreseeable future, so that RBSC is the best hope that this area will gain access to the broadband grid at this time. It urges the Commission to consider technical, business and entrepreneurial experience as alternative qualifications for its rural broadband experiments, and not to put excessive emphasis

upon established access to internal funds and outside financing. It also urges the Commission to give more weight to applicants that commit to provide higher broadband speeds, especially speeds in the Gigabit range.

Marlene H. Dortch, Secretary

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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,

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Attachment