

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Bridging the Digital Divide for Low-Income Consumers	)	WC Docket No. 17-287
	)	
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
	)	
Telecommunications Carriers Eligible for Universal Service Support	)	WC Docket No. 09-197
	)	

**Comments of  
WTA – Advocates for Rural Broadband**

WTA – Advocates for Rural Broadband<sup>1</sup> files these comments in response to the Commission’s Notice of Proposed Rulemaking (“NPRM”),<sup>2</sup> adopted on November 16, 2017 regarding reform of the existing Lifeline program.

WTA’s members are rural local exchange carriers (“RLECs”) that have lengthy and significant experience in providing Lifeline services to low-income households located within their rural service territories. WTA’s members are providers of last resort to their communities and are dedicated to providing quality voice and broadband services to all residents of their rural service areas that are reasonably comparable in quality and price to those available in urban

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<sup>1</sup> *WTA - Advocates for Rural Broadband* is a national trade association that represents more than 340 rural telecommunications providers offering voice, broadband, and video-related services in rural America. Its members serve some of the most rural and hard-to-serve communities in the country and are providers of last resort to those communities.

<sup>2</sup> *In re Bridging the Digital Divide for Low-Income Consumers, et al.*, WC Docket No. 17-287, 11-42, 09-197, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, released Dec. 1, 2017, (“NPRM”), available at [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-17-155A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-17-155A1.pdf).

areas. WTA appreciates the Commission's recognition of the unique issues that RLECs face as they build out reliable, high-speed broadband networks to their communities. WTA's members' service areas are comprised of sparsely populated farming and ranching regions, isolated mountain and desert communities, and Native American reservations. A major feature of these diverse rural areas are the much longer than average distances that must be traversed to serve customers and the high cost associated with doing so. This makes it extremely difficult to deploy networks in a manner similar to how urban providers would.

WTA appreciates that the Commission recognizes the differences between rural and urban services and proposes ways to lessen those differences. In particular, WTA supports the Commission's proposal in the NPRM to end or reduce the phase down of voice services as required by the previous Lifeline Order.

### **Ending the Phase Down of Voice Support in Rural Areas Would Be Beneficial for Rural Americans**

Even in today's digital society, reliable voice service remains a critical connection to the world. Voice service is necessary for a variety of business and social purposes, and is particularly essential to summon assistance in cases of emergency. A voice call to 911 is still the most reliable and efficient way to communicate a precarious or dangerous situation to the appropriate public safety authorities.<sup>3</sup> Voice service remains popular, particularly among senior citizens in rural areas – many of whom make little or no use of the Internet but rather continue to use traditional voice services as their sole or predominant method of communication. For example, one WTA member reports that 45% of their Lifeline customers use their credit to make voice service more affordable.

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<sup>3</sup> Statement of Commissioner Ajit Pai, PS Docket No. 11-153, 10-255, released Jan. 31, 2014, [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-14-6A1.docx](https://apps.fcc.gov/edocs_public/attachmatch/FCC-14-6A1.docx).

As part of its 2016 Lifeline Modernization Order,<sup>4</sup> the Commission focused future Lifeline support away from traditional voice services and emphasized broadband services instead through the creation of the voice phase down. This action was taken pursuant to the assumption that voice services were becoming more affordable such that low-income customers would no longer need to use the Lifeline benefit to purchase voice services.<sup>5</sup>

While this assumption may or may not be accurate with respect to urban areas, it is not accurate for rural areas. Rather, the Commission notes that: “the 2018 reasonable-comparability benchmark for voice services is \$45.38—almost double the average urban rate,” and recognizes that “[a]lthough such [reasonably comparable] rates may be affordable in theory, they may not be in practice”<sup>6</sup> Hence, in rural areas, seniors and other low-income customers are likely to pay substantially more for voice service at the present time than their counterparts in urban areas. One should not expect this discrepancy to lessen in the future, particularly if the rate floor continues to increase after expiration of the current freeze thereof.<sup>7</sup> WTA understands that the 2016 Order allows individuals to purchase voice as part of an Internet bundle package, but believes that the substantially higher pricing of such packages renders voice service even more

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<sup>4</sup> *In re Lifeline and Link Up Reform and Modernization, et al*, WC Docket No. 11-42, 09-197, 10-90, Third Report and Order, Further Report and Order, and Order on Reconsideration, para. 52-66, released April 27, 2016, available at [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-16-38A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-16-38A1.pdf).

<sup>5</sup> NPRM at para. 74.

<sup>6</sup> Id. at para. 76.

<sup>7</sup> Ex Parte Letter of WTA – Advocates for Rural Broadband and NTCA – The Rural Broadband Association, WC Docket Nos. 09-197, 10-90, 11-42, filed on Nov. 4, 2016, available at <https://ecfsapi.fcc.gov/file/1104047965057/11.3.16%20WC%2011-42%20et%20all%20NTCA-WTA%20Pai%20ex%20parte.pdf>. “local voice rates for most rural Americans are continuing to increase pursuant to the Commission’s rules. Commission rules adopting a “local rate floor” currently produce end-user voice rates in RLEC service areas of \$18 per month plus state regulated fees an increase of \$2 over 2015 levels. The Commission has given no indication that future rate floor increases are not forthcoming...”

unaffordable. This is due to the fact that a basic Internet package costs more in rural areas, which will make the desired voice service unaffordable even with the Lifeline discount.<sup>8</sup>

As such, WTA agrees with the Commission that the voice phase down should be discontinued for rural areas and that funding for stand-alone voice service should be reinstated. Discontinuing the phase down is the most effective and efficient way to ensure that low-income rural residents will continue to have access to the affordable voice service necessary to stay connected to society. At the very least, this halt of the phase down should continue until there is true comparability for urban and rural areas in terms of quality of service and affordability as required by Section 254.

## **Conclusion**

Discontinuance of the voice phase down for rural areas will benefit low-income rural Americans by making needed voice services more affordable for them.

Respectfully submitted,  
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<sup>8</sup> Id.