



April 4, 2019

Filed Via ECFS

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

RE: *Connect America Fund*, WC Docket No. 10-90

Dear Ms. Dortch:

On Tuesday, April 2, 2019, Evelyn Jerden of LICT Corporation and Derrick Owens and Gerry Duffy representing WTA – Advocates for Rural Broadband (“WTA”) met via telephone with Sue McNeil, Suzanne Yelen and Stephen Wang of the Wireline Competition Bureau and with Cathy Zima and Alec MacDonell of the Office of Economics and Analytics to discuss performance testing requirements for rural telecommunications companies (“RLECs”) and other small recipients of high-cost support.

WTA stressed that its RLEC members do not oppose requirements for testing their networks to ensure that their high-cost support is being used for the intended purposes. Rather, as detailed in WTA’s September 19, 2018 Application for Review (“AFR”), one major problem is that the testing requirements adopted in the July 2018 *Performance Testing Order*¹ were designed primarily for large price cap carriers, and do not take into account the very different sizes, resources and operating circumstances of RLECs and other small carriers. Similarly, what appear to be plans on review to adopt a long-term, one-size-fits-all performance testing regime that will apply to all carriers -- large and small, wireline and wireless -- receiving high-cost support from a variety of mechanisms is likely to impose proportionally greater costs and implementation difficulties upon the small carriers that depend the most upon high-cost support. WTA’s AFR requested a substantial deferral of the scheduled commencement of performance testing by RLECs, and an opportunity for RLEC representatives to work with the Commission during the deferral period to develop more reasonable and practicable testing procedures for RLEC high-cost support recipients.

A second major issue is the availability, cost and compatibility of the performance testing hardware and software that is currently being developed for RLECs and others that do not have the resources to construct their own. Ms. Jerden indicated that her company has been actively monitoring the development of testing equipment, and has found that vendors are uncertain regarding the required features and specifications, and that schedules and projected commercial availability dates are constantly being pushed back. Even when the development process is completed, RLECs are not sure how long it will take for the testing equipment to become commercially available for purchase in sufficient quantities and at affordable prices. A further major complication and concern is that the ultimate testing hardware and software may not be compatible with significant portions of the diverse broadband network facilities and customer premises equipment (“CPE”) that have been

¹ *Connect America Fund*, Order, WC Docket No. 10-90, DA 18-710, released July 6, 2018 (“*Performance Testing Order*”).

deployed during the past decade or more. Substantial time and expense will be needed to determine which network facilities and CPE are compatible or incompatible with the ultimately available testing equipment, and to complete the actions necessary to resolve incompatibility issues (which may require at least some RLECs and their customers to purchase and install new equipment). Among other things, WTA members have urged that the ultimately required formal RLEC performance testing rules and the ultimately available testing equipment can be implemented much more efficiently, effectively and equitably if RLECs are given a period of six months or more to engage in informal practice testing to discover and resolve potential equipment and procedural problems before being required to initiate formal performance testing and reporting.

A third major issue is that, while WTA members and other RLECs have worked hard to plan and deploy their own local broadband networks that meet the Commission's speed and latency requirements, they have serious concerns about being able to pass speed and latency tests that encompass facilities over which they have no control – namely, (a) customer CPE and home WiFi usage and (b) middle mile facilities and routes. WTA members report that a significant portion of all of the trouble calls they receive regarding broadband speed and latency issues are found upon investigation to be caused by poor quality or deteriorating CPE or by the usage of too many devices on the customer's home system. And whereas some RLECs may have equipment that might let them know afterwards the paths that certain packets took to the Internet, most RLECs are typically not aware when they hand off a test (or other) packet to their initial middle mile service provider whether the packet will go directly and rapidly to the Internet exchange point ("IXP") where the relevant testing is being conducted, or whether congestion, outages or other conditions over which the RLEC has no advance knowledge or control will force the packet to take a slower and/or more circuitous route. Also, should it happen that hundreds of high-cost support recipients transmit 50 or 100 or more speed tests to the same IXP during the same time period, what is the likelihood that the IXP will have sufficient bandwidth capacity to accommodate such testing without adversely impacting results? Whereas WTA understands that the Commission wants to measure and investigate the customer experience, it remains wholly inequitable for RLECs to be deprived of critically needed high-cost support if they "fail" performance tests due to CPE or middle mile problems over which they have no control. WTA has been working on a two-tiered performance testing approach to address this problem -- namely: (a) an RLEC network-only test for high-cost program compliance purposes; and (b) a customer-to-IXP test in response to customer complaints that would diagnose the sources and locations of problems and refer only unresolved network-only problems for high-cost program compliance action. WTA is willing to develop and discuss this proposal further if the Bureau or Office are interested.

WTA also pointed out a number of practical performance testing issues that still need to be resolved. First, the "lesser of 10% or 50 test locations per service tier per state" standard for number of test locations imposes a much greater proportional sampling burden upon RLECs and other small carriers than upon the large price cap carriers. Second, WTA and other RLEC industry members have warned the Commission repeatedly of the reluctance of many rural customers to participate in federal testing of their Internet service. If the plan is for the Universal Service Administrative Company ("USAC") to randomly select the locations serving actual customers to be tested by each RLEC and to provide replacement test locations when customers refuse to participate in the testing, USAC had better be prepared for a major replacement effort. WTA is not certain what process will need to be followed to prove that a replacement customer will be needed, but notes that this replacement effort could become quite arduous and extensive if rural customer refusals to participate are as common as feared. Third, WTA members and other RLECs are very concerned about the practical and customer relations problems involved in testing broadband speeds for locations at which an RLEC has deployed and reported 25/3 capability but where the customer has ordered a

lower and less expensive speed such as 4/1. Fourth, WTA members await a Commission order or public notice advising how speed test results that exceed the required 25/3 or 10/1 service capability at a location will be treated. Finally, WTA members are awaiting specific performance testing and reporting guidelines or answers to “frequently asked questions” from the Commission or USAC. WTA notes that many RLECs are very small companies with small staffs and limited administrative and technical resources. Learning to deal with CSV files and HUBB reporting may not be as easy for many small RLECs as it appears for those used to dealing with price cap carriers and other larger entities.

WTA has indicated repeatedly that the equipment, labor and administrative costs of testing will significantly reduce the already limited resources that RLECs have to deploy more broadband facilities and to further upgrade their broadband services. WTA members have indicated that they will need to hire additional employees to help with the proposed testing requirements and that their costs to conduct the currently required performance testing could be up to \$250,000 per year. Whereas some performance testing costs may be higher during the initial start-up phase, there is no evidence that they will decrease significantly during subsequent periods because much of the labor to contact new and replacement test locations, conduct and record the actual tests, and report the test results to the HUBB will continue from test period to test period. In fact, it appears that the process of contacting actual customers for the first time, obtaining their agreement to participate in testing, requesting and receiving replacement customers where necessary, and determining and deploying any CPE upgrades necessary for testing compatibility will need to be repeated periodically (every two years, at present). Whereas WTA reiterates that it recognizes the need for performance testing to ensure that high-cost support is being used for its intended purposes, it notes that the costs of such performance testing reduce the net high-cost support available to RLEC recipients to upgrade and operate their broadband networks.

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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