



Advocates for Rural Broadband

Jimmy Todd
President

Kelly Worthington
Executive Vice President

August 21, 2023

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
45 L Street NE
Washington, DC 20554

**RE: Connect America Fund, WC Docket No. 10-90
ETC Annual Reports and Certifications, WC Docket No. 14-58
Telecommunications Carriers Eligible to Receive Universal Service Support,
WC Docket No. 09-197
Connect America – Alaska Plan, WC Docket No. 16-271
Expanding Broadband Service Through the ACAM Program, RM-11868**

Dear Ms. Dortch:

On Thursday, August 17, 2023, Evelyn Jerden of LICT Corporation (Iowa, Kansas, Michigan, New Hampshire, New Mexico, Oregon, Utah and Wisconsin), Mark Gailey of Totah Communications, Inc. (Kansas and Oklahoma), Jason Hendricks of Range Telephone Cooperative, Inc. (Montana and Wyoming) and Derrick Owens and Gerry Duffy of WTA – Advocates for Rural Broadband (“WTA”) met with Suzanne Yelen, Jesse Jachman, Katie King, Stephen Wang and Heidi Lankau of the Wireline Competition Bureau (“WCB”) and Paul LaFontaine of the Office of Economics and Analytics (“OEA”) to discuss the Enhanced Alternative Connect America Cost Model (“E-ACAM”) portions of the Commission’s recent *Report and Order, Notice of Proposed Rulemaking, and Notice of Inquiry* in WC Docket Nos. 10-90, 14-38, 09-197 and 16-271 and RM-11868, FCC 23-60, released July 24, 2023. Messrs. Hendricks, Wang and LaFontaine, and Ms. Lankau participated via TEAMS Conference Call.

WTA believes that Rural Utilities Service (“RUS”) ReConnect grants should be deemed to be complementary to, rather than duplicative of, E-ACAM support because they are intended to deploy high-speed broadband in the most remote and very high-cost portions of the United States – that is, areas likely to otherwise remain unserved without both ReConnect funding and federal high-cost support. Whereas WTA understands that Reconnect awards that are 100% loan are deemed to be complementary, it appears that the status of ReConnect awards that are “50% grant and 50% loan” and those that are “75% grant and 25% match” has not yet been determined. WTA urges that such partial grants be deemed to be complementary and that the locations involved be eligible for E-ACAM support. WTA notes that E-ACAM support is intended to help recover both capital and operating expenses, and that continuing ACAM or other federal high-cost support was an important factor in RUS determinations to approve the subject ReConnect awards.

WTA further believes that even areas that have received “enforceable commitments” for ReConnect awards that are 100% grant should be eligible for the same 50%-to-75% amount of current ACAM support that is being

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offered to incumbent local exchange carriers (“ILECs”) for locations where they have completed 100/20 Mbps broadband deployment. WTA sees no reasonable difference between ILEC locations where 100/20 Mbps was previously completed and those with an “enforceable RUS commitment” to deploy 100/20 Mbps such that the former locations receive support for operating expenses while the latter locations do not. This is particularly true because the typical ReConnect location is very remote and entails such long drive times that maintenance technicians are often unable to respond to more than one or two trouble calls per working day.

The timing of enforceable ReConnect commitments is unclear. Is a potential E-ACAM recipient deemed to have “committed” to a ReConnect award when RUS first announces the award, when the ILEC first responds positively to begin the process necessary to finalize the award, or when all necessary environmental clearances, other permits and paperwork are completed and the ReConnect award is finalized? WTA believes that the Commission or WCB should clarify that a ReConnect award may be rejected after it is announced or even after it is finalized in order to permit the subject locations to receive E-ACAM support rather than ReConnect funding. It urges the Commission or Bureau to allow such rejection to take place up to the designated October 1 E-ACAM acceptance date so that companies are able to compare their E-ACAM and ReConnect deployment alternatives (with the right to have their locations and E-ACAM support recalculated retroactively if they reject the ReConnect award).

WTA also discussed the likelihood that supply chain shortages and scheduling delays with respect to network equipment and contractors, as well as weather-restricted construction seasons in portions of the country, will make it difficult to meet the Commission’s build-out timetables and are discouraging some potential E-ACAM recipients from opting into the program. Tribal engagement and approvals also can result in scheduling and deployment delays and other issues in some areas. WTA understands that the Commission will monitor deployment progress and delays with respect to other federal and state broadband deployment programs as well as E-ACAM, and will undertake a formal review of E-ACAM issues and problems during 2027.

Finally, the Commission’s service obligation for 100% of E-ACAM required locations poses significant timing and expense difficulties in remote portions of rural service areas. Fixed wireless is a solution in some but not all sparsely populated, higher cost areas. But in the most remote and very high-cost areas, perhaps only resold satellite service may be technically and economically feasible. WTA urges the Commission and WCB to take a further look at the viability of the use of resold satellite services (including voice service latency and performance testing difficulties) and whether omitting to include it as an option to serve very remote locations would discourage E-ACAM participation by ILECs and whether those remote locations are unlikely to otherwise be served by other federal and state broadband deployment programs.

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,
WTA – ADVOCATES FOR RURAL BROADBAND
/s/ Derrick B. Owens
Senior Vice President of Government and Industry Affairs
/s/ Gerard J. Duffy
Regulatory Counsel
400 Seventh Street NW, Suite 406
Washington, DC 20004
Phone: (202) 548-0202

cc: Suzanne Yelen
Jesse Jachman
Katie King
Stephen Wang
Heidi Lankau
Paul LaFontaine