



April 15, 2021

Notice of Ex Parte

Marlene Dortch
Office of the Secretary
Federal Communications Commission
45 L Street, NE
Washington, DC 20554

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

Dear Ms. Dortch:

On April 14, 2021, Zachary Cochran of Alexicon, Ryan Boone of Premier Communications, Robert DeBroux of TDS Telecom, and the undersigned (the parties) met via teleconference with Suzanne Yelen and Gilbert Smith of the Wireline Competition Bureau to discuss the identification and accounting of locations as required by high-cost support rules.

The parties discussed questions that are emerging as carriers report initial milestones and how next-generation broadband mapping may affect location counts (*see, i.e., Establishing the Digital Opportunity Data Collection; Modernizing the FCC Form 477 Data Program: Third Report and Order*, Docket Nos. 19-195, 11-10, FCC 21-20 (2021).) The parties explained that the yet-developing location fabric may reveal discrepancies between models upon which high-cost support was based and actual conditions. While these inquiries are often linked to ACAM support companies, they also may affect CAF-BLS recipients, with particular potential impacts in Alaska and Tribal regions. Regarding the latter, differences among Tribal, county, or Bureau of Indian Affairs recording practices may affect the determination of locations and which would qualify as “serviceable locations.” The parties also discussed locations that are “off the grid” and not connected to electric networks.

The parties shared that some providers are currently concerned that differences between prior model counts and future fabric counts, coupled with a narrow reading of the deployment obligations contained within 47 C.F.R. § 54.320, could implicate substantial adverse consequences if penalties were to accrue on the basis of locations that the model predicted to exist but which improved maps confirm do not exist in fact. The parties expressed the negative impact on build-out or network improvements efforts if companies with such concerns reserve funds in anticipation of unnecessary audits, litigation, or penalties. Rather, the parties agreed that the intent of the Commission’s rule is to provide meaningful incentives for buildout of networks

across rural areas, and that carriers whose networks demonstrate fulfillment of those goals by serving those locations that do exist should be deemed in compliance. The imperative of avoiding inequitable penalties presents particular resonance when considering the major portion of deployment costs are related to “distance caused” costs, *i.e.*, those that are fixed or unrelated to the number of actual locations served along a mile of facilities (*see, Connect America Fund, Request for Waiver of Requirement for Pro Rate Reduction in CAF Phase II Support Based on Location Discrepancies: Comments of NTCA–The Rural Broadband Association, Docket No. 10-90 (Jun. 29, 2020)*).

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission’s rules, a copy of this letter is being filed via ECFS.

Respectfully submitted,

s/Joshua Seidemann

Joshua Seidemann

VP Policy

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