



December 9, 2016

***Ex Parte Notice***

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

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

Dear Ms. Dortch:

On Thursday, December 8, 2016, the undersigned, on behalf of NTCA–The Rural Broadband Association (“NTCA”), held separate telephone conversations with Amy Bender, legal advisor to Commissioner Michael O’Rielly, and Nicholas Degani, legal advisor to Ajit Pai, and Lisa Hone, legal advisor to Chairman Tom Wheeler, regarding matters in the above-referenced proceeding.

Consistent with prior advocacy, NTCA urged the Federal Communications Commission (the “Commission”) to take steps necessary to ensure that its high-cost universal service fund (“USF”) reforms adopted earlier this year will function as intended and achieve the statutory mandates of universal service. *Ex Parte* Letter from Michael R. Romano, Senior Vice President, NTCA, to Marlene H. Dortch, Secretary, Commission, WC Docket No. 10-90 (filed Nov. 14, 2016); Petition for Reconsideration and/or Clarification of NTCA, WC Docket No. 10-90, *et al.* (filed May 25, 2016), at 2-9 and 12-14. Specifically, NTCA continued to emphasize the importance of providing sufficient USF support for *both* the model *and* non-model USF mechanisms, and the negative effects on consumer rates and broadband access that will arise out of the absence of such support in defiance of the expectations of reform. *See, e.g. Ex Parte* Letter from Michael R. Romano, Senior Vice President, NTCA, to Marlene H. Dortch, Secretary, Commission, WC Docket No. 10-90 (filed Nov. 21, 2016).

NTCA further indicated that if implementation of both mechanisms were to move forward in the near-term without sufficient funding of the reforms as adopted:

- (1) the Commission should ensure that any resolution of the model elections does not have a negative effect on those companies that did not elect model support (including use of Connect America Fund Reserves to the extent necessary to ensure that rejection of revised model offers by firms that would receive less than their existing support under those *revised* offers does not affect the non-model budget); and

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- (2) the Commission should continue thereafter to consider means of providing sufficient support so that the goals of the reforms can in fact be realized for the rural consumers of carriers receiving model *and* non-model support. To this end, NTCA specifically urges the Commission to include express note of the need for ongoing review of *both* the model and non-model budgets (and their impacts on availability and affordability) as part of any further order or other action. As just one example of such consideration, NTCA noted that if additional support can be made available made next year to carriers electing any revised model offers, carriers that would receive full funding at the level of their initial model offers should be obligated to accept such support and meet the relevant buildout obligations over the remainder of the term of that support.

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.

Sincerely,

/s/ Michael R. Romano

Michael R. Romano

Senior Vice President –

Industry Affairs & Business Development

cc: Amy Bender  
Nicholas Degani  
Lisa Hone