FCC's National Broadband Plan

What is the role of the States?

Will the plan provide incentives to invest in a broadband capable network?

Bob DeBroux

Director – Federal Affairs and Public Policy

TDS Telecom

TDS Washington Operations

TDS Telecommunications Corp.
telephone companies in Washington

TDS Washington Operations

- Asotin Telephone Company

- Lewis River Telephone Company

- McDaniel Telephone Company

- 96% broadband availability

- 11,000 access lines

- 767 square miles

- 14 lines per sq. mi.

States' Role

- Closing the broadband availability gap requires financial support from federal, state and local governments (138)

States' Role

- Closing the broadband availability gap and connecting the nation will require a substantial commitment by states and the federal government alike. This commitment should must include initial support to cover the capital costs of building new networks in areas that are unserved today, as well as ongoing support for the operation of newly built networks in areas where revenues will be insufficient to cover ongoing costs. (139)

States' Role

- *Reform requires federal and state coordination.* The FCC should seek input from state commissions on how to harmonize federal and state efforts to promote broadband availability. (143)

States' Role

- In targeting funding to the areas where there is no private sector business case to offer broadband service, the FCC should consider the role of state high-cost funds in supporting universal service and other Tribal, state, regional and local initiatives to support broadband. A number of states have established state-level programs through their respective public utility commissions to subsidize broadband connections, while other states have implemented other forms of grants and loans to support broadband investment. (145)

Exhibit 8-F:
Roadmap for
USF/ICC Reform

Roadmap for USF/ICF Reform

Stage One (2010-2011)	Stage Two (2012-2016)	Stage Three (2017-2020)

Universal service

Create Connect America Fund and Mobility Fund	Begin disbursements from new Connect America Fund and Mobility Fund	Eliminate legacy High-Cost programs
Adopt rules to eliminate Interstate Access Support and re-target funding levels to broadband	Implement reformed contribution methodology	
Adopt rules to move rate-of-return carriers to incentive regulation	Phase out all remaining competitive ETC support	
Begin implementation of Sprint/Verizon Wireless merger commitments to reduce their competitive ETC funding to zero		
Adopt rules to phase out other competitive ETC support to zero over five years		

Intercarrier compensation

Adopt framework for long-term intercarrier compensation reform, while implementing interim measures to curb arbitrage	Begin reductions in ICC rates	Phase out per-minute rates

Proposed 2010 Key Broadband Action Agenda Items*

	Q2 2010 (CY)	Q3 2010 (CY)	Q4 2010 (CY)
Promote World-Leading Mobile Broadband Infrastructure and Innovation	Mobile Roaming Order and FNPRM (**WTB**)	AWS Bands Analysis (**WTB**, OET)	AWS Potential Order (**WTB**, OET)
	D Block Order/NPRM (**WTB**, PSHSB) [Also in Public Safety]		Secondary Markets Internal Review (**WTB**)
	Launch Strategic Spectrum Plan and Triennial Assessment (**WTB**, **OET**, OSP)	Spectrum Sharing/Wireless Backhaul NPRM/NOI (**WTB**, OET)	Spectrum Dashboard 2.0 (**WTB**, OET, PSHSB, MB, IB)
		Oppor. Use of Spectrum NPRM (**OET**, WTB, IB, MB, PSHSB)	Recommendation re: Contiguous Unlicensed Spectrum Proceeding (**OET**, WTB)
	2.3 GHz WCS/SDARS Order (**OET**, **WTB**, IB)	TV White Spaces Opinion & Order (**OET**, MB, WTB)	
		MSS NPRM (**OET**, IB, WTB)	Experimental Licensing NPRM (**OET**)
		Broadcast TV Spectrum Innovation NPRM (**OET**, MB, WTB)	
Accelerate Universal Broadband Access and Adoption	USF Reform NPRM and NOI (**WCB**, WTB)	Mobility Fund NPRM (**WTB**, WCB)	
	Lifeline/Low-Income Joint Board Referral Order (**WCB**, WTB)	Hearing Aid Compat. Second Report & Order/FNPRM (**WTB**, OET, CGB)	Spectrum on Tribal Lands NPRM (**WTB**, CGB)
	E-Rate FY2011 NPRM (**WCB**)	E-Rate FY2011 Order (**WCB**)	
	USF Merger Commitments Order (**WCB**, WTB)	Rural Health Care Reform NPRM (**WCB**)	USF Transformation NPRM (**WCB**, WTB)
	Lifeline Pilot Roundtable (**WCB**, WTB)	Lifeline Flexibility NPRM (**WCB**, WTB)	Intercarrier Compensation NPRM (**WCB**, WTB)
	FCC/FDA Workshop and PN on Converged Devices (**OET**)	Establish Accessibility and Innovation Forum (**CGB**, WCB, WTB)	USF Contributions NPRM (**WCB**, WTB)
	Launch FCC Office of Native American Affairs (**CGB**)	Real-Time Text NOI (**CGB**, WCB, WTB, OET)	Real-Time Text NPRM (**CGB**, WCB, WTB, OET)
	FCC-Native Nations Broadband Task Force (**CGB**)		Internet Video and Device Accessibility NOI (**CGB**, WCB, WTB, MB)
Foster Competition and Maximize Consumer Benefits Across the Broadband Ecosystem	Mobile Wireless Competition Report (**WTB**, OSP)	Interconnection Clarification Order (**WCB**)	
	Pole Attachments Order and FNPRM (**WCB**)	Rights-of-Way Task Force (**CGB**, WCB)	Small Business Broadband & Wholesale Comp. NOI (**WCB**)
	Small Business Broadband & Wholesale Comp. PN (**WCB**)		
	Special Access Workshop (**WCB**, WTB, OSP)	Special Access NPRM (**WCB**, WTB, OSP)	
	CableCARD NPRM (**MB**, OET)		Smart Video Devices NPRM (**MB**, OET)
	Smart Video Devices NOI (**MB**, OET)		
	Launch Tech. Adv. Grp. on Speed & Perf. (**CGB**, OET, WCB)	Transparency & Disclosure NPRM (**CGB**, WCB, WTB, OET)	
	Launch Speed and Performance Measurement Program (**CGB**, WTB, WCB, OET)		Broadband Data NPRM (**WCB**, WTB, OSP)
Advance Robust and Secure Public Safety Communications Networks	Public Safety Roaming & Priority Access NPRM (**WTB**, PSHSB)		NG 911 NOI (**PSHSB**, OET, WCB, WTB)
	D Block Order/NPRM (**WTB**, PSHSB) [Also in Mobile]		Back-Up Power NOI (**PSHSB**, OET, WTB)
	700 MHz Waiver Petitions (**PSHSB**, WTB, OET)		Serv. Outage & Homeland Security NPRM (**PSHSB**, OET, WCB, WTB, IB)
	ERIC Public Safety Interoperability Order (**PSHSB**)	700 MHz Public Safety Order/FNPRM (**PSHSB**, WTB, OET)	
	Cybersecurity Certification NOI (**PSHSB**, WTB, OET, WCB)	Location Accuracy FNPRM (**PSHSB**, OET, WTB)	
	Survivability NOI (**PSHSB**, OET, WTB, WCB)		
	Serv. Outage & Homeland Security Workshop (**PSHSB**, OET, WCB, WTB, IB)		

Wireless Telecommunications Bureau (WTB)	Wireline Competition Bureau (WCB)	Office of Engineering and Technology (OET)	Media Bureau (MB)	Consumer & Governmental Affairs Bureau (CGB)	Public Safety & Homeland Security Bureau (PSHSB)

* This document reflects only proposed FCC actions, not those of other government agencies, and is not exhaustive of all 2010 FCC actions. The location and timing of actions in this document represents a series of targets that may be adjusted to respond to changing conditions as appropriate; items that span quarters are expected to occur late in the earlier quarter, or early in the later quarter. Does not include initiatives discussed in Agenda from Q1 2010 and earlier (E-rate Community Use Order, Rural Health Care Pilot Program Extension Order, Spectrum Dashboard Beta, and Tower Siting Declaratory Ruling).

Questions – Stage 1

- What are the impacts of eliminating IAS and freezing ICLS on a per line bases?

- What is the impact of moving Rate of Return Carriers to incentive regulation?

- What is the impact of the long term intercarrier compensation reform framework?

- What are the interim measures to curb arbitrage, and what are their impacts?

Questions – Stage 2

- How does the transition to the CAF work?
  - How are legacy funds transitioned into broadband funds?
  - What is the impact of choosing between a fixed and a mobile provider of broadband in high cost areas?
  - How is the funding determined where there is no "bidding?"
- How will lost revenues from access rate reductions be dealt with, if at all?
  - SLCs? Local rate increases? Not at all?

Questions – Stage 3

- How does the CAF work?
  - Does it provide adequate incentive for deployment of broadband networks?
  - Is "reasonable comparability" attained and maintained?
- Does the plan have the potential to produce "unfunded mandates"
  - Will there be areas where no one can afford to serve?