



# National Telecommunications Cooperative Association (NTCA)

NTCA – Estab. 1954, represents 580+ ROR rural telecom. providers across US (10 in ME, NH, VT, MA area). HQ = VA.

Members: all are ILECs; some also provide wireless, cable, Internet, satellite and long distance services to rural communities.

All are rural telephone companies per Comm. Act of 1934.



# American Recovery and Reinvestment Act of 2009 (ARRA)

- \$7.2 Billion (NTIA/\$4.7B; RUS/\$2.5B) of \$787 Bill.
- Websites: <http://www.recovery.gov>; links to State recovery sites, federal agencies' sites.
- Three rounds of 80% funding,
- NTIA: 1/state min. – RUS: no minimum
  - April/June 2009 1<sup>st</sup> NOFA: 6/22
  - October/December 2009 2<sup>nd</sup> NOFA: 9/22 (est.)
  - April/June 2010 3<sup>rd</sup> NOFA: 12/22(est.)
- All funding awarded by Sept. 30, 2010; ¼ rpt.
- Must show project would not be done absent ARRA funding. Substantially completed in 2 yrs.
- FCC: GN docket No. 09-40.
- NTIA: Docket No. 090309298-9299-01.

# ARRA Comments – April 9, 13

FCC, NTIA/RUS – Define key terms – Unserved areas, Underserved areas, Broadband, Network interconnection obligations, Open access, “Other entity” eligibility criteria, priorities, States’ role, Broadband mapping, Competition, and Special access.





# National Broadband Strategy

Key NTCA positions for small rural broadband providers  
(Mar. 25 – Rural BB Strategy – GN 09-29):

1. Unserved = dial-up (56 kbps).
2. Underserved = up to 768 kbps, ave. customer usage, peak hour.
3. Rural BB strategy **————→** Part of National BB strategy
  - Define BB as USF supported service
  - Expand USF contribution base
  - Avoid caps/freezes on high-cost USF support
  - Allow State PUCs to voluntarily move intrastate access rates and rate structures to capped interstate access rate levels over a reasonable time period.



# National Broadband Strategy

## Key NTCA positions (cont.)

- Adopt USF high-cost recovery mechanism b/4 access rate reductions.
- Require interconn. VoIP serv. prov. to pay IC rates.
- Eliminate identical support rule and base CETC's support on its costs.
- Reject reverse auctions in rural areas w/ILEC.
- Require tandem switching rates to be cost-based and non-discriminatory.
- Require special access (middle mile) transport service to IP backbone to be cost-based and non-discriminatory.



## 2 More Pieces of Rural BB Strategy

- Rural Health Care Pilot Program
- Broadband Lifeline Pilot Program





# USF Rural Health Care Pilot Program

1. 11/26/07 – 67 rural health care applicants.
2. Goal: stimulate BB infrastructure deployment to support telehealth and telemedicine services.
3. \$139M / year; below \$400M / year USF cap.
4. 3-year funding; ends June 30, 2010.
5. Applicants file quarterly reports w/USAC, FCC.
6. Separate from ARRA (Stimulus Act) funds.



# USF Rural Health Care Pilot Program

3/16/09 NTCA ex parte:

- FCC should make RHCPP permanent and raise cap above \$139M.
- Rural health care needs access to cutting edge technology.
- Quarterly reports = proof of program benefits.
- RHCPP funds and Stimulus Act funds expire 2010.
- 6 projects (network design or construction) approved so far - \$46 M
- 29 more projects = RFPs developed or posted.
- Remaining 32 = creating RFPs.
- Extension/renewal of RHCPP → pending.
- Please support.

# Broadband Lifeline Pilot Program

FCC proposed \$300M/year, 3 yr. pilot.

- Exempt f/fees, taxes; 6.9 million consumers.
- To improve BB access services to low-income customers via Lifeline and Link-up programs.
- Defines BB as a USF Supported Service.
- Paid by USAC to ETC per USF rules.
- Comments Mar. 25; GN Docket No. 09-29 (Comp. Rural BB Strategy).
- NTCA: support; 50% rural set-aside
- Decision Pending.



# NECPUC Annual Symposium

## May 5, 2009

Thanks!



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