

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20544**

In the Matter of the Petition of	)	
	)	
NTCA-The Rural Broadband Association and the	)	WC Docket No. 17-206
United States Telecom Association for Targeted,	)	
Temporary Forbearance Pursuant to 47 U.S.C. §	)	WC Docket No. 06-122
160(c) from Application of Contributions	)	
Obligations on Broadband Internet Access	)	
Transmission Services Pending Universal Service	)	
Fund Comprehensive Contributions Reform	)	
	)	

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**REPLY COMMENTS OF THE NATIONAL ASSOCIATION OF STATE UTILITY  
CONSUMER ADVOCATES (NASUCA)**

NTCA-The Rural Broadband Association© (NTCA) and the United States Telecom Association (USTA) filed a Petition for forbearance under 47 U.S.C. § 160 from the requirement that rate of return carriers contribute to the Universal Service Fund (USF) based on their broadband revenues.<sup>1</sup> The Petition asserts that the contribution requirement is competitively unfair for the RoR carriers.

Only three comments were filed in response to the Public Notice. GNVW Consulting and WTA-Advocates for Rural Broadband support the petition, stressing the temporary nature of the request. The Pennsylvania Public Utility Commission ("Pennsylvania PUC") neither supports nor opposes the Petition, but points out the need for a solution to the contribution question. Pennsylvania PUC correctly observes that "NCTA in the Joint Petition itself

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<sup>1</sup> DA 17-765 (August 14, 2017).

underlines the need for the timely reform of the federal USF contribution base reform [sic] through its repeated calls 'to broaden and stabilize the ‘contribution base.’" Pennsylvania PUC further points out that the FCC's related proceeding to address the contribution factor began in 2012 and the matter was appropriately referred to the Federal-State Joint Board on Universal Service (Joint Board) in 2014.<sup>2</sup>

NASUCA<sup>3</sup> agrees with the Pennsylvania PUC that it is necessary to address the contribution issue. It is our position that that all carriers' broadband services should contribute to the USF,<sup>4</sup> especially now that all the USF programs support broadband, and support for voice service is being phased out.<sup>5</sup> The upcoming USF contribution factor will be 18.8%,<sup>6</sup> the highest ever, largely because of the low level of assessable non-broadband revenues. Rather than forbear from having the ROR carriers contribute, the Commission should expeditiously extend the contribution requirement to all providers of broadband services, as NASUCA previously proposed.<sup>7</sup>

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<sup>2</sup> Pennsylvania Public Utility Commission at p. 2.

<sup>3</sup> NASUCA is a voluntary association of 56 consumer advocate offices. NASUCA members represent the interests of utility consumers in 42 states, the District of Columbia, Puerto Rico, Barbados and Jamaica. NASUCA is incorporated in Florida as a non-profit corporation. NASUCA's full members are designated by the laws of their respective jurisdictions to represent the interests of utility consumers before state and federal regulators and in the courts. Members operate independently from state utility commissions. Some NASUCA member offices are separately established advocate organizations while others are divisions of larger state agencies (e.g., the state Attorney General's office). NASUCA's associate and affiliate members also represent the interests of utility consumers but are not created by state law or do not have statewide authority. Some NASUCA member offices advocate in states whose respective state commissions do not have jurisdiction over certain telecommunications issues.

<sup>4</sup> See National Association of State Utility Consumer Advocates Resolution 2012-03 - *Supporting the Adoption of Federal Universal Service Support Contribution Mechanisms that ensure all Carriers and Services that Benefit from High Cost USF Contribute to their program's Funding Base*. (Adopted: June 25, 2012, Charleston, South Carolina); and National Association of State Utility Consumer Advocates Resolution 2017-05 *Urging State Commissions and the FCC to Adopt Policies and Processes to Provide Lifeline Eligible Households with Access to Affordable Lifeline Voice and Broadband Internet Access Services* (Adopted: June 5, 2017, Denver, Colorado.)

<sup>5</sup> See, for example, *In the Matter of Lifeline and Link Up Reform and Modernization (WC Docket No. 11-42), et al.*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962 (2016), ¶¶ 6, 48, 52, 61-67; 47 C.F.R. § 54.403(a)(2) and 47 C.F.R. § 54.401(b). See, also, *In re FCC 11-161* (10<sup>th</sup> Cir. 2014).

<sup>6</sup> <https://www.fcc.gov/general/contribution-factor-quarterly-filings-universal-service-fund-usf-management-support>.

<sup>7</sup> WC 06-102, NASUCA comments (7/9/12).

In 2014, the FCC referred the contribution mechanism question to the Federal-State Joint Board on Universal Service (Joint Board). The forbearance requested by NTCA and USTA, even though temporary, cannot reasonably be granted, if at all, until the FCC has received the Joint Board's recommendations and comments thereon.

September 28, 2017

Respectfully submitted,

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