Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of

Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act

GN Docket No. 14-126

To: The Commission

COMMENTS OF CTIA – THE WIRELESS ASSOCIATION®

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March 6, 2015
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I. INTRODUCTION AND SUMMARY.

CTIA – The Wireless Association® (“CTIA”) provides these comments on the Commission’s 2015 Broadband Progress Report and Notice of Inquiry of Immediate Action to Accelerate Deployment (“Report and Notice”). As a preliminary matter, CTIA reiterates that mobile broadband services are, by any measure, being deployed to all Americans in a reasonable and timely fashion. While the Commission once again has chosen to exclude mobile broadband from its determination regarding the deployment of advanced telecommunications capability, the record in this proceeding demonstrates that the United States leads the world in mobile wireless broadband deployment and adoption, with high-speed mobile broadband available to more than 99 percent of Americans, speeds increasing, prices declining, usage skyrocketing, and

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2 Id. ¶¶ 133-40.
mobile broadband providers investing at a world-leading pace. There can be no question that reasonable and timely progress is being made toward the ultimate goal of universal broadband to all Americans.

While U.S. consumers have benefited from mobile broadband providers’ substantial investments in their networks and the rapid deployment of mobile broadband services, this level of investment is not guaranteed and is indeed threatened by the Commission’s recent application of Title II regulation to broadband and adoption of net neutrality rules that do not reflect the unique competitive, technical, evolutionary, and legal characteristics of the mobile broadband marketplace. Indeed, the Commission’s actions with respect to its recently-adopted Open Internet order are in tension with its obligations to accelerate broadband deployment – the new rules will impose significant burdens on wireless carriers, as well as legal and regulatory uncertainty, which directly threaten to undermine the reasonable and timely deployment of wireless broadband.

To the extent the Commission seeks to advance the reasonable and timely deployment of mobile broadband, CTIA urges the Commission to take the following actions:

- Free up additional spectrum for mobile wireless broadband;
- Continue to facilitate wireless broadband infrastructure deployment; and
- Reduce the disparity for Americans living in rural and tribal areas with high-cost support that recognizes consumers’ preference for mobile broadband.

II. AS CTIA CONSISTENTLY HAS OBSERVED, MOBILE BROADBAND DEPLOYMENT IS REASONABLE AND TIMELY.

The Commission’s decision to exclude mobile broadband from its findings in the Report and Notice is inconsistent with the facts of wireless broadband deployment and consumers’ adoption of mobile broadband services. CTIA appreciates the Commission’s acknowledgement
of the “important progress” and “significant grow[th]” of broadband networks. The Commission correctly notes that the “wireless industry in particular has been a key contributor to . . . investments, with one estimate accounting for $33 billion in total investment in 2013 made by mobile providers.” Yet the Commission inexplicably focuses only on attainment of universal broadband at artificially high speeds, rather than on the substantial progress in deploying world-leading mobile broadband services.

As CTIA demonstrated in its NOI Initial Comments, wireless service providers are rapidly deploying and upgrading mobile wireless broadband networks across America to meet staggering consumer demand, far ahead of any “reasonable and timely” benchmark. High-speed mobile broadband has been deployed more rapidly than any modern technology. Despite its very recent emergence, high-speed mobile broadband is already available to nearly every American, due to herculean efforts by industry over the past several years. As the Commission noted in its 2012 Report:

In the summer of 2010, there was no LTE deployment in the United States. Just 18 months later, in January 2012, three mobile wireless providers had launched LTE networks, and best available estimates are that these LTE networks (combined) covered 211 million people.

3 Report and Notice ¶ 139.

4 Id.


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And the pace of growth has not slowed. Today, AT&T’s network covers more than 320 million people (“POPs”), Sprint’s covers 250 million POPs, T-Mobile’s covers 230 million POPs, and Verizon’s covers 308 million POPs. Regional providers offering LTE-based service across markets that are home to millions include U.S. Cellular, Appalachian Wireless, Bluegrass Cellular, Carolina West Wireless, Cellcom, Chariton Valley, Chat Mobility, Cross Wireless, Custer Telephone Cooperative, Inc., Mid-Rivers Wireless, MTA Wireless, nTelos, NorthwestCell, Pioneer Cellular, Thumb Cellular, and Strata Networks. Additional companies offering or constructing LTE networks include Copper Valley Telecom, C Spire, KPU (Ketchikan Public Utilities), Nemont Wireless, Panhandle Telephone Cooperative (PTCI), Phoenix Wireless, and S and R Communications.


Just four years ago, President Obama set a national goal of achieving access to mobile broadband for 98 percent of U.S. consumers by 2016. The U.S. mobile broadband industry not only met this challenge but has surpassed the President’s goal. According to the Commission’s most recent Mobile Competition Report, nearly 99 percent of consumers have access to two or more mobile broadband providers, more than 93 percent of U.S. consumers have access to three or more mobile broadband providers, and 82 percent of U.S. consumers have access to service from four or more mobile broadband providers.\(^{10}\)

To achieve this access, mobile providers invested more than $33 billion in their networks in 2013,\(^{11}\) and the annual investments by the wireless industry exceed those of the country’s major oil and gas and auto companies.\(^{12}\) The Commission itself recently cited the “significant commercial deployment of mobile broadband services” in its further notice of proposed rulemaking on universal service issues, noting that nearly 99.5 percent of the U.S. population today is covered by mobile broadband.\(^{13}\) It goes so far as to propose a reduction in the amount of Mobility Fund support as a result. Although, as CTIA has pointed out, these data do not justify a

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\(^{10}\) *Seventeenth Mobile Competition Report* at 15336, Chart III.A.2.

\(^{11}\) *Id.* ¶ 170. See also U.S. Census Annual Capital Expenditure Survey, *available at http://www.census.gov/econ/aces/xls/2013/full_report.html* (Table 4a, Capital Expenditures for Structures and Equipment for Companies With Employees by Industry: 2013, (NAICS 5172)).


reduced commitment to the Mobility Fund,\footnote{Comments of CTIA, WC Docket No. 10-90, at 5-6 (filed Aug. 8, 2014) ("CTIA Mobility Fund Comments").} they clearly are relevant to the instant inquiry about whether mobile broadband deployment is reasonable and timely. If mobile broadband deployment since 2011 has been so rapid and thorough that the Commission could even consider reducing Mobility Fund support, these data certainly justify a finding that such deployment is reasonable and timely. Indeed, it is unclear what relevance the Section 706 reports hold for the mobile broadband ecosystem given the Commission’s unwillingness to recognize the substantial mobile broadband deployment and consumer adoption.

That mobile broadband services are being deployed on a reasonable and timely basis is only underscored when comparing U.S. deployment on an international scale. The deployment and investment described above have vaulted the U.S. to the top of the international rankings when it comes to high-speed mobile wireless broadband. The U.S. has 35 percent of the world’s LTE subscribers, despite having only five percent of the world’s total mobile subscribers.\footnote{Derived from U.S. LTE and total mobile subscribership and total global mobile subscribership as reported by Ovum WCIS+ database.} The U.S. leads the world in mobile broadband – despite its dispersed population and large land mass – due in large part to comparatively larger private investments in wireless broadband infrastructure. In 2013, U.S. wireless carriers invested four times more per subscriber than the rest of the world combined.\footnote{See Didier Scemama, \textit{et al.}, \textit{2014 Wireless Capex: BRICs & Europe to Pick Up the Slack}, Bank of America Merrill Lynch, Global Telecom Equipment, at Table 2 (Jan. 13, 2014); \textit{see also} Glen Campbell, \textit{2014: The Year Ahead, Global Wireless Matrix 4Q2013}, Bank of America Merrill Lynch, at Tables 1 and 2 (Jan. 8, 2014); \textit{CTIA Wireless Industry Indices Report, Year-End 2013} (June 2014).} Given these facts, it is indisputable that U.S. mobile broadband deployment is happening on a reasonable and timely basis.
III. THE COMMISSION’S ADOPTION OF ONEROUS PUBLIC UTILITY-STYLE OPEN INTERNET REGULATIONS THREATENS TO UNDERMINE CONTINUED REASONABLE AND TIMELY DEPLOYMENT OF MOBILE BROADBAND NETWORKS.

The actions taken by the Commission in its recent Open Internet decision are inconsistent with the agency’s obligations to promote the reasonable and timely deployment of broadband services under Section 706. As CTIA has previously demonstrated, the deployment, operation, and management of mobile broadband networks presents unique competitive, technical, evolutionary, and legal attributes that warrant a mobile-specific approach to Open Internet rules. The Commission’s 2010 Open Internet rules correctly acknowledged and accommodated these differences. Last week, however, the Commission chose a path that ignores the challenges and pro-consumer attributes of competition in the mobile wireless ecosystem. By disregarding the fundamental differences in wireless networks and the wireless marketplace, the Commission’s abrupt reversal from its own precedent will undermine broadband deployment and imperil the nation’s 5G future. American consumers currently enjoy average mobile broadband

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speeds that are 30 percent faster than the speeds in Western Europe,\textsuperscript{18} but as Commissioner Pai cautioned at the Commission’s open meeting:

> Broadband networks don’t have to be built. Capital doesn’t have to be invested here. Risks don’t have to be taken. The more difficult the FCC makes the business case for deployment, the less likely it is that broadband providers big and small will connect Americans with digital opportunities.\textsuperscript{19}

The Commission’s imposition of burdensome new Open Internet restrictions on U.S. mobile broadband providers, including many vestiges of legacy Title II regulation, will raise barriers to investment, create legal and regulatory uncertainty, and undercut the United States’ comparative advantage by harming investment and slowing the pace of network deployment. Imposition of this backward-looking regulatory regime runs directly counter to the Commission’s statutory directive to foster reasonable and timely broadband deployment.\textsuperscript{20}

**IV. FURTHER EFFORTS TO FREE ADDITIONAL SPECTRUM FOR MOBILE BROADBAND ARE CRUCIAL.**

As CTIA has explained previously in this proceeding, the Commission can promote the commercial deployment of mobile broadband by actively facilitating the availability of more spectrum to meet growing consumer demand and the development of the Internet of Things.\textsuperscript{21}

Despite significant efforts to make additional mobile broadband spectrum available, there remains an urgent need for additional spectrum for mobile broadband services. As Chairman Wheeler has told Congress: “Consumer demand for mobile broadband is exploding. . . . With


\textsuperscript{19} \textit{Id.}

\textsuperscript{20} While the Commission’s decision to subject wireless broadband services to Title II regulation will, by itself, discourage deployment, the extent of the harm will depend in part on how the Commission defines and implements such regulation.

\textsuperscript{21} CTIA NOI Initial Comments at 12-13.
increased consumer demand comes increased demand for spectrum – a finite resource that is in short supply.”

CTIA applauds the Commission, NTIA, the Obama Administration, and Congress (on a bipartisan basis) for establishing the identification and allocation of wireless broadband spectrum as a key policy objective. Indeed, the AWS-3 auction – the first multi-band auction in six years and now the highest-revenue generating auction in the 20-year history of FCC spectrum auctions – reflects mobile wireless companies’ demand for this finite resource to meet Americans’ growing mobile broadband usage. This auction is yet another illustration of the significant economic impact that exclusive, licensed use spectrum provides taxpayers and the U.S. economy, and CTIA encourages the Commission to work with stakeholders to rapidly free up the spectrum necessary to achieve its goal. For example, the Commission should act to ensure that the upcoming Incentive Auction results in sufficient spectrum being made available for mobile broadband and that the auction is not unduly delayed. The Commission also should continue to explore other possibilities for additional spectrum for wireless broadband. For example, the Commission should continue to work with NTIA to examine opportunities for freeing additional federal spectrum for commercial use. CTIA commends the Commission’s and NTIA’s work in this regard, and urges continued efforts.


23 See, e.g., Scott Bergmann, CTIA Statement on the Broadcast Incentive Auction (Blog Post) (Oct. 24, 2014), available at http://ctia-statement-on-the-broadcast-incentive-auction (“Given the number of reports that show a continued and significant increase in consumer demand for mobile broadband access, the wireless industry needs spectrum as soon as practicable so that it may continue to serve as the world’s leader and meet Americans’ demands for anytime, anywhere service to live their connected lives.”).
V. THE COMMISSION SHOULD CONTINUE TO FACILITATE DEPLOYMENT OF WIRELESS INFRASTRUCTURE.

The deployment of mobile broadband networks in a “reasonable and timely” fashion depends on mobile providers’ ability to site and maintain the physical facilities such as towers that make up these networks.\(^\text{24}\) CTIA therefore commends the Commission on adopting new wireless infrastructure rules in October 2014 that are designed to promote the deployment of wireless infrastructure necessary to provide ubiquitous, advanced wireless broadband services, while preserving the ability of States, local jurisdictions, and Tribal Nations to protect their land use priorities and aesthetic and safety interests.\(^\text{25}\) Adherence to the established timeframes in the \textit{Infrastructure Order} will be critical to ensuring continued ability for timely wireless infrastructure siting. CTIA urges the Commission to move forward in other ways to continue facilitating wireless infrastructure deployment, such as developing a programmatic agreement to facilitate the deployment of distributed antenna systems (“DAS”) and small cells.

CTIA also commends the Commission on adopting the Part 17 Antenna Structure Report and Order last year.\(^\text{26}\) Streamlining and modernizing regulations concerning the maintenance of wireless facilities is essential to enabling wireless tower owners to keep pace with consumer demand and continue the economic growth made possible through the expanding mobile ecosystem.

\(^{24}\) See CTIA NOI Initial Comments at 15-17.

The FCC should also continue to work with industry, the Advisory Council on Historic Preservation, and others to develop a process by which “twilight towers” may be cleared from a historic preservation perspective so that they can become eligible for collocation.

CTIA and PCIA – The Wireless Infrastructure Association have engaged with municipal associations, including NATOA, the National Association of Counties, the National League of Cities, and the U.S. Conference of Mayors to educate local jurisdictions about streamlined siting processes and developed a model ordinance and checklist for use by local zoning authorities.27 In addition, the Commission should act as an information resource to local jurisdictions and provide technical and legal guidance concerning these regulations and processes. By advising local agencies on their roles and responsibilities, and on best practices in tower siting, the FCC will help ensure that the timing of local approvals is regular, predictable, and minimized.

Finally, the Commission should consider sponsoring a “Municipal Race to the Top” program as recommended by the Technological Advisory Council Chairman’s Report.28 Such a program would reward municipalities that adopt best practices for approving wireless infrastructure deployment projects, and would provide a platform for advertising and publicizing such best practices. This program would motivate rapid approvals while continuing to respect the role of local authorities.

VI. THE COMMISSION SHOULD REDUCE THE DISPARITY FOR AMERICANS LIVING IN RURAL AND TRIBAL AREAS WITH HIGH-COST SUPPORT THAT RECOGNIZES CONSUMERS’ PREFERENCE FOR MOBILE BROADBAND.

In its comments in response to the 2012 Section 706 notice of inquiry, CTIA expressed concern about the relatively paltry size of the Mobility Fund, particularly as compared to the funding mechanisms for wireline providers. Instead of increasing the amount of support available for mobility, however, the Commission recently has sought comment on whether the budget for Mobility Fund Phase II should be reduced. This approach would be plainly contrary to the goals of Section 706.

CTIA continues to believe that Mobility Fund support is essential to reaching areas of the country for which no business case for private deployment of mobile broadband exists. Maintaining its commitment to this goal is a concrete way that the Commission can advance the goals of Section 706. At minimum, however, the Commission must acknowledge that it would be contradictory to find that mobile broadband deployment has been so robust that the Mobility Fund budget should be reduced, yet also find that mobile broadband deployment has not been reasonable and timely.

VII. CONCLUSION.

As these comments demonstrate once again, mobile broadband is being deployed in a reasonable and timely basis. Indeed, the U.S. mobile broadband industry has achieved coverage for more than 99 percent of the population and offers world-leading LTE networks. U.S. consumers and application developers have embraced this platform and mobile broadband usage

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29 Comments of CTIA, GN Docket No. 12-228, at 22 (filed Sept. 20, 2012).
30 2014 Universal Service Order ¶ 243.
31 See CTIA Mobility Fund Comments at 5-6.
has skyrocketed. This tremendous progress is threatened, however, by the Commission’s recent adoption in its Open Internet order of a backward-looking Title II regulatory regime that will impose new and substantial regulatory burdens and will inject legal and regulatory uncertainty into the dynamic mobile wireless ecosystem. This action runs directly counter to the Commission’s charge under Section 706 to promote reasonable and timely broadband deployment. In order to better achieve the goals of Section 706, CTIA urges the Commission to preserve and promote mobile broadband by freeing up spectrum for wireless broadband, reducing the disparity for Americans living in rural and tribal areas with high-cost support that recognizes consumers’ preference for mobile broadband, and facilitating the deployment of wireless infrastructure.

Respectfully submitted,

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