May 7, 2015

Filed Via ECFS
Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: WC Docket Nos. 10-90, 14-58, 07-135, and 06-122; WT Docket No. 10-208;
and CC Docket Nos. 96-45 and 01-92

Dear Ms. Dortch:

On Tuesday, May 5, 2015, Mark Gailey of Totah Communications, Inc.; Evelyn Jerden of LICT Corporation; Mike George of Northeast Louisiana Telephone Company Inc.; Steve Appelo of Wahkiakum West Telephone; Steve Loutzenhiser and Daphne Lisac of Molalla Communications Company; and Derrick Owens and Gerry Duffy representing WTA – Advocates for Rural Broadband (WTA) met with Commissioner Michael O’Rielly and Amy Bender, his Legal Adviser – Wireline, in Indian Wells, California, to discuss various matters regarding the future of both model-based and actual cost-related support for rural telephone companies.

The individual companies described their rural service areas, and the difficulties of providing voice and broadband services to them. These challenges include large and remote land areas, sparse and scattered populations, rugged terrain and volatile climate. Several companies emphasized their need for Rural Utilities Service (RUS) loans to finance broadband upgrades and extensions, and the problems of obtaining and repaying such RUS loans in an environment where critical high-cost revenue streams are insufficient and uncertain.

The companies indicated their interest in investigating and evaluating the ultimate model-based support flows and build-out obligations of the developing Alternative Connect America Model (A-CAM), as well as their interest in, and need for, the Data Connection Service (DCS) plan proposed by WTA and other rural associations.

The companies emphasized particularly that high-cost support needs do not end when network build-outs are completed. Manufacturer discontinuance of equipment and software has been a significant problem for rural telephone companies, who end up having to buy new equipment or software much earlier than planned if they cannot find alternative sources of spare parts and technical support. Maintenance expenses also remain substantial, particularly in areas with harsh or volatile climates, and where it is very time-consuming to locate problems along lines that may extend 20-to-50 miles.
Pursuant to Section 1.1206(b) of the Commission's Rules, this submission is being filed for inclusion in the public record of the referenced proceedings.

Respectfully submitted,

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