

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
Connect America Fund)	WC Docket No. 10-90
Connect America Phase II Challenge Process)	WC Docket No. 14-93

**NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION
STATEMENT IN SUPPORT OF THE
APPLICATION FOR REVIEW OF
CO-MO COMM, INC. AND UNITED SERVICES, INC.**

The National Rural Electric Cooperative Association (“NRECA”) hereby submits this Statement in Support of the Application for Review of Co-Mo Comm, Inc. (“Co-Mo”) and United Services, Inc. (“United”) (referred to collectively as the “Competitive Providers”)¹ with respect to decisions reached by the Wireline Competition Bureau in its *Phase II Challenge Order*,² that over 1,000 census blocks be classified as “unserved” and therefore eligible for CAF II support. As discussed below, the substantial service being offered by the Competitive Providers in these areas and the public interest associated with the efficient and optimum use of limited CAF II monies fully support the Commission’s grant of the Application for Review.

INTRODUCTION

NRECA is the national service organization for more than 900 not-for-profit rural electric utilities that provide electric energy to approximately 42 million people in 47 states or approximately 12 percent of electric customers. Rural electric cooperative infrastructure covers 75% of the land mass of the United States. Rural electric cooperatives were formed to provide safe, reliable electric service to their member-owners at the lowest reasonable cost. Electric

¹ Application for Review of CO-Mo Comm, Inc. and United Services, Inc. filed herein (April 29, 2015) (“Application”).

² *Connect America Fund; Connect America Phase II Challenge Process*, WC Docket Nos. 1090, 14-93, Order, DA 15-383 (rel. Mar. 30, 2015)(“*Phase II Challenge Order*”), Erratum (rel. Apr. 13, 2015).

cooperatives are private, non-profit entities that are owned and governed by the members to whom they deliver electricity. NRECA member cooperatives are committed to providing safe, affordable, reliable, and efficient service to their member-owners. In recent years, a number of electric cooperatives have expanded operations to provide, directly, through wholly-owned subsidiaries, or in conjunction with other cooperatives, voice, video and broadband services to their communities.

NRECA has participated at various points in the Commission's development of the CAF II rules and will continue do so inasmuch as the CAF II holds substantial promise to provide meaningful support to the deployment of true broadband service to the communities served by its members. The parent companies of the Competitive Providers, Co-Mo Electric Cooperative and United Electric Cooperative, Inc., are longstanding members of NRECA.

DISCUSSION

Century Link's Opposition is almost exclusively procedural in nature, largely ignoring the substantive submissions made by Co-Mo and United in their previously filed Challenges to the "unserved" designations of the 551 census blocks and 472 census blocks, respectively. The price cap carrier does not explain how or why the Competitive Providers do not meet the three criteria and minimum broadband service metrics required to establish that a census block is "served." In essence, the price cap carrier argues that because the Wireline Competition Bureau has made its "served-to-unserved" and "unserved-to-served" determinations and the CAF II statewide offers of support have been extended, it is far too late for the full Commission to review these determinations.

NRECA acknowledges and supports the substantial efforts made by the Commission to conclude the Phase II challenge process in a timely manner and move to the next phases of

CAF II funding. Yet, the underlying purpose of CAF II is to extend support to *unserved* areas. To the extent, the areas are “served,” prudent management of limited CAF II funds should take precedence.³ This is particularly true with regard to the 1000+ census blocks that are currently “served” by Co-Mo and United in a manner that substantially exceeds the Commission’s recently established minimum broadband service speeds of 10/mbps downstream and 1/mbps upstream.

As noted in the Application for Review, United currently offers broadband service at speeds up to 100 mbps symmetrical and Co-Mo offers broadband service at 1 gigabit per second symmetrical, as well as other broadband service offerings; all at rates that are comparable to pricing in urban areas.⁴ Moreover, these points were fully set out in their respective Challenges.⁵ The Application for Review also confirms that the Competitive Providers are offering voice service in connection with an underlying voice services provider in compliance with the Commission’s service provider obligations for voice services,⁶ a point which CenturyLink largely chooses to ignore in its cursory dismissal of the Competitive Providers’ restatement of their voice services showings that were originally set out in their respective Challenges.⁷

In addition, CenturyLink is “too clever by half” in attempting to show that Co-Mo and United did not make the requisite showing that the Competitive Providers are offering service sufficient to establish that they have or had voice or broadband customers in the contested service area.⁸ Again, relying on data and certifications made in their Challenges, the Competitive Providers demonstrate that they satisfied the third factor in the three-prong test to establish that a census block is served.⁹ Despite CenturyLink’s dismissive comments regarding

³ Application for Review at 9.

⁴ Application for Review at 6.

⁵ Id at 6, n.16.

⁶ Id at 6-7.

⁷ CenturyLink Opposition at 8-9.

⁸ Opposition at 9-10.

⁹ Application for Review at 9-11.

CERTIFICATE OF SERVICE

I, Cassandra Hall, of the law firm of Keller and Heckman LLP, do hereby certify that on this 27th day of May 2015, I have caused the foregoing **STATEMENT IN SUPPORT OF CO-MO COMM, INC. AND UNITED SERVICES, INC. APPLICATION FOR REVIEW** to be served via first-class United States Mail, postage prepaid, upon the following persons:

Thomas Wheeler Chairman Federal Communications Commission 445 – 12 th Street, S.W. Washington, DC 20554	Michael O’Rielly Commissioner Federal Communications Commission 445 – 12 th Street, S.W. Washington, DC 20554
Mignon Clyburn Commissioner Federal Communications Commission 445 – 12 th Street, S.W. Washington, DC 20554	Carol E. Matthey Deputy Chief Wireline Competition Bureau Federal Communications Commission 445 – 12 th Street, S.W. Washington, DC 20554
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/s/
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