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July 16, 2015

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

Re: *Ex Parte Presentation – Standards for Participation in
High-Cost Support Mechanisms (WC Docket No. 10-90)*

Dear Ms. Dortch:

ADTRAN, Inc. (“ADTRAN”) wants to take this opportunity to respond once again to a proposal in a recent *Ex Parte* submission filed by Hughes Network Systems (“Hughes”) concerning the standards for the Connect America Fund (“CAF”) Phase II competitive bidding process.¹ ADTRAN addressed these issues in somewhat greater detail in previous *Ex Parte* submissions in these dockets, copies of which are attached. ADTRAN shares Hughes' desire to ensure that the CAF Phase II competitive bidding process serve the public interest. One of the critical eligibility factors for ensuring that the CAF supports robust broadband is to require that CAF recipients “offer sufficiently low latency to enable use of real-time applications, such as VoIP,”² regardless of the technology used. Hughes proposes an alternative to the standard prescribed by the Commission for CAF Phase II support using the cost model, which now requires that “a price cap carrier accepting model-based support will need to certify that 95 percent or more of all peak period measurements (also referred to as observations) of network round trip latency are at or below 100 ms.”³

¹ Letter from L. Charles Keller, Counsel for Hughes, filed in WC Docket No. 10-90, dated July 13, 2015.

² *Connect America Fund, et al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 17698 ¶ 96 (2011).

³ *Connect America Fund*, WC Docket No. 10-90, Report and Order, 28 FCC Rcd 15060 (Wireline Comp. Bur. 2013) at ¶ 23.

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In its most recent filing, Hughes repeats its proposed alternative of an R-Factor score of 52 in lieu of prescribing a maximum latency of 100 ms. ADTRAN urges the Commission to reject this suggestion, because such a test would not enable use of real-time applications, such as VoIP to any satisfactory degree. Indeed, that proposed R-factor is at the lower end of the categorization of the quality as being “*Nearly all users dissatisfied*” based on the same ITU model proposed by Hughes.⁴

Table B.1 – Provisional guide for the relation between R-value and user satisfaction

R-value (lower limit)	MOS_{CQE} (lower limit)	GoB (%) (lower limit)	PoW (%) (upper limit)	User satisfaction
90	4.34	97	~0	Very satisfied
80	4.03	89	~0	Satisfied
70	3.60	73	6	Some users dissatisfied
60	3.10	50	17	Many users dissatisfied
50	2.58	27	38	Nearly all users dissatisfied

As ADTRAN explained previously, if the Commission decides to use an R-Factor score rather than the 100 ms latency standard that applies to Price Cap carriers receiving model-based support in CAF Phase II, then it should specify an R-Factor of at least 80, which is at the bottom of the range corresponding with “Users satisfied.”

Utilizing a standard that ensures satisfactory service is hardly an arbitrary exclusion of satellite technology. ADTRAN has previously acknowledged that it may be necessary to apply somewhat lower standards in the context of the Remote Area Fund, given the extremely high costs of providing service to those territories.⁵ But it would disserve the public interest to lower

⁴ ITU-T G.107, SERIES G: Transmission Systems And Media, Digital Systems and Networks; International Telephone Connections and Circuits – Transmission planning and the E-model, Table B-1, available at <http://www.itu.int/rec/T-REC-G.107-201402-I/en> (emphasis added).

⁵ See, Comments of ADTRAN in WC Docket No. 10-90, filed March 28, 2013 at n. 4:

ADTRAN recognizes that some relaxation of the standards may be necessary for some remote and insular consumers, however, given the exceedingly high cost of providing service to these locations. Thus, ADTRAN does not object to different standards for “broadband” for purposes of the Remote Area Fund. See, e.g., *USF/ICC Transformation Order* at ¶ 134.

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the standards more generally in the CAF Phase II competitive bidding process in order to accommodate the “technological reality” of much greater latency for satellites in Geostationary orbit. ADTRAN thus urges the Commission to reject the standards for the CAF Phase II competitive bidding process proposed by Hughes.

Sincerely,

/s/
Stephen L. Goodman
Counsel for ADTRAN, Inc.

cc: Matthew Del Nero Cathy Zima
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