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January 23, 2020

Via ECFS

The Honorable Ajit Pai
The Honorable Michael O’Rielly
The Honorable Brendan Carr
The Honorable Jessica Rosenworcel
The Honorable Geoffrey Starks
Federal Communications Commission
445 12th Street S.W.
Washington, DC 20554

***Re: Rural Digital Opportunity Fund, WC Docket No. 19-126; Connect America Fund,
WC Docket No. 10-90***

Dear Chairman Pai and Commissioners O’Rielly, Carr, Rosenworcel and Starks:

Thank you for your consideration of the Rural Digital Opportunity Fund (“RDOF”) draft Order. INCOMPAS’ competitive broadband members are hopeful that they will be able to participate in the RDOF program and deliver high-speed broadband to areas that continue to need service. However, as you may be aware, last week INCOMPAS joined other industry trade associations requesting that the Commission consider reducing the burdens of the letter of credit requirements in the draft Order so that these obligations correspond more appropriately to the risks presented to the FCC and the RDOF.¹ As recently stated by WISPA, INCOMPAS is likewise concerned that the draft Order’s letter of credit requirements may preclude the participation of some companies, especially smaller providers, because of the high direct and indirect costs of obtaining and maintaining letters of credit.² The reduction of burdens, while ensuring the necessary protections, is an important consideration to enable and promote more competition in the RDOF and the efficiencies such competition affords the program.

INCOMPAS believes that USTelecom’s most recent proposal for modifications to the letter of credit requirements is a workable solution that would provide those necessary

¹ See Letter from INCOMPAS, NCTA – The Internet & Television Association, National Rural Electric Cooperative Association (NRECA), NTCA – The Rural Broadband Association, USTelecom – The Broadband Association, WTA – Advocates for Rural Broadband, to FCC Chairman and Commissioners, Docket Nos. 19-126 and 10-90 (filed Jan. 16, 2020).

² See Letter from Louis Peraertz, Vice President of Policy, WISPA, to Marlene H. Dortch, FCC Secretary, WC Docket Nos. 19-126 and 10-90 (filed Jan. 21, 2020).

protections, while lowering the burdens and encouraging more participation and competition in the RDOF.³ As NRECA highlights, the USTelecom proposal also will incent providers to deploy their networks more quickly, shifting more RDOF support to critical network buildouts from accelerating letter of credit finance charges.⁴ Accordingly, INCOMPAS urges the Commission to adopt the modifications proposed by USTelecom with respect to the letter of credit requirements in the RDOF Order.

Should you have any questions concerning this submission, please do not hesitate to contact me.

Respectfully submitted,

/s/ Angie Kronenberg

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cc: Preston Wise
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Ryan Palmer
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³ See Letter from Mike Saperstein, USTelecom Vice President, to Marlene H. Dortch, FCC Secretary, WC Docket Nos. 19-126 and 10-90 (filed Jan. 20, 2020).

⁴ See Letter from Brian M. O’Hara, Senior Director Regulatory Issues – Telecom and Broadband, NRECA, to Marlene H. Dortch, FCC Secretary, WC Docket Nos. 19-126 and 10-90 (filed Jan. 22, 2020).