

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

In the Matter of)	
)	
Modernizing the E-rate Program for Schools and Libraries)	WC Docket No. 13-184
)	
)	

**REPLY COMMENTS OF
THE UNITED STATES TELECOM ASSOCIATION**

USTelecom, the Broadband Association (USTelecom)¹ submits these reply comments in response to the Public Notice (Notice)² issued by the Wireline Competition Bureau (Bureau) of the Federal Communications Commission (Commission) in the above-referenced proceeding. In its Notice, the Bureau seeks comment on the proposed Eligible Services List (ESL) for the E-rate program for funding year 2019. The Schools and Libraries Universal Service Support Mechanism (the “E-Rate program”) is administered by the Universal Service Administrative Company (USAC), and these reply comments discuss the appropriate definitions for Leased Lit Fiber, as contained in the Notice.³

¹ USTelecom is the premier trade association representing service providers and suppliers for the telecom industry. Its diverse member base ranges from large publicly traded communications corporations to small companies and cooperatives – all providing advanced communications service to both urban and rural markets. USTelecom members provide a full array of services, including broadband, voice, data and video over wireline and wireless networks.

² Public Notice, *Wireline Competition Bureau Seeks Comment on Proposed Eligible Services List for the E-rate Program*, DA 18-789, WC Docket No. 13-184 (released July 30, 2018) (Notice).

³ Notice, Attachment, p. 2.

In comments filed in this proceeding, the State E-Rate Coordinators' Alliance (SECA) identifies two Category One services that it says require clarification from the Commission.⁴ The first category requiring clarification identified by SECA is the purchase of Category One network equipment for "Leased Lit Fiber Solutions."⁵ The second category SECA says requires clarification involves "Leased End to End Lit Fiber Solutions," including on-premise equipment leased from the service provider."⁶

USTelecom agrees with SECA that clarification is needed regarding USAC's definition of "Leased Lit Fiber," and that such clarification will help to "eliminate any ambiguities or inconsistencies" in the administration of the E-Rate program.⁷ In line with commercially available solutions beyond the E-rate market segment, many USTelecom member companies provision ESL Category One services to applicants in the form of "managed end-to-end services" or "finished services." Such services can be delivered using fiber network solutions, other wireline technologies, wireless network solutions and/or a combination thereof.

Following the 2014 Second Modernization E-rate Order that modified rules applying to dark fiber and self-provisioned networks solutions, the Commission introduced "Leased Lit Fiber" as a new category of services in the ESL.⁸ Subsequent decisions made by USAC through the Program Integrity Assurance (PIA) review process require applicants and their service providers to select the Leased Lit Fiber category of services when seeking certain types of

⁴ See, Initial Comments of State E-Rate Coordinators' Alliance on the FY 2019 Draft Eligible Services List, WC Docket No. 13-184, pp. 1 – 2 (submitted August 29, 2018) (*SECA Comments*).

⁵ *SECA Comments*, pp. 1 – 2.

⁶ *Id.*, p. 2.

⁷ *Id.*

⁸ *Notice, Attachment*, p. 2.

funding (such as Special Construction funding) even in cases where the services offered are managed end-to-end solutions or finished services and not “Leased Lit Fiber” services.

With similar concerns to those expressed by SECA, USTelecom maintains that categorizing “managed end-to-end services” or “finished services” as “Leased Lit Fiber” is inconsistent, ambiguous and a source of needless confusion for E-Rate program applicants. There are several reasons the “Leased Lit Fiber” label should not be used to capture “managed end-to-end services” or “finished services.” For example, companies delivering “finished services” do not “lease” access on fiber – whether lit or dark – or any other network element. Such finished services instead guarantee a specified bandwidth (*e.g.*, 1 Gbps) and quality of service over a prescribed time period to the E-Rate program recipient.

In fact, such finished services may sometimes not even consist entirely of “fiber” and could instead be deployed (in whole or in part) over upgraded copper, or wireless networks. Indeed, the technology used to deliver the service may change during the course of an applicant’s contract, as providers continually invest in and upgrade their networks and bandwidth capacity. Yet, under the current ESL, end-to-end managed services are forcedly classified as “Leased Lit Fiber” and hence defined by a paradigm of leasing of fiber strands (lit or dark) that simply does not apply, leads to confusion among all parties, and is fundamentally inconsistent with the E-Rate program’s technology neutral approach.

SECA is correct in noting that such clarifications are crucial to the integrity of the E-Rate program since it ensures that E-Rate applicants “plan their network configurations/equipment purchases consistent with the rules,” and avoids “having them sign contracts and seek E-rate funding for Category 1 network equipment that, in the end, is not actually eligible.”⁹

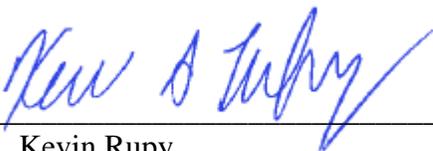
⁹ *SECA Comments*, p. 2.

USTelecom agrees with SECA that the proposed ESL contained in the Notice, should be clarified, particularly with respect to the terminology of “Leased Lit Fiber.”¹⁰

USTelecom recommends that the Commission consider establishing an appropriate service category for Category One “finished services.” SECA, for example, refers to an “end-to-end Category 1 broadband service”¹¹ – it further notes that while such service is available in the marketplace, “[Schools and Libraries Division’s] web site is devoid of any reference to this service.”¹² USTelecom believes that similar terminology, such as “End-to-end Category 1 Internet Access and/or Transport Services,” or “Finished Category 1 Internet Access and/or Transport Services” could work as a category of defined services on the ESL.

Respectfully submitted,

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¹⁰ *Notice*, Attachment, p. 2.

¹¹ *SECA Comments*, p. 2.

¹² *Id.*