

**Before the
Federal Communications Commission
Washington, D.C. 20554**

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| In the Matter Of |) | |
| |) | |
| Promoting Fair and Open Competitive |) | WC Docket No. 21-455 |
| Bidding in the E-rate Program |) | |
| |) | |

**REPLY COMMENTS OF
ENA SERVICES, LLC**

ENA Services, LLC (ENA) respectfully submits these reply comments in response to the Commission’s notice of proposed rulemaking on revisions to the schools and libraries universal service support mechanism, known as the E-rate program.¹ ENA’s mission is to provide future-ready connectivity, communications, cloud, cybersecurity, and technology services to education, library, healthcare, and government organizations nationwide. ENA has participated in the E-rate program since its inception and is well aware of the importance of the E-rate program to the schools and libraries with which it partners. ENA appreciates the Commission’s efforts to improve the program by streamlining requirements for E-rate participants while also strengthening the integrity of the program.

In the *NPRM*, the Commission seeks comment on the potential benefits and burdens of requiring service providers to submit bids for E-rate services to the Universal Service Administrative Company (USAC) through a new bidding portal and requiring school and library E-rate applicants to submit additional bidding documentation to USAC.² Commenters have expressed concerns about these proposals, noting that they may conflict with or disrupt existing state and local procurement processes.³ In addition, commenters argue that the burdens imposed

¹ *Promoting Fair and Open Competitive Bidding in the E-Rate Program*, WC Docket No. 21-455, Notice of Proposed Rulemaking, FCC 21-124 (Dec. 16, 2021) (*NPRM*).

² *Id.* ¶ 3.

³ American Library Association Comments at 2-3; California K12HSN Comments at 9-12; COSN/SETDA Comments at 18-19; Council of the Great City Schools Comments at 2; Illinois Office of

by the proposed changes outweigh their benefits, as they are unlikely to significantly increase the identification and elimination of waste, fraud and abuse in the program.⁴ Commenters note that creating and requiring the use of a new E-rate bidding portal and document submission process will add complexity, thereby delaying schools and libraries' receipt of support, and increase the opportunity for applicants to make additional inadvertent errors, which could discourage participation in the program.⁵

ENA agrees with commenters who note that there are several changes the Commission could make to the E-rate program that would achieve the Commission's goals of streamlining requirements for participants and reducing inadvertent errors in the competitive bidding process that are counted as "improper payments."⁶

Form 470 Issues. In particular, the Commission should ensure that instructions for filling out the Form 470 are clear and available to applicants. The Commission sought comment on the categories for services but has not taken any action to adopt those categories.⁷ Even though the Commission did not take any action, changes recently were made to the dropdown selections on the online Form 470. The changes were made initially without any instructions or guidance

Broadband Comments at 3-7; INCOMPAS Comments at 6-8; Kentucky Department of Education Comments at 3; Nebraska Department of Administrative Services OCIO Comments at 2-5; Oklahoma Universal Service Fund Administrator Comments at 3; PEPPM Comments at 1-5; School District of Lancaster Comments at 4-6; SECA Comments at 14-16; SHLB Comments at 7-9; South Dakota Department of Education Comments at 3-5; Verizon Comments at 4-5; Wisconsin Department of Public Instruction Comments at 2-3; WTA Comments at 2-3.

⁴ American Library Association Comments at 2; SECA Comments at 7-10; SHLB Comments at 13-15.

⁵ American Library Association Comments at 2; COSN/SETDA Comments at 17-18; Council of the Great City Schools Comments at 2-3; INCOMPAS Comments at 4-6; SECA Comments at 2; SHLB Comments at 10-13. WTA Comments at 4-5.

⁶ California K12HSN Comments at 17-22; SECA Comments at 10-14.

⁷ *Wireline Competition Bureau and Office of the Managing Director Seek Comment on Improving FCC Form 470 Drop-Down Menu*, Public Notice, WC Docket No. 13-184, 34 FCC Rcd 8719 (WCB and OMD 2019).

explaining the changes, leaving applicants to guess at the intent of the changes and hindering their ability to correctly complete the form.

There continues to be confusion among applicants between the USAC-established terms “Standalone Internet Access Service” and “Internet Access and Data Transmission Service.”

There have been instances when ENA has chosen not to bid on a Form 470 when it appears likely that the applicant did not understand and completed the form incorrectly and is therefore at risk that the funding would be denied or eventually rescinded. This confusion in filling out the Form 470 can result in fewer bidders and less competition for services.

The online Form 470 also requires applicants to select a minimum and maximum bandwidth speed, however, the portal limits the speeds that can be selected. This causes confusion among applicants when the bandwidth speed they want to apply for is not listed. For example, if an applicant is seeking bids for service at speeds in a range of 3 Gbps to 10 Gbps, there is no 3 Gbps option in the Form 470 dropdown menu. Instead, the applicant would have to select the closest speed, e.g., 5 Gbps, but then the speeds populated from the dropdown menu will not match the speeds listed in the narrative section of the form. This causes confusion for potential bidders and may preclude the applicant from receiving bids for the services it seeks.

Category 2 Services. ENA agrees with SECA that the Commission should fix the current disparity regarding how applicants apply for multi-year basic maintenance services.⁸ Service providers often sell software upgrades as a one-time charge for a certain number of years and applicants are allowed to apply for the total cost of a multi-year license; however, basic maintenance services must be limited to the annual cost, rather than allowing applicants to receive the total cost of an upfront multi-year payment. This requires applicants to submit Forms

⁸ SECA Comments at 13 n.15.

471 each year for the multi-year service that was paid for in a one-time payment, adding unnecessary complexity and introducing the opportunity for additional mistakes.

Service Transitions. Another beneficial improvement the Commission should make to the E-rate program is to allow applicants to receive the correct amount of support when they transition from one provider to another or upgrade their services during the E-rate funding year. Currently, there is no easy way for an applicant to adjust the amount of support it receives when these changes occur. Additionally, USAC currently disperses support for a full month so if a transition occurs mid-month the applicant will lose support.⁹ SECA is correct that “antiquated E-rate upgrade rules prevent schools and libraries from obtaining the bandwidths they need, when they need them, to meet their educational and administrative needs.”¹⁰

Temporary Service Substitutions. Due to current supply chain issues and shortages in computer chips, there can be long delays in obtaining the equipment necessary to provide E-rate services. The E-rate rules should provide flexibility for applicants to obtain funding for substitute services and equipment when their E-rate services are delayed due to supply chain issues.

Additional Time for Fiber Buildout. The Commission should consider providing automatic extensions for the completion of fiber buildouts through special construction or pursuant to an IRU. These projects are very complex. Inconsistent state and local requirements concerning access to right-of-way and permitting, as well as the supply chain issues discussed above, add to that complexity, routinely causing delays. Currently, applicants can seek extensions but there is no guarantee that they will be granted. The Commission should consider

⁹ SHLB Comments at 13.

¹⁰ SECA Comments at 14.

allowing a two-year timeframe for completing these projects, or, alternatively, providing an automatic one-year extension upon request.

CONCLUSION

ENA stands ready to work with the Commission on improving and strengthening the E-rate program. The suggestions offered above would serve to do that and we thank the Commission for considering them.

Respectfully submitted,

A handwritten signature in cursive script, reading "Gina Spade", is positioned above a horizontal line.

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