BEFORE THE FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

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In the Matter of Modernizing the E-Rate Program for Schools and Libraries

WC Docket No. 13-184

2023 Eligible Services List

COMMENTS OF VERIZON¹

Fixed wireless service has become a significant option for providing high-speed connectivity to many schools and libraries. To make clear to applicants that fixed wireless service is eligible for E-rate support, the Commission should make three limited changes to the proposed 2023 eligible services list (ESL).

Category One Service List. As in previous years, the Commission proposes to include a list of eligible Category One services on the ESL. Since 2015, this list has included many entries for wireline services and just one entry for wireless services: "Wireless services (e.g., microwave)" (from 2015-2018) or "Wireless (e.g., microwave)" (from 2019-2022). For the 2023 ESL, the Commission proposes to omit the example "(e.g., microwave)," leaving just "Wireless" as the only entry for wireless services on the Category One list.

Because schools and libraries' use of traditional microwave technology is declining, it is reasonable to omit the "microwave" example from the ESL. However, schools and libraries are

¹ The Verizon companies participating in this proceeding are the regulated, wholly owned subsidiaries of Verizon Communications Inc.

now able to choose from a rapidly-increasing range of other high-speed fixed wireless services. To make clear to applicants that fixed wireless services are eligible for Category One support, the Commission should revise the wireless entry on the Category One list to read "Wireless (including fixed wireless)." At a minimum, the Commission should make clear in the order adopting the 2023 ESL that the omission of the "microwave" example does not indicate any change in the eligibility of fixed wireless service, and that fixed wireless service remains eligible for Category One support.

Fixed wireless routers. To provide fixed wireless service, providers typically deploy a fixed wireless router at the school or library premises. The fixed wireless router provides the radio functions necessary to make the fixed wireless service functional, while also connecting to a local area network (LAN) inside the school or library. The ESL should make clear that a fixed wireless router is eligible for Category One support to the same extent as a router for fiber service or other wireline service. Specifically, the Commission should modify the ESL's discussion of "Network equipment with mixed eligibility" as follows:

Network equipment with mixed eligibility -- On-premises equipment that connects to a Category Two-eligible LAN is eligible for Category One support if it is necessary to make a Category One <u>wired or wireless</u> broadband service functional. If the price for components that enable the LAN can be isolated from the price of the components that enable the Category One service, those costs should be cost-allocated out of the Category One funding request.

In addition, the Commission should reiterate in the order adopting the 2023 ESL that Note 1 in the Category One section "applies to *all* eligible Category One services,"² whether wired or wireless.³

² Modernizing the E-Rate Program for Schools and Libraries, Order, 33 FCC Rcd 11,219, ¶ 5 (2018) (emphasis added).

Data plans and air cards for mobile devices. The Commission proposes to include the same "eligibility explanation" for individual data plans for mobile devices that has been on the ESL since the 2016 funding year. This eligibility explanation reflects the special "most cost-effective option" test that the Commission adopted in the 2014 *E-Rate Modernization Order* and then clarified in the *Second E-Rate Modernization Order.*⁴ Under this test, an applicant may seek E-rate funding for individual data plans only if it can demonstrate that individual data plans are the most cost-effective option for providing internal broadband access for mobile devices,⁵ such as in the case of a bookmobile or very small school or library facility.⁶

The proposed heading for the eligibility explanation is the same as in previous years, i.e.,

"Wireless services and wireless Internet access."⁷ As fixed wireless services become more

widely used, this heading is potentially confusing because the "most cost-effective option" test

⁵ E-Rate Modernization Order, ¶ 153.

³ Note 1 provides that "Eligible costs include monthly charges, special construction, installation and activation charges, modulating electronics and other equipment necessary to make a Category One broadband service functional ("Network Equipment"), and maintenance and operation charges. Network Equipment and maintenance and operation costs for existing networks are eligible."

⁴ Modernizing the E-rate Program for Schools and Libraries, Order, 29 FCC Rcd 8870, ¶¶ 151-153 (2014) ("E-rate Modernization Order"); Modernizing the E-rate Program for Schools and Libraries, Second Report and Order and Order on Reconsideration, 29 FCC Rcd 15,538, ¶¶ 156-159 (2014) ("Second E-rate Modernization Order").

⁶ Second E-Rate Modernization Order, ¶ 158.

⁷ "Wireless services and wireless Internet access – As clarified in the 2014 Second E-Rate Order (FCC 14-189), data plans and air cards for mobile devices are eligible only in instances when the school or library seeking support demonstrates that the individual data plans are the most cost-effective option for providing internal broadband access for mobile devices at schools and libraries. Applicants should compare the cost of data plans or air cards for mobile devices to the total cost of all components necessary to deliver connectivity to the end user device, including the cost of data transmission and/or Internet access to the school or library. Seeking support for data plans or air cards for mobile devices for use in a school or library with an existing broadband connection and WLAN implicates the E-Rate program's prohibition on requests for duplicative services."

does not apply to all "wireless services and wireless Internet access"; it applies only to individual data plans for mobile devices. To more accurately describe the "most cost-effective option" test, and make clear that the test does not apply to fixed wireless services, the Commission should revise the heading to "Data plans and air cards for mobile devices," which is the terminology that the Commission used in the *E-Rate Modernization Order* and the *2016 ESL Order* to describe the scope of the "most cost-effective option test,"⁸ and is also the terminology used in the body of the eligibility explanation.

Respectfully submitted,

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⁸ *E-Rate Modernization Order*, ¶¶ 151-153, including the section heading before ¶ 151; *Modernizing the E-rate Program for Schools and Libraries*, Order, 30 FCC Rcd 9923, ¶ 16 (2015) ("2016 ESL Order").