January 21, 2020

Via ECFS

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


Dear Ms. Dortch:

On January 16, 2020, Chris Laughlin of Kelley Drye & Warren, LLP, counsel to the Fiber Broadband Association (“FBA”), Stan Fendley of Corning, Incorporated, and I had meetings in regard to the above-referenced matters with Preston Wise, Rural Broadband Advisor to Chairman Pai, Arielle Roth, Wireline Legal Advisor to Commissioner O’Rielly, Joseph Calascione, Legal Advisor to Commissioner Carr, Travis Litman, Senior Legal Advisor for Wireline and Public Safety to Commissioner Rosenworcel, and Austin Bonner, Legal Advisor for Wireline and Public Safety to Commissioner Starks. FBA supports Chairman Pai’s proposal in the Rural Digital Opportunity Fund (“RDOF”) Draft Order to award support to the bidder offering the highest performance tier once the budget has cleared. This proposal would help ensure that consumers and businesses in eligible areas get access to “reasonably comparable” infrastructure and service both today and over the ten-year duration of the program—while staying within the proposed budget.


2 To prevent undermining the benefits of the budget clearing round proposal and contradicting the design of the auction, the Commission should decline to entertain the request of the Wireless Internet Service Providers Association (“WISPA”) to close the auction at 50% (or any other percentage) less than the total amount of the budget. See Letter from Louis Peraertz, Vice President Policy, WISPA, to Ms. Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket Nos. 19-126 and 10-90.
In the meetings, we began by explaining that all-fiber connectivity has grown enormously over the past decade. According to a study by RVA LLC, consumer demand for all-fiber broadband has skyrocketed and is expected to continue rising. As of September 2019, 46.5M homes have access to all-fiber networks (about 40% of total homes), thanks to a 16% rate of growth in 2019 over 2018, and 20.5M homes are connected with fiber—a 44% take rate that has not yet caught up to new deployments.³ To add further context, we noted that it took copper and coaxial last-mile transmission connectivity about 40 years and 25 years, respectively, to reach 40% of homes, while all-fiber connectivity has increased 1000 times over the past 15 years.⁴ In effect, all-fiber connectivity has already become the “reasonably comparable” infrastructure and service in the country, and it certainly will be over the life of the RDOF program.⁵

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⁴ FBA December 11 Ex Parte.

⁵ We pointed out that upward trends in broadband speeds also reflect consumer expectations for the service fiber broadband can deliver. In mid-2017, the median download speed among the largest ISPs was 72 Mbps and average upload speeds had surpassed 10 Mbps. See Letter from Michael R. Romano, Senior Vice President – Industry Affairs & Business Development, NTCA–The Rural Broadband Association to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket Nos. 19-126 and 10-90 and GN Docket No. 19-285 (Dec. 23, 2019); Letter from Lisa R. Youngers, President & CEO, Fiber Broadband Association, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 19-126 (Jan. 3, 2020). We also noted for Ms. Bonner that several states have already upped their baseline speeds for their broadband programs—Pennsylvania: 100/20 Mbps; Minnesota: 100/20 Mbps for underserved areas; New York: 100 Mbps for 99% of areas—and that the awards from the recent Rural Utility Service ReConnect fund are indicative how all-fiber networks are an essential service of today (24 of the 28 awardees are fiber providers, representing nearly 95% of the total grant funds awarded). See Pennsylvania Broadband Investment Incentive Program Guidelines, 1, https://www.governor.pa.gov/wp-content/uploads/2018/03/20180322-Pennsylvania-Broadband-Investment-Incentive-Program-Guidelines.pdf (last visited Jan. 20, 2020); Office of Broadband Development Annual Report 2018, Minnesota, 10 (January 2019), https://www.leg.state.mn.us/docs/2019/mandated/190132.pdf; Governor Cuomo Announces Round III of Nation-Leading New NY Broadband Program to Bring High-Speed Internet Access to All New Yorkers, New York State (Jan. 31, 2018),
providing rural communities with direct connections to homes, businesses, and anchor institutions, the RDOF program will propel the deployment of underlying fiber infrastructure for 5G, wireless networks, smart communities, smart grids, and Internet of Things applications. All-fiber networks also are the only ones that can deliver all the socioeconomic benefits—whether telecommuting, remote health, online education, e-commerce, or entertainment—that rural communities need to keep pace with their urban counterparts over the next 10 years and beyond.

In response to questions about the costs and benefits of all-fiber deployments, we made clear that all-fiber networks are future-proof in that they can easily satisfy growing consumer demand for bandwidth over time, as opposed to other technologies requiring large subsequent investment to meet such increased demand. In other words, all-fiber networks are superior to other network technologies, especially when considered on a long-term, total cost basis. Reliance on other technologies just means the Commission will be back to subsidize the same areas to build fiber later. In support of this, we pointed the advisors to the January 8 *ex parte* filed by Conexon noting that in the past five years, the Commission has committed to spending $27B for deployments at 4/1, 10/1, and 25/3 speeds—many of those locations are now up for auction in the RDOF.\(^6\) By contrast, all-fiber networks rarely need to be upgraded and, when that occurs, only the electronics, which account for about 5-10% of the total cost of a build, need to be changed out. The fiber itself will last for many decades, if not far longer.

Fiber also is a cost-effective technology to deploy. Mr. Fendley pointed out Corning data that shows the costs to deploy fiber has already been driven down by industry-led investments in technology and deployment efficiencies.\(^7\) In addition, a cost study by the consulting firm Cartesian for FBA shows that increased efficiencies in fiber deployment have helped propel all-fiber deployments to record levels and that with further technology and construction developments, private and government investment will drive connectivity to 90% of homes in the next decade.\(^8\)

Finally, we noted that the Commission should proceed with the auction because the locations in the Phase I auction are clearly known to be fully unserved. Delaying the auction will

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just mean these areas remain without “reasonably comparable” broadband service for more time at a higher cost to the government, which is a bad deal.

This letter is being filed electronically pursuant to Section 1.1206 of the Commission’s rules.\textsuperscript{9}

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\textsuperscript{9} 47 C.F.R. § 1.1206.