

Before the  
U.S. DEPARTMENT OF AGRICULTURE  
Rural Utilities Service  
U.S. DEPARTMENT OF COMMERCE  
National Telecommunications and Information Administration  
Washington, D.C.

In the Matter of )  
 )  
Broadband Initiatives Program and ) RIN: 0660ZA28  
 )  
Broadband Technology Opportunities Program ) Docket Number: 0907141137-91375-05

## **Comments of TCA**

### **I INTRODUCTION**

TCA provides the following comments in response to NTIA and RUS’s joint Request for Information (RFI). NTIA and RUS seeks guidance on several issues related to the Broadband Initiatives Program (BIP) and the Broadband Technologies Opportunity Program (BTOP). TCA takes this opportunity to comment on several issues from the RFI, which if modified would improve the application process in the next window of funding.

TCA is a consulting firm that performs financial, regulatory, management, and marketing services for over one hundred and sixty small, rural local exchange carriers (LECs) and their affiliates throughout the United States. Several TCA clients submitted BIP and BTOP applications during round one and several others are considering applying in the next round. Accordingly, TCA files these comments on behalf of its clients.

### **II. RURAL APPLICANTS SHOULD NOT BE REQUIRED TO APPLY TO RUS**

TCA does not agree that infrastructure applicants proposing to serve an area in which 75% or more of the area is defined as rural should be required to submit their application to RUS. While TCA appreciates NTIA and RUS’s desire to efficiently distribute federal funds, requiring a rural company to apply for a loan when it is not in a position to take on debt is a deterrent to many small companies applying for funds for their unserved areas. Additionally, this requirement places unnecessary burden on the applicant as well as the reviewers. Applicants are required to submit a separate set of financial documents for RUS and NTIA, regardless of

whether or not the BIP program will work for their business plan. Then, RUS must review the application to determine that it indeed will not qualify for a loan or loan/grant combination and then pass the application on to NTIA for their review. If it is understood from the beginning that the applicant, although serving a rural area, requires a grant to fund the project or that they are only interested in the BTOP program, they should be allowed to apply directly to NTIA.

### **III. DEFINITION OF REMOTE SHOULD BE ELIMINATED**

TCA suggests the agencies eliminate the current definition of remote from 50 miles from the limits of a non-rural area. Instead, TCA proposes that RUS consider all unserved areas as eligible for up to 100% grant funding. Additionally, TCA suggests that the agencies consider population density in the scoring of the applications. TCA recommends the following scale to be used: 1 point for areas that have 25-21 households per square mile, 2 points for areas that have 20-16 households per square mile, 3 points for 15-11 households per square mile, 4 points for 10-6 households per square mile, 5 points for 5 or less households per square mile.

### **IV. COMPREHENSIVE COMMUNITY PROJECTS SHOULD NOT BE THE TOP PRIORITY**

TCA agrees that funding middle mile projects is essential to bringing broadband to many unserved and underserved areas. The cost of middle mile transport can deter last mile providers from increasing speeds to their customers. However, TCA contends that the priority of the funding should remain expanding broadband to all customers in unserved and underserved areas. TCA is concerned that if funding is limited to connecting anchor institutions within communities, this American Recovery and Reinvestment Act goal<sup>1</sup> may not be met. Finally, TCA suggests that if the agencies change the focus of funding, that they also implement rules that will ensure that the entire communities benefit from the middle mile projects, not just anchor institutions.

### **V. CURRENT SERVICE PROVIDER RESPONSE PROCESS SHOULD BE MODIFIED**

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<sup>1</sup> American Recovery and Reinvestment Act of 2009, div. A, tit. I, 123 Stat. at 118

TCA thanks NTIA and RUS for giving current service providers an opportunity to respond to applications with proposed funded service areas that overlap with their current service area. However, the response process in the first funding window was overly burdensome to current service providers. TCA suggests two changes to the process in the next window. First, the community lists in the mapping tool should be generated from the maps drawn by the applicant and included in the application database. This will assist current service providers with sorting through the applications to find those with proposed funded service areas that overlap their current service area. Currently, the community list is created by the applicant and, in several cases, it was incomplete or inaccurate.

Second, allow respondents to enter information once and overlay these maps over the applicants proposed funded service areas. When looking at maps drawn in the mapping tool, it appears that the viewer can see all proposed funded service areas within a region as well as areas that are approved for funding. This raises questions whether a “master” map or database exists where the information is being obtained. If this is the case, then it would be preferable for respondents to draw their entire service area(s) once and provide the availability of broadband within that area(s). This would provide the agencies a more accurate and comprehensive understanding of a current service provider’s area during their review.

## **VI. METHODS OF SUPPORT AND OUTREACH NEED IMPROVEMENT**

TCA commends NTIA and RUS on their multiple methods of disseminating information to applicants and the public. TCA relied on the workshops, publishing the guidance manuals, FAQs and the helpdesk and found each provided varying degrees of assistance. However, all of these methods of support and outreach are in need of improvement for the next round of funding. Most importantly, there needs to be better communication between the agencies, because messages were sometimes contradictory. For example, on September 28, 2009, TCA posed a question to RUS, NTIA and the helpdesk and received three different and contradictory responses.

The workshops were helpful for applicants to receive preliminary information, but there were contradictions on how to interpret the Notice of Funds Availability between the sessions and between the workshops. Additionally, attendees were told at the Boston and Albuquerque

workshops that only applications that advanced to step two of the application process would be posted on the Public Notice Filings site, resulting in confusion when all applications were posted.

The application guidance manual was also a useful tool. However, the manuals that were provided in round one were formatted based on the printable application and not the online application. Revising the manuals in the next round so that the questions are in the same order as the online form would be helpful. Also, it would be helpful for the agencies to announce any changes to the manual on the broadbandUSA.gov website so that applicants know that they are using the most recent version.

The FAQs portion of the broadbandUSA.gov site was very informative. Initially, the agencies stated that the FAQs would be posted at the beginning of the application window to incorporate questions received at the workshops, prior to the release of the application, and would be added onto from there. However, the list was not posted until two weeks into the application window when workshop attendees brought it to the agencies' attention.

While the helpdesk fielded many calls and emails, it appears that it was quickly overloaded. In one instance, TCA waited 5 days to receive a response to a question regarding uploading a document into the application. Additionally, in the days leading up to both the application and response deadlines, TCA was unable to contact the helpdesk by phone, as the system had all calls hold for several minutes and then told the caller to leave a message. TCA asks the agencies to consider increasing the staff and the working hours for the Help Desk to better provide timely support.

## **VII. CONCLUSION**

TCA thanks NTIA and RUS for the opportunity to comment on BIP and BTOP and for the agencies' continued efforts to improve these programs. TCA contends that the recommendations we have proposed will improve both the application and response processes for the next round.

Respectfully submitted by,

*Electronically submitted* \_\_\_\_\_

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