June 15, 2017

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: Connect America Fund, WC Docket No. 10-90

Dear Ms. Dortch:

On June 14, 2017, Ron Hinds of Grand River Mutual Telephone, Dusty Johnson of Vantage Point Solutions, and John Kuykendall and Cassandra Heyne of JSI ("Ex Parte Participants") held an ex parte meeting with Jay Schwarz of Chairman Pai's Office and Kris Monteith, Lisa Hone, Alex Minard, Katie King, and Dana Zelman of the Wireline Competition Bureau ("FCC Staff").

The Ex Parte Participants urged FCC Staff to consider, in coordination with fully funding original model offers, a particularly efficient way to deploy broadband by making offers of model funding to RLECs whose model eligibility or funding was affected by clerical oversights ("Affected Companies"). The Ex Parte Participants walked through the attached slides, on behalf of Vantage Point Solutions, JSI, Grand River Mutual (MO), Baraga Telephone (MI), Miles Telephone (IA), Clarity Telecom LLC d/b/a Vast Broadband (SD), and Hayneville Telephone Company (AL).

In particular, the Ex Parte Participants emphasized that this approach would further the Commissions' desire to close the digital divide by deploying broadband in an efficient manner. Providing model funding to the Affected Companies would increase the number of prescribed broadband locations by 32% but only increase new model funding by 9% (compared to fully funding the original model offers).

In addition, Ex Parte Participants advocated for additional long-term funding for companies who remained on the rate-of-return path. Please contact me if any additional filings or information related to our ex parte meeting are required.

Sincerely,

Dustin "Dusty" Johnson
Vice President of Consulting
Vantage Point Solutions

VANTAGEPNT.com 605-995-1777
2211 N Minnesota Street Mitchell SD 57301

An Additional Opportunity for the FCC to Induce

Efficient Deployment of Broadband

June 14, 2017

Ex Parte Discussion

With Wireline Competition Bureau Staff and
Jay Schwarz, Advisor to FCC Chairman Pai

Fully Funding Original Model Offers

- The FCC is considering whether to fully fund the original model offers, which would spend $100 million to increase the "prescribed buildout obligations" by 46,000 locations. That is less than $2,200 annually per broadband location.
- Vast Broadband, Grand River Mutual, Baraga Telephone, Hayneville Telephone, and Miles Telephone agree with the large number of commenters who have urged the FCC to allocate additional resources to model companies.

An Additional Opportunity

- As the FCC funds the original model offers, it can also deploy broadband *even more efficiently*, using the A-CAM and information already on file with the FCC.
- The FCC can realize that efficient deployment by allocating additional funding to address situations where A-CAM funding was not allocated due to clerical oversights.

Scope of Affected Companies

State	GROUP	Rate of Return Study Area	Issue
WI	A	SHARON TEL CO	FTTP removal
SD	A	KNOLOGY COMMUNITY TELEPHONE, INC.	FTTP removal
MO	A	GRAND RIVER MUT-MO	FTTP removal
OR	A	ST PAUL COOP ASSN	FTTP removal
AL	B	HAYNEVILLE TEL CO	excluded - 90% 10/1
MI	B	BARAGA TEL CO	excluded - 90% 10/1
IA	B	MILES COOP TEL ASSN	excluded - 90% 10/1
NE	B	ARAPAHOE TEL CO	excluded - 90% 10/1
MO	B	STEELVILLE TEL EXCH	excluded - 90% 10/1
AZ	B	VALLEY TEL COOP-AZ	excluded - 90% 10/1
NM	B	VALLEY TEL COOP - NM	excluded - 90% 10/1
IL	C	MONTROSE MUTUAL TEL	email
IA	C	IAMO TEL CO – IA	email
MO	C	IAMO TEL CO - MO	email

Vantage Point and JSI examined the record in WC Docket No. 10-90 to find companies that have made formal notice to the FCC of clerical oversights impacting their model offers.

Highly Efficient Deployment

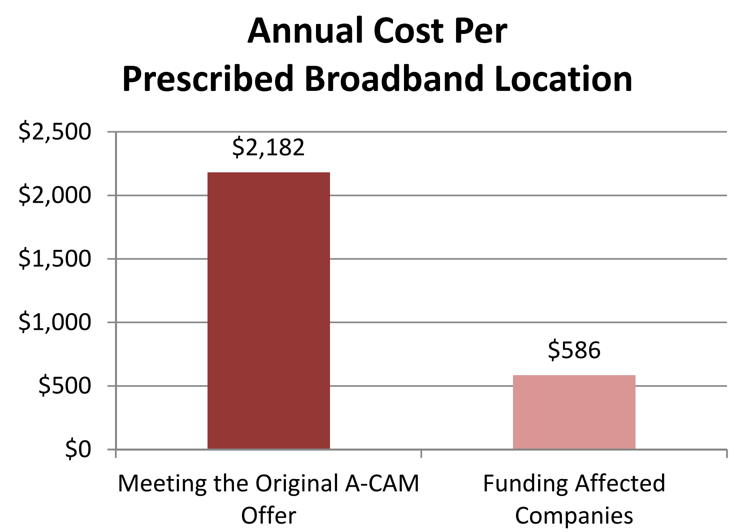
Providing model funding to these affected companies would induce broadband deployment in a highly efficient way:

	Supplemental Support	Additional Prescribed Broadband Locations	Annual Cost Per Prescribed Location	Additional Prescribed Locations Per $1 M
Meeting Original A-CAM Offer	$101,752,476	46,624	**$2,182**	458
Funding Affected Companies*	$8,649,816	14,771	**$586**	1,708

* Data for the affected companies were estimated by Vantage Point and JSI. Reliable estimates for Valley Telephone Cooperative (AZ and NM) were not available, so are not included in this data.

Highly Efficient Deployment

Extending these offers (at the same time the FCC fully funds existing offers) furthers the FCC's goals of USF reform, including "distributing support . . . efficiently" and deploying broadband in a "cost effective" manner.



Conclusion

- As the FCC works to efficiently deploy broadband by fully funding the original model offers, it can deploy broadband *even more efficiently* by also extending model offers to the affected companies.
- Doing so would require a funding increase of 9% (over just fully funding model offers), but **would increase new prescribed broadband locations by 32%.**