

Congress of the United States
Washington, DC 20515

June 26, 2012

Julius Genachowski, Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Chairman Genachowski:

It is becoming increasingly clear that the FCC's implementation of its Universal Service Fund (USF)/Intercarrier Compensation (ICC) Transformation Order will have unintended consequences that will impede the deployment of rural broadband and other telecommunications services in the rural areas where our constituents reside. As a result, we are writing to request that the Commission suspend the implementation of the Order until the FCC can provide greater certainty that the rules will not jeopardize service to rural homes and communities. We are particularly concerned with the July 1, 2012 implementation of the regression methodology.

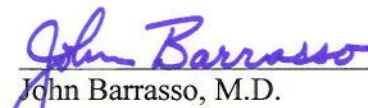
Reducing federal USF support is a difficult and complicated undertaking that will affect service and rates across rural America. A fair, transparent, and predictable process for the administration of federal support must be based on accurate data and a model that enables carriers to plan their operations and investments in an efficient manner. We are concerned that the Commission has adopted an econometric regression analysis that is unpredictable and relies on data that may not be accurate as justification for reducing federal USF support to rural telephone providers.

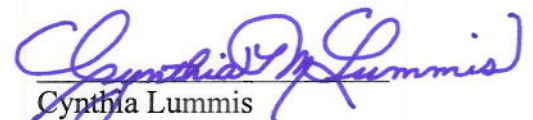
We urge the Commission to develop a model that accurately reflects providers' service territory and provides those carriers with a meaningful chance to plan for compliance with that model in undertaking future network investments and operations. The model should not unfairly penalize providers for operating in areas with difficult terrain, long periods of inclement weather, or for undertaking projects that cross public lands. Ultimately, we believe the Commission must provide clear and predictable rules by which carriers can manage their businesses moving forward.

Flawed and unpredictable rules will stifle technological innovation and investment across Wyoming and the nation at a time when our rural communities can least afford it. By implementing the proposed USF/ICC reforms without fully understanding their impact on all rural stakeholders, we are concerned that the Commission may ultimately widen, not narrow, the digital divide. We urge you to carefully consider these concerns prior to moving forward with the USF/ICC reforms and we stand ready to work with you to ensure a more vibrant, competitive, and cost-effective telecommunications landscape for all of rural America.

Sincerely,


Michael B. Enzi
United States Senator


John Barrasso, M.D.
United States Senator


Cynthia Lummis
United States Representative