

Broadband is a critical component to overall economic development, as well as healthcare, education, and government services. Additional incentives, such as the rural experiments, may allow for increased investment in rural areas, mitigate the lack of high speed broadband services in some of those regions, and avoid these communities from lagging behind in the digital era.

In furthering the goal of promoting broadband deployment to rural and unserved areas, the MPSC supports the National Association of Regulatory Utility Commissioners' (NARUC) *Resolution to Promote Rural Broadband Deployment*, sponsored by the Committee on Telecommunications and adopted by the NARUC Board of Directors at its Winter Committee Meeting on February 12, 2014.

Specifically, the NARUC resolution supports:

- Policies that allow for experiments by utilities and other entities where the state determines that the entity should be granted eligible telecommunications carrier (ETC) status.
- The FCC's allowance of a variety of providers to submit expressions of interest and apply for rural broadband experiments prior to obtaining ETC designation so long as the providers obtain ETC designation after being selected for the funding award.
- That the FCC ensure that disbursement of any funds be aimed at not only ensuring rural areas become served with broadband,

but that the broadband networks deployed in rural areas remain sustainable over time.

- The FCC direct funds held in reserve under the rural experiments to ensure that disbursement and use of such support are directed to unserved and underserved areas where the ILEC declines federal support.
- That the FCC ensures rural broadband experiments are designed and implemented to strategically test the viability of using a variety of service providers to deploy broadband in hard-to-reach areas and to limit the size and scope given potential risks involved with experiments and the overall pressures on the Universal Service Fund (USF).
- Rural broadband experiments should recognize applicable state laws, processes, and procedures, including but not necessarily limited to, state ETC approval, permitting, and certificate of need approvals.

Additionally, the MPSC concurs with the comments of the California Public Utilities Commission, which suggest that the FCC should consider additional criterion when selecting specific experiments to receive funding. In particular, the MPSC agrees with the notion of awarding amounts to each state that are proportionate to the states' contribution to the USF. As with California, Michigan is a net contributor to the USF and funding for rural experiments should take into

account the proportion of a state's contributions to the USF when disbursing funding for the experiments.

The MPSC thanks the Commission for the opportunity to comment in this proceeding and looks forward to the Commission's continued leadership in the development of broadband and broadband deployment policies in rural areas.

Respectfully submitted,

MICHIGAN PUBLIC SERVICE COMMISSION



Anne M. Uitvlugt
Assistant Attorney General
Public Service Division
6520 Mercantile Way, Suite 1
Lansing, MI 48911
Telephone: (517) 241-6680

Dated: April 14, 2014
FCC/10-90 et al/Reply Comments