Coalition Urges ACAM Changes to Support 100 Mbps Service

The ACAM Broadband Coalition today asked the FCC to offer the 446 rate-of-return carriers (RoRo currently receiving broadband deployment support under the Alternative Connect America Model (ACAM) six years of additional support at current levels in exchange for committing to transition 50% or more of fully funded locations in the current plan’s 25 megabits per second downstream/3 Mbps upstream tier to a new 100 Mbps/25 Mbps standard.

This will result in “significantly faster broadband speeds to consumers more quickly than consumers otherwise would receive them,” the coalition said.

The petition for expedited rulemaking filed yesterday proposes buildout requirements in exchange for the six additional years of support that, if accepted by all current ACAM participant, would result in 100/25 Mbps service to 605,373 locations and the elimination of service at 4/1 Mbps at ACAM-supported locations, as they would be moved to higher-speed tiers. The net result of locations moving to higher tiers would mean a decrease of about 50,000 locations (from 165,725 at the end of the current support period in 2028 to 115,376 at the end of the proposed extension in 2034) receiving service at the 10/1 Mbps tier and a net reduction of about 500,000 locations (from 804,871 in 2028 to 300,074 in 2034) receiving service at the 25/3 Mbps tier.

The effects of the proposal would begin in 2022, gradually increasing over the years. Carriers would face different obligations for the transition to 100 Mbps/25 Mbps service and for the movement of 10 Mbps/1 Mbps locations to the 25 Mbps/3 Mbps tier, depending on whether they are currently operating under the ACAM I or ACAM II program and, in the case of ACAM I carriers whether they are in low-, medium-, or high-density zones. ACAM I medium- and low-density carriers would not begin the transition until 2025.

The petition proposes that RoR carriers be required to choose whether to participate in the enhanced program on a statewide basis.

The coalition said that while the current ACAM program “has proven to be an effective vehicle for bringing broadband service to hundreds of thousands of unserved and underserved consumers,” the benefits of the program are constrained by the $200 per month per location cap on support, which the coalition said “does not account for the full model-generated cost to serve many eligible locations.” It added that “[t]he deployment obligations set by the Commission reflect that reality.”

The coalition emphasized the increased desire and need for broadband during the COVID-19 pandemic as more Americans increasingly use the Internet to work from home, take classes remotely, participate
in telehealth, or maintain social connections at a distance. It noted a range of actions taken by the FCC to help meet those needs.

“The accelerated need for reliable, high speed broadband, especially in rural America, will not abate once the pandemic has subsided,” the coalition said, citing various company and analyst predictions on continued remote-work options and home-basing of workers post-pandemic.

“The top deployment speed required under the ACAM program at the end of its current term in 2028 is 25/3 Mbps. In 2016, when the ACAM I program was initiated, 25/3 Mbps was viewed as an appropriate top speed standard. In fact, the 25/3 Mbps requirement was a considerable step up from the 10/1 Mbps broadband speed standard adopted for price cap and RoR companies in the Connect America Fund Order in December 2014. However, in the nearly five years since the ACAM I program was adopted many consumers have come to need and expect higher speed service in order to conduct their daily lives. Moreover, consumers’ speed requirements are universally expected to continue to grow in the coming years,” the coalition said.

The ACAM Broadband Coalition said, “American consumers, particularly those living and working in rural areas, want and need greater access to high-speed broadband than they are getting today. The current ACAM program is doing a commendable job of bringing broadband service to unserved and underserved Americans living in rural, high-cost areas. With the enhancements proposed in this Petition, the ACAM program could, and should, be used as the vehicle to accelerate broadband deployment at higher speeds than the program requires today.”

It added, “The Commission should expeditiously issue a Notice of Proposed Rulemaking seeking comment on a tentative conclusion that the enhancements proposed in this Petition be adopted. The Commission should act without delay. Americans living in rural, sparsely populated areas of the country can, and should, be afforded greater access to the reliable, higher-speed broadband services that an enhanced ACAM program can bring.” —Lynn Stanton, lynn.stanton@wolterskluwer.com

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