

Congress of the United States
House of Representatives
Washington, DC 20515-5400

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October 29, 2018

The Honorable Ajit Pai
Chairman
FEDERAL COMMUNICATIONS COMMISSION
445 12th Street, S.W.
Washington, DC 20554

RE: USTelecom Petition for Forbearance, Docket No. 18-141

Dear Chairman Pai,

I would be remiss if I did not, once again express my gratitude for your leadership, support, and assistance in the restoration of telecommunications services in Puerto Rico after the devastating hurricanes of last year. The Commission's actions to date have helped, and continue to help, Puerto Rico on what will undoubtedly be a long road to recovery.

The purpose of my letter is to express my concern about a proposal that is now pending before the Commission that I believe could damage Puerto Rico's recovery efforts: USTELECOM'S Petition for Forbearance. This proposal would leave without effect an important tool for promoting competition in the telecommunications industry and, regardless of what the Commission does in the mainland with respect to this Petition, Puerto Rico should be exempted from such relief either permanently or at least until conditions stabilize in the future.

The Commission should consider the fact that level of competition in Puerto Rico as it pertains to telecommunications is not what it is in the mainland, and it continues to be affected by the effects on the industry of last year's hurricanes. In contrast with the mainland market described in the Petition, the incumbent provider in Puerto Rico

continues to maintain control of a significant portion of the switched access market. The Commission's subscriber data reports show that, as of December 2016, the incumbent provided 62% of all of the wireline voice subscriptions in Puerto Rico – a number that is almost 30% higher than the national ILEC average. Other evidence, including P.R. Telecommunications Regulatory Board's findings, further supports the conclusion that the incumbent retains market dominance and there is a lower level of competition in Puerto Rico. For the past 22 years, the P.R. Legislature, the P.R. Telecommunications Regulatory Board, the U.S. Congress, and this Commission have required the sharing of networks, for a fee, to promote the greater good of competition. Puerto Rican competitive companies have relied on these options, and, in so doing, they have conferred substantial benefits to Puerto Rico regarding price competition, quality of service, and technological innovation. Now is not the time to impede these efforts and diminish these benefits to the small business market in Puerto Rico, which is the engine of our economic recovery.

The current focus for telecommunications in Puerto Rico, and likely for a substantial period of time, should be to repair and restore networks and services and, importantly, get ready for any future natural disasters, and not, to reshape the competitive telecommunications market. Our focus needs to remain on maintaining the limited stability we have already achieved and continuing to rebuild our infrastructure; and we should seek to attenuate any further disruptions to the telecom market. Even prospective relief will undoubtedly have competitive companies scrambling to find alternative connectivity options, instead of exclusively focusing on recovery. That is a distraction that Puerto Rico cannot afford.



Further, as Puerto Rico continues to work to resolve its fiscal and economic crisis, disturbance of an important business sector would be detrimental to economic recovery. US TELECOM'S request, by its own admission, contemplates price hikes for necessary telecommunications services, including 15% in the short. While US Telecom argues that long term prices will come down, the short term gut-punch of raised prices to consumers could not come at a more inopportune time. And, the economic pain that is sure to come to current competitive providers and the cost increases to end users will not help foster economic growth nor job creation, goals that are paramount here in Puerto Rico.

In the best case scenario, the granting US TELECOM'S petition will cause market disruption in Puerto Rico, affect the availability and cost of services to customers in Puerto Rico. However, in the comments filed by the P.R Telecommunications Regulatory Board on September 5, 2018, our local regulator explained that granting U.S. TELECOM'S Petition will erode the competitive marketplace in Puerto Rico, to the detriment of the public interest

and the safety of the customers in Puerto Rico. Under the current state of our recovery, further disruption to the telecommunications market is the last thing Puerto Rico needs.

I thank you for your consideration of my views.

Respectfully,



Jennifer A. González Colón
Member of Congress

- c. Commissioner Michael O'Reilly
 - Commissioner Brendan Carr
 - Commissioner Jessica Rosenworcel
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