

## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

September 15, 2020

The Honorable Greg Gianforte U.S. House of Representatives 1222 Longworth House Office Building Washington, DC 20515

## Dear Congressman Gianforte:

Thank you for your letter regarding the Commission's efforts to modernize its rules regarding unbundled network elements and resale. I share your concern for consumers in rural areas, and the Commission is committed to ensuring that these consumers benefit from our efforts to promote competition and bridge the digital divide.

Last November, the Commission adopted a Notice of Proposed Rulemaking seeking comment on proposals to update the unbundling and avoided-cost resale obligations stemming from the 1996 Telecommunications Act. Over the past two decades, the communications landscape has dramatically transformed, with both the voice and broadband marketplaces replete with competition from a multitude of providers using a variety of technologies. At the same time, we recognize that unbundling requirements may have continued benefits in rural areas where facilities-based competition is less likely to occur. To strike the right balance, we proposed to limit relief from unbundling requirements for residential broadband-capable loops to urban census blocks, which include both urbanized areas and urban clusters, since broadband deployment is far more common and competitive in urban areas than rural areas with populations of less than 2,500.

The comment period in the proceeding is now closed, and our staff is analyzing the extensive comments filed in the record, including proposals to further narrow relief to only urbanized areas with populations of more than 50,000. Among the comments staff are closely studying is a compromise proposal from USTelecom and INCOMPAS that represents a possible path forward. I can assure you that we will take into consideration the issues and concerns presented by all stakeholders as the Commission deliberates on the appropriate course of action.

Please let me know if I can be of any further assistance.

Ajt V. Pai



## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

September 15, 2020

The Honorable Greg Walden Ranking Member Committee on Energy and Commerce U.S. House of Representatives 2322A Rayburn House Office Building Washington, DC 20515

## Dear Ranking Member Walden:

Thank you for your letter regarding the Commission's efforts to modernize its rules regarding unbundled network elements and resale. I share your concern for consumers in rural areas, and the Commission is committed to ensuring that these consumers benefit from our efforts to promote competition and bridge the digital divide.

Last November, the Commission adopted a Notice of Proposed Rulemaking seeking comment on proposals to update the unbundling and avoided-cost resale obligations stemming from the 1996 Telecommunications Act. Over the past two decades, the communications landscape has dramatically transformed, with both the voice and broadband marketplaces replete with competition from a multitude of providers using a variety of technologies. At the same time, we recognize that unbundling requirements may have continued benefits in rural areas where facilities-based competition is less likely to occur. To strike the right balance, we proposed to limit relief from unbundling requirements for residential broadband-capable loops to urban census blocks, which include both urbanized areas and urban clusters, since broadband deployment is far more common and competitive in urban areas than rural areas with populations of less than 2,500.

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