

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	)	
	)	
Strengthening Customer Service in the	)	CG Docket No. 24-472
Communications Industry	)	
	)	
	)	

**REPLY COMMENTS OF  
THE NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION  
(NRECA)**

The National Rural Electric Cooperative Association (“NRECA”) submits these Reply Comments in response to the Notice of Inquiry issued by the Commission in the above-captioned proceeding (“*NOP*”).<sup>1</sup>

NRECA is the national service organization for nearly 900 not-for-profit rural electric cooperatives that provide electric power to 56% of the nation’s landmass, including approximately 42 million people in 48 states, or approximately 13 percent of U.S. electric customers. Rural electric cooperatives serve 88% of the counties of the United States, including 92% of the nation’s 353 persistent poverty counties.

Rural electric cooperatives were formed to provide safe, reliable electric service to their member-owners at the lowest reasonable cost. They are dedicated to improving the communities in which they serve, and the management and staff of rural electric cooperatives are active in rural economic development efforts. Electric cooperatives are private, not-for-

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<sup>1</sup> *In the Matter of Strengthening Customer Service in the Communications Industry*, CG Docket No. 24-472, Notice of Inquiry (rel. Oct. 23, 2024) (“*NOP*”).

profit entities that are owned and governed by the members to whom they deliver electricity, are democratically governed, and operate according to the seven Cooperative Principles.<sup>2</sup> All of NRECA's electric distribution cooperatives are small business entities as defined by the U.S. Small Business Administration.

The nation's rural electric cooperatives are committed to promoting the deployment of advanced telecommunications capabilities within the rural communities and areas in which they serve, and electric cooperatives are expected to play a crucial role in the development of broadband infrastructure to serve rural unserved and underserved locations. Over 200 rural electric cooperatives currently are working to provide these much-needed broadband services themselves or through partnerships with affiliated or unaffiliated ISPs. Another 100 such projects are being considered.

### **REPLY COMMENTS**

The *NOI* in general seeks comment on “ways to ensure that consumers have appropriate access to the customer service resources they require to interact with their service provider in a manner that allows them to efficiently resolve issues, avoid unnecessary charges, and make informed choices regarding the services they obtain.”<sup>3</sup>

NRECA agrees that customer service practices for many communications industry providers can be problematic and should be improved, but also agrees with multiple commenters who maintain that the Commission should not proceed with a rulemaking in this instance.<sup>4</sup>

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<sup>2</sup> The seven Cooperative Principles are: Voluntary and Open Membership, Democratic Member Control, Members' Economic Participation, Autonomy and Independence, Education, Training, and Information, Cooperation Among Cooperatives, and Concern for Community.

<sup>3</sup> *NOI*, ¶ 2.

<sup>4</sup> *See generally*, Comments of ACA Connects, Comments of CTIA, Comments of NCTA, Comments of NTCA – the Rural Broadband Association.

Most importantly, not all communications providers are created the same, and NRECA is concerned that Commission action would impose additional customer service regulations and administrative burdens on entities for which it is not needed. Rural electric cooperatives present a prime example. As community-based, member-driven service providers, rural electric cooperative broadband service providers operate at a local level with considerable built-in accountability. Electric co-op customer-members already can communicate in an easy and timely manner with a live representative at their local service provider, who almost always is a person who lives nearby in the same vicinity. Customers may, in fact, be speaking with one of their neighbors.

Electric cooperatives also maintain local brick-and-mortar offices, which customers can visit to discuss their account, any service issues they may have, or any other concerns. And ultimately, the customer – as a member of the cooperative – has a voice in how the cooperative operates. Unlike larger, out-of-state providers, electric cooperative customers may attend cooperative member meetings and provide input for Board meetings, at which any local customer service issues can be raised and addressed.

In this local service respect, NRECA echoes and supports the comments of NTCA—the Rural Broadband Association. NRECA’s electric cooperative members, like telephone cooperatives, “are largely based in the communities they serve and are committed to providing exceptional customer service to their neighbors, friends, and family, as well as the anchor institutions and businesses that are critical to the vitality of these communities.”<sup>5</sup>

This built-in local accountability for electric cooperatives explains why NRECA members already provide excellent customer service. According to Calix, the Internet service

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<sup>5</sup> Comments of NTCA, at 1.

industry as a whole averages a customer satisfaction score of 16 on a 100-point net promoter score (NPS) scale, and a score of 33 is considered a “high” score. Rural electric cooperatives routinely *scored above 75*.<sup>6</sup>

NRECA’s primary concern with the customer service proposals in the *NOI*, therefore, is that any customer service regulations the Commission might impose would apply to providers such as rural electric cooperatives for which no customer service problem exists. Rather than improve customer service, such regulations would simply increase the administrative burden on NRECA members with no apparent benefit for cooperative customers.

From a regulatory perspective, NRECA does not disagree with many commenters that the Commission’s authority to act in this instance is uncertain.<sup>7</sup> Given the apparent demise of the *Open Internet Order* and the Commission’s Title II authority over broadband Internet access service, there appears to be no clear authority for the Commission to impose customer service regulations on broadband Internet access service providers.

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<sup>6</sup> Representative solicited quotes about electric cooperative broadband customer service include:

“[Tennessee Co-op] is the best wifi service we’ve ever had. The few times I’ve needed to contact Customer Service, I get to speak to a real person, they are always pleasant and helpful. When I needed to speak to a technician, they were thorough and patiently walked me through the steps which can take a little time. When our router stopped working, the installer was here a couple hours later at 7:00 p.m. setting up a new one. Exemplary service at every level. I’m never moving out of the [Tennessee Co-op] service area!”

“I always feel appreciated as a customer and can tell my needs are cared about. I don’t just feel like a source of income for the company. Trust, accountability, loyalty are what I love about [Indiana Co-op]!! It was a No Brainer when they offered an internet program.”

“[Michigan Co-op]s kind, courteous, and very helpful employees who go the extra mile for their customers. Whenever there has been any issue [Michigan Co-op] has addressed it quickly and with integrity. From a calm helpful voice when you call to kind, polite, and hard-working line crews, it is easy to see [Michigan Co-op] is customer-driven and put customer satisfaction as their main goal. Feel free to quote me! You guys are the BEST!”

<sup>7</sup> See Comments of ACA Connects, Comments of CTIA, Comments of NTCA, Comments of NTCA – the Rural Broadband Association, Comments of USTelecom.

Moreover, some commenters believe the Federal Trade Commission may be better suited to address these issues. The FTC has already adopted rules addressing some of the issues raised in the *NOI*,<sup>8</sup> and the FTC appears to be in a better position to implement and police new rules that may ultimately cut across various industries, including the communications sector. As NTCA points out, “[a]n FCC-specific regulatory regime applicable to a small part of the online ecosystem or one sector of the broader economy generally would create a regulatory disparity and potential conflict with frameworks applicable to other actors in the Internet ecosystem or other lines of business...A uniform approach – with FTC general principles consistent with Section 5 of the FTC Act that provide guidance to the market overall – is the better approach, if any action is warranted at all.”<sup>9</sup>

### **CONCLUSION**

NRECA appreciates the opportunity to provide the above Reply Comments in this proceeding.

Respectfully submitted,

**National Rural Electric Cooperative Association**

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<sup>8</sup> See *NOI*, ¶ 11, 16 CFR § 425.1(a)(1) (FTC rules addressing prenotification plans).  
<sup>9</sup> Comments of NTCA, at 6.

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