

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

<i>In the Matter of</i>)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
A National Broadband Plan for Our Future)	GN Docket No. 09-51
)	
Establishing Just and Reasonable Rates for Local Exchange Carriers)	WC Docket No. 07-135
)	
High-Cost Universal Service Support)	WC Docket No. 05-337
)	
Developing an Unified Intercarrier Compensation Regime)	CC Docket No. 01-92
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Lifeline and Link-Up)	WC Docket No. 03-109

COMMENTS OF GENERAL COMMUNICATION, INC.

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INTRODUCTION & SUMMARY

General Communication, Inc. (“GCI”) files these comments regarding the Federal Communication Commission’s (“FCC” or “Commission”) *Further Inquiry into Certain Issues in the Universal Service – Intercarrier Compensation Transformation Proceeding* (“*Further Inquiry*”).¹ The various reform plans outlined in the *Further Inquiry*, particularly as they relate to universal service, are largely inappropriate for Alaska, and would likely leave the state struggling to deploy and operate even late-twentieth century infrastructure, while the rest of the country marches well into the twenty-first century. The Joint Incumbent Local Exchange Carrier

¹ *Further Inquiry into Certain Issues in the Universal Service – Intercarrier Compensation Transformation Proceeding*, Public Notice, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; CC Docket Nos. 01-92, 96-45; GN Docket No. 09-51 (rel. Aug. 3, 2011) (“*Further Inquiry*”).

("ILEC") Framework, incorporating the America's Broadband Connectivity ("ABC") and Rural Local Exchange Carrier ("RLEC") Plans – particularly the Connect America Fund ("CAF") plan for universal service reform – would severely curtail Alaskan telecommunications infrastructure development and operations and leave Alaska with a fractured and only partially-constructed telecommunications network. The State Joint Board proposal would likewise undermine Alaska's telecommunications infrastructure. The Commission should not extend these proposals to Alaska but should, instead, follow its well-established practice of tailoring reform to the realities of Alaska Native regions by adopting the framework principles of the Alaska Broadband Plan ("ABP") described in these comments.²

As GCI set forth in its previous comments in this proceeding, Alaska's telecommunications network is deeply underdeveloped relative to the rest of the United States. No other state has such a large total land mass or percentage of its territory unserved by 2G wireless voice services, let alone broadband services. In Alaska, moreover, traditional incumbent LECs as a group have not driven broadband deployment statewide, but only as a

² Under the CETC *Interim Cap Order*, "Covered Locations are tribal lands or Alaska Native regions as those terms are defined in section 54.400(e) of the Commission's rules. See 47 C.F.R. 54.400(e) (tribal lands or Alaska Native regions are 'any federally recognized Indian tribe's reservation, pueblo, or colony, including former reservations in Oklahoma, Alaska Native regions established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688), and Indian allotments.')." *High-Cost Universal Service Support Federal-State Joint Board on Universal Service; Alltel Comm'c'ns, Inc., et al. Petitions for Designation as Eligible Telecomms. Carriers; RCC Minnesota, Inc., and RCC Atlantic, Inc. New Hampshire ETC Designation Amendment*, Order, WC Docket No. 05-337; CC Docket No. 96-45, 15 n.95 (rel. May 1, 2008) ("*Interim Cap Order*"). The Commission's *CAF NPRM* similarly stated that "Tribal Lands" included, "Alaska Native regions established pursuant to the Alaska Native Claims Settlements Act (85 Stat. 688)." *Connect America Fund, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Lifeline and Link-Up, Developing an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, A National Broadband Plan for our Future*, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; CC Docket Nos. 01-92, 96-45; GN Docket No. 09-51, 5 n.4 (rel. Feb. 9, 2011) ("*CAF NPRM*").

patchwork, primarily focused along the road network. By contrast, GCI has led the way with its ongoing statewide deployment of 2G wireless service and, with its ILEC affiliate, United Utilities, Inc. (“UUI”), its deployment of a terrestrial fiber/microwave middle-mile network serving southwestern Alaska. In all of the hard-to-serve areas where GCI is launching wireless service, GCI does so as a CETC. The Commission has previously recognized that universal service support is critical to this deployment, adopting, most notably, the Tribal Lands exception to the interim CETC cap a scant three years ago.

The impact of the Joint ILEC Framework on Alaska wireless services – and thus Alaska consumers and public safety – would be devastating. Today, Alaska receives approximately \$100 million per year in support for wireless service infrastructure and affordability. Alaska has no unsubsidized wireless carriers (or wireline local service carriers) – and even if it did, unsubsidized carriers would likely target only dense population centers. Moreover, no single air interface serves all of Alaska.³

Existing high-cost funds support the deployment and provision of wireless service throughout the state, regardless of where the support is nominally provided. Without these funds, unserved areas will remain unserved, and the continued operation of recent deployments, such as the 110 villages where GCI has launched service over the past three years, would be called into doubt. Without wireless services, these newly-served Alaskans would be able to make an emergency call only from their home wireline phone, leaving them with far less security than consumers in most of the U.S. who can use wireless phones in emergencies whether at or away from home. Indeed, nationwide, approximately 70 percent of 911 calls are made from

³ With GCI’s rural wireless deployment, GSM covers a larger proportion of the state’s geography than CDMA.

mobile wireless phones. USF reform should not be implemented in way that creates a public safety divide between Alaska and the Lower 48.

In mid-2008, the Commission wisely adopted its tribal lands exception from the CETC interim cap, explaining that, “[b]ecause many tribal lands have low penetration rates for basic telephone service, we do not believe that competitive ETCs are merely providing complementary services in most tribal lands, as they do generally.”⁴ At that time GCI was just beginning its rural wireless deployment. In the three years since, the tribal lands exception successfully spurred wireless deployment in remote parts of Alaska that previously had been unable to enjoy modern wireless service. Of course, three years is not enough time for wireless deployment or penetration in Alaska to catch up with the mature wireline and wireless networks in the Lower 48 that have been built over decades in areas that generally are much less challenging to serve than Alaska. There is, in short, no change in circumstances that would justify an end to the tribal lands exception.

The ABC Plan’s Advanced Mobility/Satellite Fund is no answer, as it could not conceivably support wireless needs in Alaska. This Fund would be limited to \$300 million annually, at most, with no guarantee that *any* funds will actually be available (either at all or in any meaningful amount to Alaska service providers). Such limited and contingent funding cannot support the network builds, upgrades, and commitment to long-term operations and maintenance needed to deploy and maintain wireless or broadband service in hard-to-serve areas of Alaska.

In Alaska, an ILEC-centric one-broadband-network support regime that includes a “Right of First Refusal” (“ROFR”) for ILECs would turn back the clock on rural wireless and

⁴ See *Interim Cap Order*, ¶ 32.

broadband deployment, harm public safety, service and technological innovations, and greatly reduce consumer choice. This approach should be rejected not only for these reasons, but also because it rests on the faulty assumption that any ILEC that has deployed broadband to 35 percent of service locations is the best entity to extend broadband to the remaining 65 percent of service locations. That assumption simply does not hold true in Alaska, where ILECs generally do not deploy middle-mile backhaul facilities outside of the road network areas. Even within those areas the bulk of backhaul is provided by GCI and AT&T. GCI, not the local ILEC, has frequently led the way with mass market broadband deployment plans in hard-to-serve areas, pushing ILECs to respond. And today, it is largely GCI (with some competition from AT&T, Alaska Communications Systems (“ACS”), and some others), and not typically the state’s smaller ILECs, that provides high-capacity broadband service to anchor institutions such as schools and rural healthcare facilities throughout the state. Alaskans have benefitted from GCI’s middle-mile deployment and from the competition between GCI and the ILECs. USF reform should not deprive Alaskan consumers of the benefit of this competitive dynamic.

The various proposals before the Commission – and in particular the ABC Plan and the RLEC Plan, designed as national plans – fail to address in many other ways the unique challenges of Alaska’s geographic and telecommunications marketplace. For instance, the Plans neglect middle-mile speed limitations in Alaska. In addition, the Plans do not recognize that support should not be distributed using wireline-centric geographic areas in Alaska. Furthermore, a nationwide reverse auction pegged at supporting the lowest dollar-per-user deployments would only deepen the digital chasm between Alaska and the rest of the country. Finally, although direct-to-home satellite broadband service may play a key role in bridging that chasm in many parts of rural America, the Commission should not assume that direct-to-home

satellite is a viable solution for most of rural Alaska. While these Plans are not suitable for addressing the State's infrastructure and affordability needs, were these issues addressed via the ABP, the frameworks they present for the respective carriers may indeed be workable for achieving access reform.

USF reform can and should be tailored to Alaska's unique demographics, costs, and telecommunications environment. With beneficial input and feedback from industry outreach, GCI has developed a framework ABP that addresses the unique service and support needs of Alaska. The ABP would provide sufficient support in Alaska, fulfill the Commission's goals of transitioning traditional support to broadband and curbing fund growth, and not disturb the framework outlined in the ABC and RLEC Plans.

The ABP's five Principles are:

1. Capping total annual high-cost support for Alaska over a 10-year period at the 2010 disbursement level;
2. Freezing ILEC support on a study-area basis and CETC support on a per-line basis; while allowing CETC line growth and permitting wireless support for more than one provider per area;
3. Offsetting CETC line growth with additional targeted and sequential reductions to high-cost support;
4. Transitioning high-cost support to broadband support by requiring ETCs and CETCs to meet performance criteria to preserve eligibility; and
5. Following the access reform plan established under the ABC plan or rate-of-return plans as applicable, and entitling carriers to receive access replacement support.⁵

⁵ The ABP is attached in its entirety at Appendix 1.

GCI urges the Commission to adopt this tailored reform plan for Alaska.

I. NEITHER THE ABC PLAN NOR THE RLEC PLAN WILL WORK IN ALASKA

The *Further Inquiry* seeks comment specifically on proposals for reform by the Joint Rural Associations (“RLEC Plan”),⁶ as well as the America’s Broadband Connectivity Plan filed by six Price Cap Companies (“ABC Plan”).⁷ The Joint ILEC Framework⁸ incorporates both Plans. Neither plan as drafted is appropriate for Alaska, and each would devastate Alaska’s continued infrastructure development.

At a very high level, the ABC Plan would dramatically decrease the amount of critical Universal Service Fund (“USF”) disbursements to Alaska, shifting support away from Alaska to other areas of the country that have greater average population densities. As a result, Alaska would fall even further behind the Lower 48 in its access to modern telecommunications services. For instance, U.S. Telecom estimates that the ABC Plan would provide only \$6 million in the price cap study areas in Alaska that would be covered under the ABC Plan.⁹ \$6 million is only a fraction of the approximately \$71 million in 2010 high-cost support alone currently distributed in price cap study areas in Alaska.¹⁰ Reforms that deny carriers the opportunity to

⁶ Comments of NECA, NTCA, OPASTCO, and WTA, WC Docket No. 10-90 et al. (filed Apr. 18, 2011) (“RLEC Plan”).

⁷ Joint Letter from Kathleen Grillo, Verizon, et al., to Marlene H. Dortch, FCC, WC Docket Nos. 10-90 et al. (filed July 29, 2011) (“ABC Plan”).

⁸ Letter from Walter B. McCormick, Jr., United States Telecom Association, et al., to Marlene H. Dortch, FCC, WC Docket No. 10-90 et al. (filed July 29, 2011).

⁹ Letter from Jonathan Banks, U.S. Telecom, to Marlene H. Dortch, FCC, WC Docket No. 10-90 et al. (filed Aug. 16, 2011).

¹⁰ See Federal Communications Commission, Response to United States House of Representatives Committee on Energy and Commerce: Request 4, Top Ten Recipients of High Cost Universal Support (2011) *available at* <http://republicans.energycommerce.house.gov/Media/file/PDFs/2011usf/ResponsetoQuestion4.pdf>. The \$56 million in annual high-cost support for ACS set forth in the Response also includes CETC support that ACS receives outside of its ILEC areas (*i.e.* the price cap areas).

leverage state-wide resources will, in turn, deny carriers access to the private resources needed to deploy terrestrial middle-mile networks (typically leveraged with non-USF programs). In short, while USF funding alone is insufficient to fill the Alaska middle-mile gap, vastly diminishing USF support will guarantee that no carrier will have the ability to use USF to complement other revenue streams to deploy adequate middle-mile facilities.

A. Alaska, which is Entirely Tribal Lands, is Different than the 48 Contiguous States, and USF and ICC Reform Should Follow the Commission’s Consistent Recognition of Those Differences

As the State of Alaska, the Regulatory Commission of Alaska, every other Alaskan commenter, and many others set forth in initial comments, universal service and intercarrier compensation reform must be tailored to Alaska’s unique geographic and demographic challenges and market structure.¹¹ The Commission has recognized this need throughout these proceedings, including in its *Further Inquiry*’s specific request for comments on “CAF Support for Alaska, Hawaii, Tribal Lands, U.S. Territories, and Other Areas.”¹²

In Alaska, 2G wireless deployment is ongoing, with many rural areas only recently receiving wireless service. This deployment has been possible only as a result of continued high

On the other hand, GCI and Dobson Cellular both receive support in the ACS price cap ILEC study areas. GCI has estimated that after subtracting ACS support in non-price cap areas, and adding GCI and Dobson support in price cap study areas, there was a total of approximately \$71 million in high-cost support distributed in price cap areas in 2010.

¹¹ See e.g., *CAF NPRM*, ¶¶ 242, 254, 259, 411. Letter from Steven F. Morris, NCTA, to Marlene H. Dortch, FCC, Notice of Ex Parte Presentation, WC Docket No. 10-90 et al., Attachment at 3 (filed July 29, 2011); Comments of Smith Bagley, Inc., WC Docket No. 10-90 et al. at 6, 9 (filed Apr. 18, 2011); Comments of the Regulatory Commission of Alaska, WC Docket No. 10-90 et al. (filed Apr. 18, 2011); Comments of the Alaska Telephone Association, WC Docket No. 10-90 et al. (filed Apr. 18, 2011).

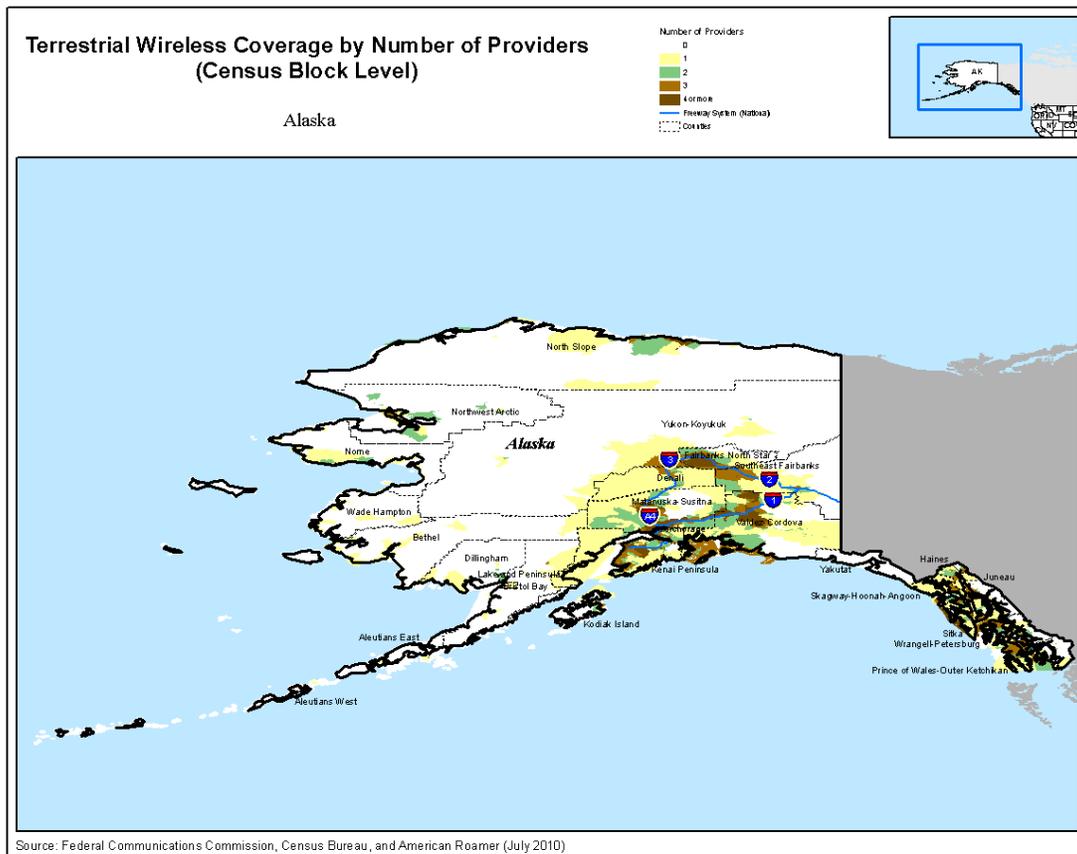
¹² *Further Inquiry* at 9; See also *Connect America Fund, High-Cost Universal Service Support, A National Broadband Plan for Our Future*, Notice of Inquiry and Notice of Proposed Rulemaking, WC Docket Nos. 10-90, 05-337; GN Docket No. 09-51 (rel. April 21, 2010); see *CAF NPRM*.

cost support available under the Tribal Lands exception to the CETC cap. No air interface is yet available throughout Alaska,¹³ and no wireless company yet provides statewide service – although GCI comes the closest, with current operations in at least parts of 20 out of 25 ILEC study areas. The FCC’s Fifteenth Wireless Competition Report released at the end of June 2011 confirms the absence of even 2G wireless service in much of Alaska, and the substantial wireless unserved areas that remain.¹⁴ The reality is that Alaska simply does not enjoy the type of service that consumers in the Lower 48 take for granted. For this reason, proposals that assume that the vast majority of the state already has wireless coverage – particularly wireless coverage without high cost support – simply are not applicable to Alaska.

¹³ GSM is available more broadly than CDMA in Alaska.

¹⁴ *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993; Annual Report and Analysis of Competitive Market Conditions With Respect to Mobile Wireless, Including Commercial Mobile Services*, Fifteenth Report, WT Docket No. 10-133 at 272 (rel. June 27, 2011) (“15th Wireless Competition Report”).

Terrestrial Wireless Coverage by Number of Providers in Alaska (Census Block Level)



Similarly, there is a relative lack of broadband services in Alaska, as the NTIA Broadband Map confirms.¹⁵ Substantial parts of Alaska lack the middle-mile infrastructure required to support modern broadband services. Twenty-seven percent of the state’s population lives in villages that are not on Alaska’s road/rail/pipeline network, and thus are today reached only by satellite middle-mile. GCI subsidiary UUI’s BIP-supported TERRA-SW project,

¹⁵ See, e.g., Comments of General Communication, Inc., WC Docket No. 10-90 et al. at 40 (filed Apr. 18, 2011) (“April 18, 2011 GCI Comments”).

described *infra*, will extend a combination fiber/microwave terrestrial middle mile to Bristol Bay and the Yukon-Kuskokwim Delta. The TERRA-SW project will result in a vast improvement, but even this terrestrial network is more limited in capacity than fiber-only facilities. And while GCI is always looking for ways to expand its terrestrial middle-mile facilities through both private and public funding, the remainder of the roadless areas in the state are still reachable only via satellite. In addition, current direct-to-home satellite Internet offerings are limited in rural Alaska, require expensive equipment, and are hampered by line of sight issues, due in part to Alaska's often mountainous terrain and the effect of the Earth's curvature at extreme northern latitudes. Moreover, it is GCI's understanding that planned new high-capacity satellites will cover only Alaska's "most populated"¹⁶ areas around Anchorage and Juneau, which are already largely served by fiber middle-mile facilities.

The Commission previously took these factors – particularly the dearth of wireless coverage – into account when it adopted tribal lands exception from the CETC interim cap.¹⁷ Alaska, like other Tribal Lands, remains underdeveloped from an infrastructure standpoint. As GCI has previously documented, rural Alaska in particular suffers from a lack of basic infrastructure, such as an intertied electricity grid, which means that power costs to operate and maintain communications networks are substantially higher in those areas than in the Lower 48.¹⁸ Similarly, these are very small areas for which standalone local switching and connectivity has to be engineered in case links back to Anchorage (particularly satellite links) fail. The

¹⁶ See ViaSat-1 Mission Overview, Satellite Mission, *available at* <http://www.viasat.com/files/assets/web/datasheets/ViaSat-1%20Mission%20Overview%20r3.pdf> (stating that coverage will extend to the "most populated areas of Alaska") ("ViaSat Information Sheet").

¹⁷ See *Interim Cap Order*, ¶ 32.

¹⁸ See, e.g., April 18, 2011 GCI Comments at 11-12.

wireless host-remote switching configuration usually used to minimize cost in terrestrial networks is unusable due to the inherent delay in satellite links. With the help of continued high-cost support, GCI has worked hard to overcome these obstacles to deploy facilities over the past three years to help close the gap between Alaska and the Lower 48. But these rural wireless deployments in Alaska's tiny off-road rural communities would not be viable going forward without continued universal service support. The ABC and RLEC Plans, which are based on assumptions designed for the Lower 48, simply do not account for the challenges of deployment in Alaska. As a result, they would leave Alaska with little opportunity for continued development of its telecommunications infrastructure.

In addition, if 3G and 4G services are eventually deployed in rural Alaska, it will be critical to have at least one unified wireless broadband technology platform that can follow a unified path to coherent operations and upgrade. The ABC and RLEC Plans, if applied in Alaska, would frustrate that possibility by proposing to limit support to only one provider in an area, and creating the possibility that no air interface would operate statewide. Moreover, even if the CAF were to support one wireless carrier per air interface, the proposals still create the potential that no carrier would be able to deploy and provide a statewide network. On the other hand, if the FCC were to conduct a wireless high cost procurement with a preference for statewide operations to both drive a coordinated technology deployment and take advantages of economies of scale and scope, it would place Alaska's rural ILECs into an even more difficult financial position by eliminating their ability to receive high cost support for their wireless affiliates, most of whom serve only their own ILEC study area. The high cost transition needs to accommodate these realities and competing policy goals.

B. An ILEC Right of First Refusal for Single Provider Support Would Not Take Advantage of Economies of Scale and Does Not Reflect the Increasing Importance of Wireless in Alaska

An ILEC-centric one-network support regime, including a ROFR for ILECs, would be disastrous for ETCs like GCI and the customers they serve, would turn back the clock on rural wireless and broadband deployment, and more importantly, would harm public safety.¹⁹ The ABC Plan would give an ILEC the opportunity to accept or decline a model-determined support amount in a wire center if the ILEC has already made high-speed Internet service available to more than 35 percent of the service locations in the wire center.²⁰ The ABC Plan estimates that ILECs would have this ROFR in 82 percent of the census blocks eligible for CAF support, representing 82.2 percent of the \$2.2 billion in support targeted to areas served by price cap LECs.²¹

Assigning ROFR to the ILEC for simply having built out 35 percent of its study area fails to take into account a number of considerations that are relevant in Alaska. For example, the ILEC may, in fact, have been the second provider to build out these areas, and it may be no more, and perhaps less, deployed than other broadband providers. In addition, Alaska cable

¹⁹ Moreover, such a proposal ignores the fact that some states have sought innovative ways to share carrier of last resort responsibilities among multiple carriers. *See, e.g.*, Alaska Admin. Code tit. 3 § 53.290 (2011); Hawaii determines the carrier of last resort via a bidding process, *see* Haw. Code R. § 6-81-55 (2011); Missouri designated the ILEC as the COLR, but allows other LECs to apply for COLR status as well, *see* Mo. Code Regs. Ann. tit. 4, § 240-31.040 (2011); *see also* S.C. Code Ann. § 58-9-280 (2011) (contemplating the existence of multiple COLRs). In Alaska, the Regulatory Commission of Alaska has adopted regulations that enable it to allocate COLR obligations among multiple facilities-based local exchange carriers.

²⁰ *See* ABC Plan, Attach. 1 at 6.

²¹ *See id.* at n. 7.

companies, most of which are also ETCs, collectively serve more consumers than ILECs, a gap that widens at 3Mbps download and 768 kbps upload speeds.²²

The basis for the ILEC ROFR is particularly questionable in rural Alaska, which is characterized by extremely remote villages that are very hard to reach, but which are also often relatively compact. The greatest mass-market broadband deployment challenge for rural Alaska is developing an adequate and cost-effective middle-mile capacity to handle backhaul from remote areas to Anchorage. By contrast, when villages are compact, the last mile for fixed broadband service can be deployed relatively cost-effectively using fixed wireless technologies, such as 802.11, albeit introducing some performance considerations on a location-by-location basis.

In Alaska, GCI is a wireline and wireless CETC and the largest provider in the state. It is better equipped than any other Alaska provider to leverage resources and use economies of scale. These economies allow GCI to put scarce USF funding to its best use and leverage private capital to support last-mile and middle-mile deployment and operations. Once GCI's rural wireless deployment is complete, it will be the only carrier in the state to offer mass market last-mile services statewide, and it is presently the only mass market last-mile provider to serve nearly all of the state. With scale comes efficiency, and adopting a ROFR that would shut out the most efficient carriers, like GCI, would undermine rather than advance the goals of Universal Service.

²² See National Broadband Map, Summary of Broadband Characteristics for Alaska as of June 30, 2010, Technology, <http://www.broadbandmap.gov/summarize/state/alaska> (last visited August 24, 2011); See also Federal Communications Commission, *Internet Access Services: Status as of June 30, 2010*, 25, Chart 8 at 25 (March 2011) available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-305296A1.pdf.

Moreover, if the Commission is going to choose to support only one network, there is a clear public safety imperative for supporting a last-mile wireless network rather than a wireline network. As Commissioner Clyburn recently noted, “it is estimated that 70 percent of the 9-1-1 calls made last year, were from cell phones.”²³ In fact, today, if the country were to shift to having only a single voice-capable network nationwide, twice as many adults would lose telephone service if wireless, rather than wired, networks were shut down. As the Commission has said, “[o]ne of the most important opportunities afforded by mobile telephony is the potential for the American public to have access to emergency services personnel during times of crisis, wherever they may be.”²⁴ That access will be denied if there is no wireless network in a rural area because the FCC decides to support only a wireline network in a high-cost area.

Reduced emergency access would not be the only harm. The Alaskan way of life and economy is characterized by a significant transient work force. Wireless service connects these

²³ Prepared Welcoming Remarks of FCC Commissioner Mignon L. Clyburn at NENA’s “9-1-1 Comes to Washington Conference” Washington, DC (rel. Mar. 29, 2011) (“Commissioner Clyburn NENA Comments”); Federal Communications Commission, *21st Century 9-1-1*, http://fjallfoss.fcc.gov/edocs_public/attachmatch/DOC-303733A2.pdf

²⁴ *Wireless E911 Location Accuracy Requirements*, Second Report and Order, PS Docket No. 07-114, ¶ 1 (rel. Sept. 23, 2010); *see also* Separate Statement of Chairman Julius Genachowski, *Proposed Extension of Part 4 of the Commission’s Rules Regarding Outage Reporting to Interconnected Voice Over Internet Protocol Service Providers and Broadband Internet Service Providers*, PS Docket No. 11-82 (rel. May 13, 2011) (“When disaster strikes, the public must be able to make emergency calls to summon help, particularly those facing life-threatening situations.”); Separate Statement of Commissioner Michael Copps, *Developing a Framework for Next Generation 911 Deployment, Notice of Inquiry; FCC 10-200* (rel. Dec. 21, 2010) (“[W]e can all agree that the safety of the American public must always be our top priority.”); Separate Statement of Commissioner Robert M. McDowell, *Proposed Extension of Part 4 of the Commission’s Rules Regarding Outage Reporting to Interconnected Voice Over Internet Protocol Service Providers and Broadband Internet Service Providers*, PS Docket No. 11-82 (rel. May 13, 2011) (“My colleagues and I agree on the vital importance placed on voice calls to 9-1-1. All Americans rightly expect their emergency calls to go through, even though most may not understand the technologies involved, how the systems operate or their regulatory treatment.”); Commissioner Clyburn NENA Comments (“One of the top priorities for any government -- federal, State, or local -- should be to ensure the safety of our citizens.”)

workers in a way that wireline service never could. For instance, many Alaskans have a subsistence lifestyle, and must relocate seasonally to hunt and trap. Similarly, many other Alaskans work on fishing boats, and do not generally have easily accessible fixed line service. Many oil patch workers are likewise transient and cannot depend on wireline service. For these individuals, wireless service is more likely than wireline to be their primary mode of connectivity. By expanding wireless service in rural Alaska, these individuals have better access to communications for emergencies, for transacting business, and for keeping in contact with family and friends. Support for the wireline network on its own is important, of course, but that support is also leveraged to support centralized facilities and operations that enables the provision of much-needed wireless service. In light of Alaska's unique needs, the Commission should recognize that the best alternative is to support both wired and wireless networks in extremely hard-to-serve areas such as Alaska.

C. A Single-Provider CAF Split Between Wireline and Wireless Providers Would Endanger Broadband Deployment in Alaska

Proposals to split CAF support between wireless and wireline providers would also be wholly inadequate to meet Alaska's needs. Alaska does not yet have a state-wide deployment of 2G wireless service, let alone 3G or 4G service. Several parties nonetheless propose this split approach, which is a component of both the RLEC and ABC Plans. Under those Plans, the Commission would create two separate components of the CAF, one focused on ensuring that consumers receive fixed voice and broadband service (which could be wired or wireless) from a single provider of last resort in areas that are uneconomic to serve with fixed service, and one focused on providing ongoing support for mobile voice and broadband service in areas that are

uneconomic to serve with mobile service (*i.e.*, a Mobile Connect America Fund), with the two components together providing annual support under a defined budget.²⁵

Funding for wireless services in Alaska would be particularly inadequate under the split plan. In fact, the entire national Mobile Connect America budget under the ABC Plan (referred to as that Advanced Mobility/Satellite Fund (“AMF”)) is, at most, \$300 million per year.²⁶ Alaska currently receives more than \$100 million per year in high cost support for CETCs, which supports new wireless deployments, ongoing operations and maintenance, and upgrades. Moreover, Alaska currently has no unsubsidized competitors. Every part of Alaska is served by carriers that rely on high cost support.

Moreover, as discussed above, no air interface yet covers all of Alaska. With the support made possible by the Tribal Lands exception from the CETC cap, GCI has been able to extend its GSM service to 110 villages in rural Alaska since 2008, with current plans to reach approximately another 60. These recent and future deployments and continued operations in rural Alaska would not be possible without the support made available through the Tribal Lands exception from the CETC cap. However, these rural wireless deployments would also not be viable if severed from the network supporting Alaska’s urban centers. Yet, that is exactly what a proposal to support only one broadband provider – or one wireless provider – in an area could do, particularly if the more urban areas were haphazardly divvied up even among the wireless

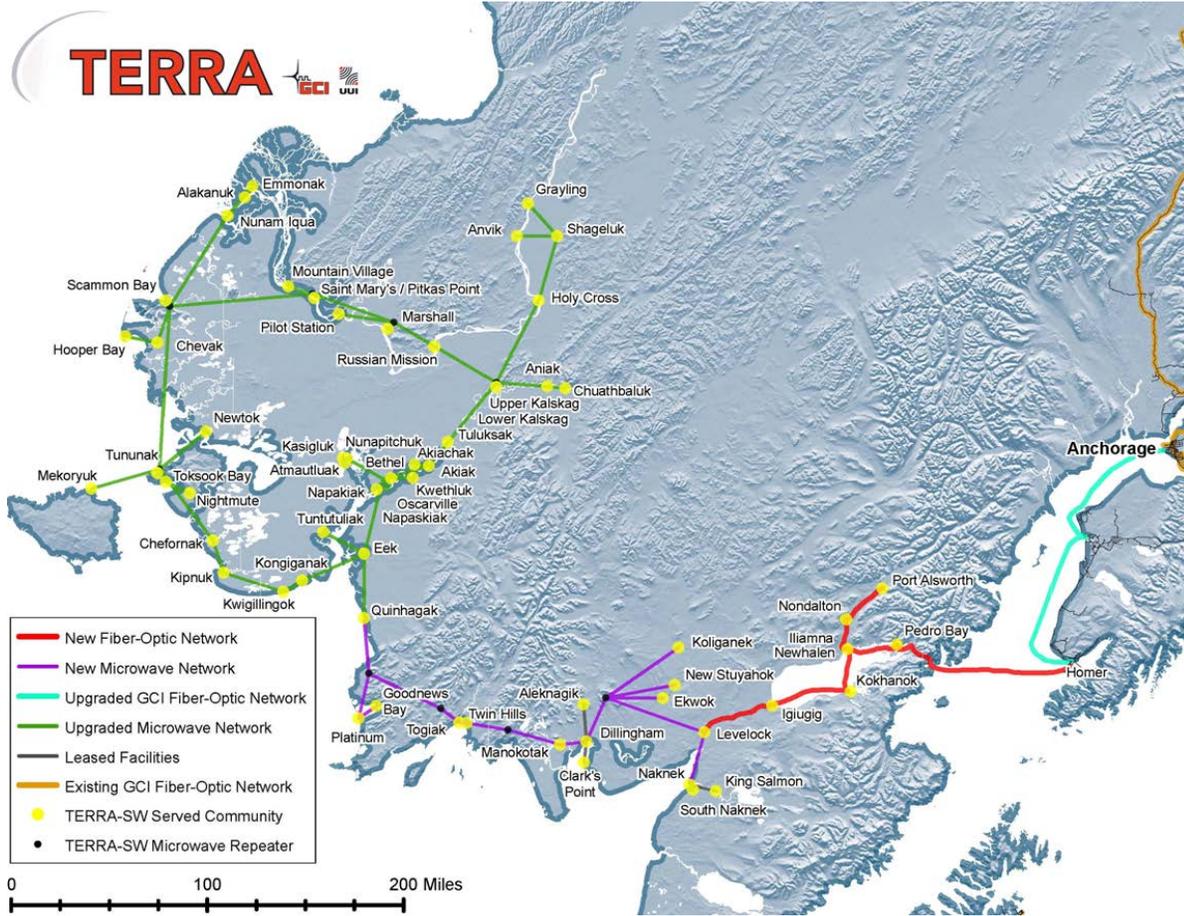
²⁵ *See, e.g.*, Comments by State Members of the Federal State Joint Board on Universal Service at 2, 68-73, WC Docket No. 10-90 (filed May 2, 2011); ABC Plan, Attachment 1 at 8; RLEC Plan at 83; Comments of United States Cellular Corporation, WC Docket No. 10-90 et al. at 20 (filed Apr. 18, 2011); Comments of the American Cable Association, WC Docket 10-90 et al. at 5-6; Comments of AT&T, WC Docket No. 10-90 et al at 86-87, 108-09 (filed Apr. 18, 2011); Comments of Nebraska Public Service Commission, WC Docket No. 10-90 et al at 17 (filed Apr. 18, 2011).

²⁶ *See* ABC Plan, Attach. 1 at 8.

ETCs in those areas, without regard to the air interfaces involved or the overall benefits of the scope of a carrier's operations.

In addition, terrestrial middle mile is prohibitively expensive in Alaska, and it does not reach nearly all of the communities in the state. For instance, a \$30 million combination grant and loan from the Rural Utilities Service ("RUS") Distance Learning and Telemedicine Program funded initial construction of GCI-subsiidiary Unicom's DeltaNet, a terrestrial microwave second-mile network in the remote Y-K Delta. As the next step in terrestrial middle mile construction to off-road areas currently using satellite middle mile, GCI's subsidiary, United Utilities, sought and received an \$88 million grant/loan combination from the BIP to leverage its DeltaNet. This project, TERRA-SW, will upgrade DeltaNet in the Y-K Delta, construct a similar regional network in the Bristol Bay region, and build a fiber network connecting the Y-K Delta and Bristol Bay with Anchorage so that these areas will be linked terrestrially to the Internet backbone.

Map of TERRA-SW Network



Yet, TERRA-SW is only the beginning in terms of trying to meet Alaska’s needs for a terrestrial middle-mile backbone. In Round 2 of the RUS’ BIP program, United Utilities applied for a \$154 million grant/loan combination to support the construction of TERRA-NW, which would have leveraged the DeltaNet/TERRA-SW network to complete a microwave and fiber ring that linked to Nome and then eastward to the fiber running along the Alaska Pipeline.

Moreover, the available AMF support in a given year would equal the difference between the overall constraint on the size of the high-cost fund and the sum of support from the CAF for price cap LEC areas, support from the transitional access replacement mechanism for price cap LECs, any remaining legacy support provided to price cap ILEC ETCs and CETCs, and any

support provided to rate-of-return ILECs.²⁷ The result of the AMF being a residual fund after all other support is disbursed is that the total sum available for mobile funding could be zero. This would leave places like Alaska, where a mobile network still lags, wholly in the lurch, denying consumers access to potentially life-saving mobile wireless services. And serving rural Alaska also requires deployment of more middle-mile backhaul facilities. USF is critical to that effort, as high-cost support enables GCI to free up capital necessary to deploy middle-mile backhaul. The AMF offers no realistic hope of meeting this demonstrated need in Alaska.

D. A Nationwide Reverse Auction Based on Low-Cost-Per User Would Not Benefit Alaska

No service area in Alaska could ever be expected to win a nationwide reverse auction pegged at supporting the lowest dollar per user deployments because Alaska service areas, particularly in rural Alaska, are costly to serve and have extremely small population centers. Adopting such an approach would deepen the digital chasm between the Alaska population and the rest of the country.

Any plan that provided support on the basis of lowest support per covered population would likely result in little if any support going to Alaska. One of the hallmarks of a rural (and high cost) area is low population density. Alaska's population density is the lowest in the nation – 1.2 persons per square mile²⁸ as compared to 103.8 in the Lower 48.²⁹ Alaska's urban

²⁷ See ABC Plan, Attach. 1 at 8.

²⁸ See Resident Population Data, Population Density, United States Census 2010, at <http://2010.census.gov/2010census/data/apportionment-dens-text.php> (last visited August 23, 2011).

²⁹ See Population Density for States and Puerto Rico, July 1, 2009, <http://www.census.gov/popest/gallery/maps/popdens-2009.html> (last visited August 24, 2011).

populations are small compared to rest of the country,³⁰ and even Alaska’s regional centers have year-round populations of only a few thousand people.³¹ Many of the villages in rural Alaska are extremely tiny – with only a few hundred year-round residents each, and some with fewer than 50. In fact, of the 180 communities that GCI classifies as rural (508 residents or POPs on average per community), 85 (45 percent) have fewer than 200 POPs, and 45 (25 percent) have fewer than 100 POPs. In fact, GCI serves or plans to serve a significant number of rural communities with fewer than 50 POPs. With such small populations, no Alaska service area is likely to be the winner of a “lowest support per newly served population” auction, even though its citizens are exactly those who benefit most from USF support for wireless services.

E. Satellite is Not a Viable Broadband Solution for Alaska

Direct-to-home/small business satellite service, even via new high-capacity Ka-band satellites, is not a solution for most of rural Alaska anytime in the near future. Yet, the ABC Plan would indiscriminately rely on satellite broadband to serve extremely high-cost areas across the entire nation.³²

With respect to direct to home/small business services (an at-home dish using IP technology to access a large pool of shared bandwidth “in the sky”), Alaska lacks meaningful coverage outside the areas that already have broadband service. As GCI understands it, current advanced satellites plan to have spot beams that cover the Anchorage/Matanuska Valley area,

³⁰ For instance, Anchorage has only 291,826 residents, Fairbanks has only 31,535 residents, and Juneau has only 31,275 residents. *See* Alaska Community Database Custom Data Queries, State of Alaska, http://www.commerce.state.ak.us/dca/commdb/CF_CUSTM.htm (last visited Aug. 23, 2011).

³¹ Barrow and Nome, for example, have only 4,212 and 3,598 residents, respectively. *See* Alaska Community Database Custom Data Queries, State of Alaska, http://www.commerce.state.ak.us/dca/commdb/CF_CUSTM.htm (last visited Aug. 24, 2011).

³² *See* ABC Plan, Attach. 1 at 4.

and the Juneau area. These areas are already substantially covered by broadband service providers offering USF-supported services, either cable-based or ILEC-delivered using DSL technology. The fact that satellite spot beams will cover these areas is understandable from a business perspective: they are where the greatest portion of Alaska's population resides.³³ However, spot beams with this configuration will do little to provide mass-market broadband services to Alaska's off-road areas, which appear generally to lie outside of the planned spot beam areas.

Furthermore, direct-to-home satellite coverage to much of rural Alaska from existing satellites is limited by capacity, latency, cost, weather, and the Earth's curvature in extreme northern latitudes. Even where available, this service typically requires expensive dish equipment. This situation is substantially different from the Lower 48, where satellite coverage reaches many hard-to-serve areas.

Direct-to-home satellite service in Alaska faces other challenges as well. For middle mile and larger enterprise (as distinguished from direct-to-home/small business), GCI has concluded that satellite's limited throughput capacity and inherent latency, as well as the need to replace satellites every 10-15 years, renders it unsuitable for serving the expanding needs of anchor institutions or backhauling mass market bits, particularly if rural growth trends follow urban ones. Indeed, the growth in telemedicine and distance learning within Alaska already threatens to overwhelm the existing satellite system.

Although GCI has been using satellite to provision services to anchor institutions, developing Internet applications – especially cloud-based services for telemedicine and distance learning and high-definition video conferencing services for remote diagnostics, surgery, and

³³ See ViaSat Information Sheet.

psychiatry – are latency sensitive and have not fared well over satellite connections. Real-time interactive applications such as telemedicine, distance learning delivery, and video conferencing increasingly suffer significantly in high-latency networks. Latency restricts data throughput speeds and ultimately limits user participation. Even with new satellites and new ground equipment, the theoretical minimum latency due to the time needed for light to travel to and from a satellite in geosynchronous orbit is approximately 250ms.

Medical personnel in Alaska have stated that that 93ms is the maximum latency that they would accept for medical-grade HD video teleconferencing to be used in latency-sensitive applications such as surgery. Applications such as telepsychiatry and electronic health records are also negatively affected by latency. In fact, GCI is aware of instances in which some health facilities delay record transfers until the middle of the night, because that is only possible way to upload the records. Accordingly, satellite is extremely limited as a future broadband delivery technology for rural Alaska.

F. The Proposed Definition of Broadband Service to be Supported by the CAF Does Not Take into Account Speed Limitations in Alaska

The ABC Plan proposes that providers receiving CAF support make available broadband service that provides customers with a minimum actual downstream bandwidth of 4 Mb/s and a minimum actual upstream bandwidth of 768 kb/s.³⁴ Yet, it is not possible to meet these speeds in areas such as rural Alaska that are served only via microwave and satellite middle-mile facilities. Precluding support to those areas for failure to meet unobtainable speeds would be self-defeating, foreclosing service improvements in the hardest to serve areas, for all reasons presented above.

³⁴ See ABC Plan, Attach. 1 at 2.

II. USF AND INTERCARRIER COMPENSATION REFORM SHOULD BE TAILORED TO ALASKA

A. USF and Intercarrier Compensation Reform Can and Should be Tailored to Alaska, While Still Meeting the Commission’s Reform Goals

GCI initially provided an outline of an Alaska reform plan in its August 1, 2011, ex parte letter,³⁵ about which the Commission specifically sought comment in this *Further Inquiry*.³⁶ Since that time, with input and feedback resulting from industry outreach within Alaska, GCI has developed a modified framework of an ABP that addresses the unique service and support needs of Alaska. At the same time, the plan meets the Commission’s goals of transitioning traditional support to broadband, curbing fund growth, and ending “identical support” for CETCs (to the extent it existed, at least rhetorically). The ABP accomplishes all of this in a manner consistent with the framework outlined in the ABC and RLEC Plans, modified to be suitable to Alaska’s unique demographics and telecommunications environment.³⁷ The ABP’s five Principles follow.

First, For the period of 2012-2022, high-cost support for ETCs and CETCs would be capped at \$ 219 million annually, which is equal to actual high-cost disbursements in 2010.³⁸ This figure is the budget target for the entities covered by the plan.

Second, All ILEC support would be frozen on a study area basis based on 2010 disbursements. CETC support per-line would be frozen statewide, consistent with the manner in which support is issued. Both ILEC and CETC support would subject to potential reductions, as further identified and defined in Principle Three below. This freeze means that CETC support

³⁵ Letter from Chris Nierman, General Communication, Inc., to Marlene H. Dortch, FCC, WC Docket No. 10-90 et al. (filed Aug. 1, 2011).

³⁶ See *Further Inquiry* at 9.

³⁷ The proposed ABP may be further refined following continued discussions with industry stakeholders in Alaska.

³⁸ 2010 disbursements for all Alaska ETCs totaled \$219 million.

per line will not grow if ILECs lose lines and ensures that there will not be “identical per line support” as between ETCs and CETCs going forward. The ABP would also avoid lengthy and costly cost-of-service proceedings.

This Principle also recognizes that Alaska is not a mature wireless market. Deployment has been slow, and the State is at least ten years behind the Lower 48 with respect 2G deployment. 110 villages have started receiving digital wireless service only since the adoption of the Tribal Lands exception in the *Interim Cap Order*,³⁹ and at least 60 rural villages with no digital wireless service are currently slated for future deployment. Consistent with the Tribal Lands policy adopted in the *Interim Cap Order*, these unique circumstances must be addressed to ensure deployment across tribal lands continues. Thus, additional CETC line growth is possible. Support also remains (although it can be reduced and even eliminated if necessary due to growth) for infrastructure in higher density communities because the infrastructure and economies of scale and scope from serving those areas reduce the overall costs of extending service to outlying areas.

Third, Any CETC line growth, including but not limited to new deployments in unserved areas, would be contained within the overall budget target through the following sequential off-setting reductions:

Step 1: Reduce by 15 percent the CETC per-line support disbursed for each individual line that exceeds the average monthly high-cost support in all smaller study areas (fewer than 500 lines) in Alaska. This is currently approximately \$380 per line per month.

³⁹ See *Interim Cap Order*, ¶ 32.

Step 2: If necessary, reduce both the ILEC study-area support and CETC per-line support in the Anchorage study area by 20 percent in year 1, increased by 20 percent per year reductions as needed in each of the following four years (*i.e.*, in the fifth year, potentially 100 percent of both ILEC and CETC support in Anchorage would be available for these reductions).

Step 3: If necessary, reduce the ILEC study-area support and CETC per-line support in the following price cap study areas – Fairbanks, Juneau, and Greatland – to the extent necessary to satisfy the budget target, but no greater than 10 percent. The communities in these study areas are currently served by fiber facilities and receive no High Cost Loop Support, *i.e.*, the barriers to providing broadband services in these communities are less challenging.

Step 4: If necessary, reduce the ILEC study-area support and CETC per-line support in remaining areas subject to the plan to the extent needed to satisfy the Alaska budget target for those entities.

Fourth, High cost support would be transitioned to broadband support over an initial five-year commitment, at which point all ETCs would be required to offer broadband plans at the following reasonable performance requirements, based on the available middle-mile technology capabilities in that study area. In addition, individual carriers would have a waiver process available to them.

1. All ETCs, whether individually or through partnership with another provider, would be required to offer broadband service speeds of at least 4 Mbps download and 1 kbps upload to at least 75 percent of the residential locations within the study area served

- by fiber middle-mile facilities (*i.e.*, those that are not reliant on satellite or microwave facilities for any piece of the middle mile).
2. All ETCs, whether individually or through partnership with another provider, would be required to offer broadband service speeds of at least 1.5 Mbps download and 512 kbps upload to at least 75 percent of the residential locations within the study area served by microwave middle-mile facilities⁴⁰ (*i.e.*, those that are not reliant on satellite for any piece of the middle mile).
 3. All ETCs, whether individually or through partnership with another provider, would be required to offer broadband service speeds of at least 1 Mbps download and 256 kbps upload to at least 75 percent of the residential locations within the study served by satellite middle-mile facilities.

Study areas served by ETCs and/or CETCs under common ownership could be aggregated for the purpose of meeting service commitments. ETCs in areas where terrestrial middle-mile facilities (*i.e.*, fiber or microwave) are subsequently deployed would be required to meet the broadband service requirements above within five years of the year that the corresponding terrestrial middle-mile service was made available. Similarly, a newly designated CETC would be required to commit to meeting the requirements in place for the given study area at that time.

Fifth, All access providers would follow the access reform plan established under the ABC plan or rate-of-return plans as applicable, and be entitled to receive access replacement support.

⁴⁰ This category would include the fiber legs of a hybrid fiber-microwave middle mile network.

The Principles of the ABP meet the Commission’s goals of “modernizing USF and ICC for broadband, controlling the size of the USF as it transitions to support broadband,”⁴¹ while ensuring that service in Alaska will not be crippled. Furthermore, it does so consistent with the framework outlined in the ABC and RLEC Plans about which the Commission sought comment in its *Further Inquiry*.

B. The GVNW Plan Will Not Create a Workable or Disciplined High Cost Universal Service Mechanism for Alaska

In contrast to the ABP, a group of GVNW carriers (“GVNW”) has proposed a long-term, separate Tribal/Native Broadband Fund (“TBF”) under which an ETC would be guaranteed support sufficient to ensure that it maintains a Times Interest Earned Ratio (“TIER”) of 1.5.⁴² According to GVNW, this would be available to any ETC that uses Part 32 accounting – although for wireless carriers, this is illusory because there are no Part 32 categories for wireless services.

GVNW’s proposal appears not to contemplate any budgetary limits. Notwithstanding the fact that TIER ratios are calculated with respect to a borrower’s entire revenues,⁴³ GVNW’s proposal appears to be based only on an ETC’s *regulated* revenues.⁴⁴ This seems to create a situation in which USF would be used to “fill the gap” created by an ETC’s non-regulated and non-supported activities. The result would be impermissibly excessive support, which, in turn,

⁴¹ *Further Inquiry* at 1.

⁴² See Letter from Jeffrey H. Smith, GVNW, to Marlene H. Dortch, FCC, WC Docket No. 10-90 et al., Proposed Subpart L (filed Aug. 8, 2011) (“GVNW Proposed Subpart L”).

⁴³ Letter from Jonathan Adelstein, Rural Utilities Service, to Marlene H. Dortch, FCC, Notice of Ex Parte Presentation, WC Docket No. 10-90 et al. (filed Aug. 1, 2011).

⁴⁴ GVNW Proposed Subpart L, Section 54.1005(b)(2).

would insulate ETCs from competition and discourage economically rational decision-making, all to the detriment of consumers and Universal Service.

In addition, because GVNW's plan is essentially a revenue assurance plan, it creates a moral hazard that the ETC will not seek to develop other revenue streams that would allow it to operate while reducing universal service support or that it will make "gold-plated" investments that are not subject to any market discipline. Under GVNW's plan, it is not clear that an ILEC ETC would be called upon to reduce support at all, even if it would be possible to do so without endangering universal service, and it presents a substantial likelihood that support will grow.

Finally, the GVNW Plan would not close Alaska's wireless or broadband gap. It is not even clear that it is feasible for wireless carriers to participate in this proposal, given the lack of Part 32 categories and the fact that wireless carriers have generally not kept their costs on the basis of ILEC study areas. To the extent that GVNW contemplates that an ETC serving both urban and rural Alaska would be required to average costs across all areas (for example, GCI has a single USAC-issued Service Area Code for all of its Alaskan wireless ETC operations) this would be a blatantly discriminatory proposal designed to favor small ILEC-affiliated carriers that served only that ILEC's study area. Such a scheme would be perverse, as it would reward and compensate companies for diseconomies of scale, rather than seeking efficient scale and operation.

CONCLUSION

GCI recognizes the importance of reforming USF and intercarrier compensation, yet urges the Commission to carefully consider the implications of reform proposals on Alaska. Numerous portions of others' reform plans are inappropriate for Alaska, and if implemented, would be disastrous for consumers and carriers in the state, particularly with respect to the

availability of wireless service. For Alaska, which is composed entirely of Tribal Lands, the Commission instead should adopt the ABP proposal, which meets the Commission's goals of transitioning traditional support to broadband and curbing fund growth in a way that is tailored to Alaska's unique demographics and telecommunications environment and consistent with the Commission's Alaska precedents.

Respectfully submitted,

/s/

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APPENDIX 1

ALASKA BROADBAND PLAN

Alaska Broadband Plan

The Alaska Broadband Plan (ABP) addresses the unique service and support needs of Alaska Native regions. At the same time, the plan meets the FCC's goals of transitioning traditional support to broadband and curbing fund growth, and it does so consistent with the framework laid out by the ABC and small carrier plans, modified to be suitable to Alaska's unique demographics and telecommunications environment.

1. For the period 2012-2022, high cost support for the State of Alaska is capped at \$219M (2010 disbursements). This is the budget target for the state. This budget target is high cost support only and does not include any access replacement support provided pursuant to Item 5.
2. ILEC support will be frozen on a study area basis based on 2010 disbursements, and CETC support per-line will be frozen statewide, consistent with the manner in which support is issued, both subject to the potential reductions identified in Item 3 below. This means that CETC support per line will not grow if ILECs lose lines, ensuring that there will not be "identical support" per line between ETCs and CETCs. This could allow potential CETC line growth statewide, reflecting the need to increase wireless and broadband penetration in Alaska Native lands to "catch up" with the rest of the country, consistent with the tribal lands policy adopted in the *Interim Cap Order*.
3. Any line growth as described in Item 2 will be offset by the following reductions to remain within the budget target:

Step 1: Reduce by 15% the CETC per-line support disbursed for each individual line that exceeds the average monthly high-cost support in all smaller study areas (fewer than 500 lines) in Alaska. This is currently approximately \$380 per line per month.

Step 2: If necessary, reduce both the ILEC study-area support and CETC per-line support in Anchorage study area by 20% in year 1, increased by 20% per year in next four years, such that in the fifth year, for example, potentially *all* of both ILEC and CETC support in Anchorage would be available for these reductions.

Step 3: If necessary, reduce the ILEC study-area support and CETC per-line support in the following price cap study areas -- Fairbanks, Juneau, and Greatland -- by 10%. The communities in these study areas are served by fiber facilities and currently receive no High Cost Loop Support, *i.e.*, where barriers to providing broadband services are less challenging.

Step 4: If necessary, reduce the ILEC study-area support and CETC per-line support in the other, remaining areas to the extent needed to satisfy Alaska high cost budget target.

4. High cost support will be transitioned to broadband support over an initial five-year commitment, at which point all ETCs will be required to offer broadband plans at reasonable performance requirements based on the available middle-mile technology capabilities in that study area.
 - All ETCs, whether individually or through partnership with another provider, will offer broadband service speeds of at least 4 Mbps download and 768 kbps upload to at least 75% of the residential locations within the study area served by fiber middle-mile facilities (i.e., not reliant on satellite or microwave facilities for any piece of the middle mile).
 - All ETCs, whether individually or through partnership with another provider, will offer broadband service speeds of at least 1.5 Mbps download and 512 kbps upload to at least 75% of the residential locations within the study area served by microwave middle-mile facilities. This category would include the fiber legs of a hybrid fiber-microwave middle mile network. (i.e., not reliant on satellite for any piece of the middle mile).
 - All ETCs, whether individually or through partnership with another provider, will offer broadband service speeds of at least 1 Mbps download and 256 kbps upload to at least 75% of the residential locations within the study served by satellite middle-mile facilities.
 - Study areas served by ETCs and/or CETCs under common ownership may be aggregated for the purpose of meeting service commitments.
 - ETCs in areas where terrestrial middle-mile facilities (i.e., fiber or microwave) are subsequently deployed must meet the above broadband service requirements within five years of the year that the corresponding terrestrial middle-mile service was made available. Similarly, a newly designated CETC will commit to meeting the requirements in place for the given study area at that time.
 - Individual carriers will have a waiver process available to them.
5. *All* access providers will follow the access reform plan established under the ABC plan or rate-of-return plans as applicable, and be entitled to receive access replacement support.