

October 12, 2017

**By Electronic Filing – Notice of *Ex Parte* Communication**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

Re: *Connect America Fund* – WC Docket No. 10-90

Dear Ms. Dortch:

On October 10 and 11, 2017, Leonard Steinberg of Alaska Communications, Richard Cameron of Cameron Law & Policy LLC, and I met with Claude Aiken, Amy Bender, Travis Litman, Jay Schwarz, and Jamie Susskind concerning the pending reconsideration petition filed by Alaska Communications in the above-captioned docket roughly 11 months ago.<sup>1</sup>

Alaska Communications urged FCC relief from the definition of “high-cost” as at least \$5,000 for purposes of evaluating whether any unserved location in census blocks deemed “low-cost” under the Commission’s Connect America Model are, in fact, “high-cost” locations within the meaning of the model. For all other price cap carriers participating in the Connect America Fund (CAF) Phase II program, the definition of “high-cost” is \$2,577.79 in capital expense, as explained in the petition (PFR at 4), and no carrier is required to demonstrate they spent that amount in any particular location, provided they certify that all support was used for the purpose for which it was authorized. And although the issue was never discussed in the record, the Commission ruled in the order that for Alaska Communications this threshold should be set at \$5,000, and required the company to prove it spent at least that much in each such location – neither of which Alaska Communications had an opportunity even to discuss with Commission personnel prior to the release of the order.

These conditions undermine the same flexibility that purportedly was granted in the order, effectively eliminating the possibility of Alaska Communications identifying 2,714 unserved, high-cost locations in “low-cost” census blocks that it could serve using CAF II support. Alaska Communications reminds the Commission that it proposed to serve a total of 26,000 locations – a stretch, but one the company believed was reasonably within reach –

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<sup>1</sup> *Connect America Fund*, WC Docket No. 10-90, Petition for Reconsideration of Alaska Communications (filed Nov. 15, 2016).

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whereas the Commission adopted a requirement to serve 31,571 locations. Thus, Alaska Communications already is challenged to identify a sufficient number of unserved, high-cost locations to which it can deploy broadband using CAF II support. Failure to grant this petition for reconsideration will significantly add to the difficulty of completing Alaska Communications' CAF II deployment plan.

Please direct any questions concerning this matter to me.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Karen Brinkmann".

Karen Brinkmann  
KAREN BRINKMANN PLLC  
1800 M Street, N.W., Suite 800-North  
Washington, D.C. 20036  
(202) 365-0325  
[KB@KarenBrinkmann.com](mailto:KB@KarenBrinkmann.com)

*Counsel to Alaska Communications*