



September 29, 2017

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Room TW-A325
Washington, D.C. 20554

RE: ***Ex parte* filing** in WC Docket No. 16-271

Dear Ms. Dortch:

On September 27, Steve Merriam from Arctic Slope Telephone Association Cooperative (ASTAC) and the undersigned from GVNW Consulting, Inc. (GVNW) conducted separate *ex parte* meetings with Amy Bender from Commissioner O’Rielly’s office and Nathan Eagan from Commissioner Carr’s office. On the same day, we also met with Travis Litman from Commissioner Rosenworcel’s office and Claude Aiken from Commissioner Clyburn’s office.

The *ex parte* meetings focused on a discussion of ASTAC’s excellent progress on its Alaska Plan performance obligations, despite a short construction season. In light of the upcoming deadline for the initial performance obligation report, we expressed our concern that Alaska Plan carriers do not currently have access to the HUBB reporting portal. This week, access to the simulator module for Alaska carriers has been suspended and we shared our concerns about this as well.

Maintaining adequate federal universal service high-cost funding is required for implementation of all of the Commission’s universal service initiatives, including the Alaska Plan. In this regard, we expressed support for maintaining at least the overall budget level of \$4.5 billion for the high-cost fund into 2018 pending further study of its appropriate size, and asked questions regarding the potential loss of a net interest annual accrual of \$53.5 million on all federal universal service funds currently deposited in the bank.¹

We also touched lightly on the proper metric for broadband target speeds, including for carriers facing the unique challenges posed by the circumstances in Alaska.

¹See 2016 USAC annual report, page 29, *Combining Supplemental Schedules of Changes in Net Assets Applicable to the Federal USF*, \$55M interest less \$1.5M bank fees, rounding to the nearest half million dollars.

As required by the Commission's rules, this *ex parte* record is now filed in the above referenced docket. If there are any questions, please call me on 503.612.4409.

Respectfully submitted,

Via ECFS 9/29/17

Jeffry H. Smith
President and CEO

Copy to

Amy Bender, FCC
Nathan Eagan, FCC
Claude Aiken, FCC
Travis Litman, FCC
Steve Merriam, ASTAC
Mike Romano, NTCA