



Life. Technology. Together.

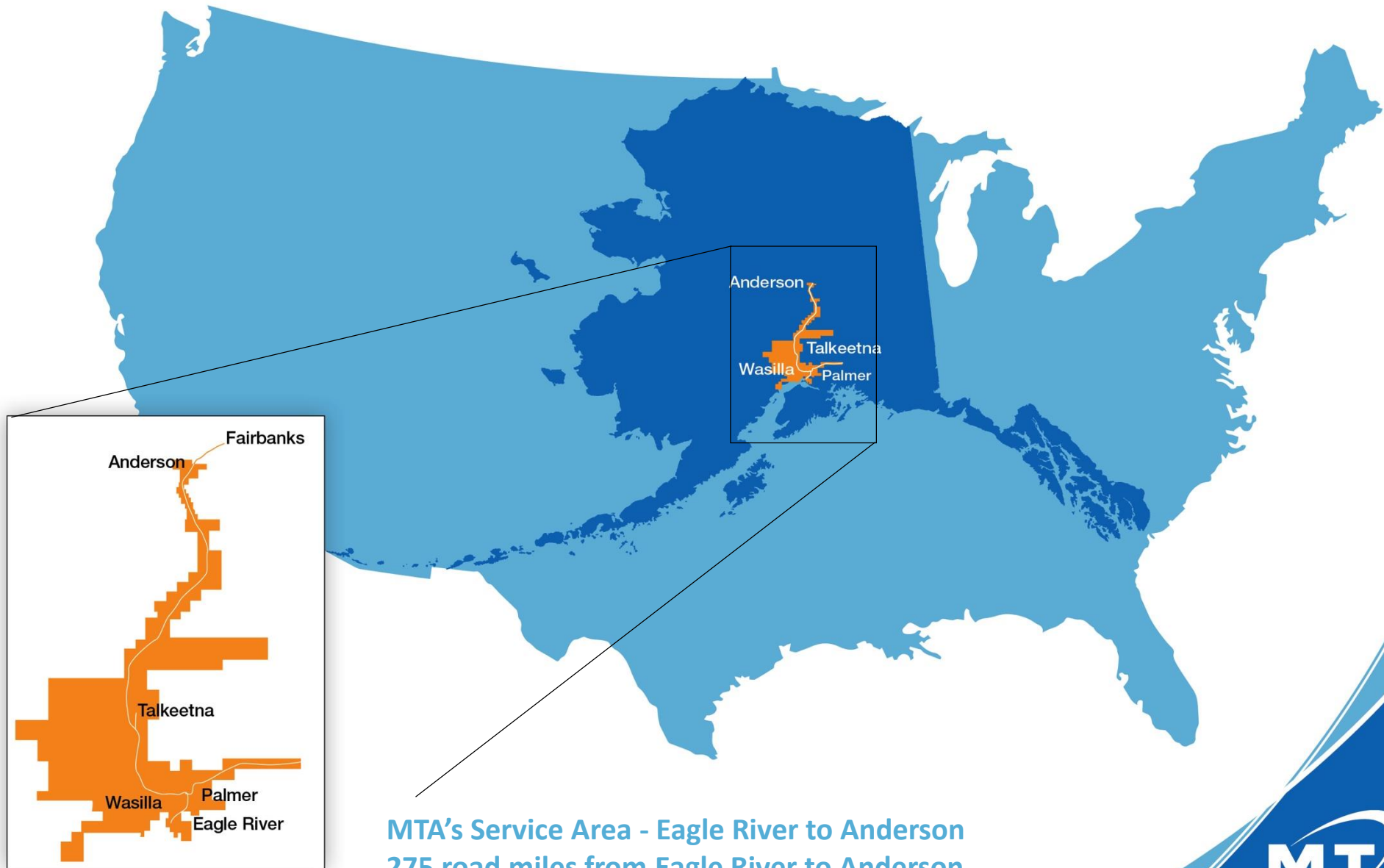
FCC Presentation

December 2017

MTA Company Overview

- Formed in 1953
- Over 10,000 Square Miles
 - Serving nearly 29,000 Members
- Local Jobs – 417 Dedicated Employees
- Annual Payroll - Over \$26 Million
- Annual Revenue - Over \$100 Million
- Cooperative Structure – Service over Profit

How big is MTA's service area?



MTA's Service Area

MTA's Service Area - Eagle River to Anderson
275 road miles from Eagle River to Anderson
10,000 Square Miles Total

The Alaska Plan

- The Alaska Plan is part of the Connect America Fund, supporting broadband service in rural areas.
- The Connect America Fund is capped at \$2 billion nationally.
- August 2016, FCC adopted the Alaska Plan to restore and stabilize Federal support in Alaska
- \$150 million secured annually for Alaska
- Performance obligations, commitment and network build requirements
 - Must be certified in years 5 & 10
 - Penalties for non-performance

Connect America funds in Alaska

Alaska Plan – Wireline

Adak Telephone Company	\$333,000
Arctic Slope Telephone Association Cooperative	3,135,240
Bristol Bay Telephone Cooperative, Inc.	1,136,604
Bush-Tell, Inc.	783,048
Circle	38,532
Copper Valley Telephone Cooperative, Inc.	11,307,498
Cordova Telephone Cooperative	2,316,234
Interior Telephone Company, Inc.	4,018,866
Ketchikan Public Utilities	4,217,490
Matanuska Telephone Association	18,720,342
Mukluk Telephone Company, Inc.	1,373,004
Nushagak Electric & Telephone Cooperative, Inc.	1,545,198
OTZ Telephone Cooperative, Inc.	1,925,544
United Utilities	3,287,841
Yukon Telephone Company, Inc.	237,783
Total Alaska Plan – Wireline	\$54,376,224

Alternative Connect America Model – Wireline

Alaska Power & Telephone	6,446,981
Summit Telephone & Telegraph Company	926,178
Total A-CAM – Wireline	\$7,373,159

Connect America Fund II – Wireline

Alaska Communications	\$19,694,208
-----------------------	--------------

Alaska Plan – Wireless

ASTAC Wireless, LLC	\$ 913,344
Bristol Bay Cellular Partnership	1,897,716
Copper Valley Wireless, Inc.	8,636,076
Cordova Wireless Communications, Inc.	3,762,420
OTZ Telecommunications, Inc.	2,452,056
TelAlaska Cellular	833,868
GCI Communication Corp.	33,679,668
GCI Communication Corp. – CL	6,227,400
Alaska Communications Systems Holding, Inc. – CL	15,402,060
Windy City	132,900
Total Alaska Plan – Wireless	\$73,937,508

Alaska Plan Wireless Unserved Fund	\$22,158,519
---	---------------------

Support to be awarded via reverse auction

Annual Connect America Fund to Alaska	\$177,539,618
--	----------------------

Alaska Plan wireline support per Public Notice DA 16-1425 released December 21, 2016

Alternative Connect America Model support per Public DA 17-99A1 released January 24, 2017

Alaska Plan wireless support per Public Notice DA 16-1419 released December 21, 2016

CAF II support per Order FCC 16-143 released October 31, 2016

Middle Mile

- The Universal Service Fund cannot support middle mile costs under the current budget cap.
- The FCC recognizes the challenge of middle mile infrastructure in Alaska.
- The Alaska Plan takes a practical approach that preserves and improves the last mile, while accommodating middle mile changes.
- “Middle Mile” facilities bring Internet connectivity to a community, while “Last Mile” are facilities that deliver the Internet service to customers in the community.

Performance Plans Approved

- Each Alaska Plan participant's performance plan was approved by the Federal Communications Commission (FCC) Public Notice December 21, 2016.
 - Metric is number of locations (fixed) or percentage of population (wireless).
 - Plans are the result of analysis by each provider to forecast what can be achieved over a 10 year term.
 - Goal was to set the bar high – but achievable.
 - Plans have undergone rigorous review by the FCC staff.
 - Major investments will happen over the term, particularly in the first 5 years.
 - All plans will be re-evaluated at Year 4 and when middle mile related triggers occur.

2017 - 2026

- Alaska Plan participant's will leverage the certainty of frozen funding to invest \$150 million annually in infrastructure and operate existing networks.
- MTA alone will invest \$250 million combined in private capital and support funds to provide broadband in the MTA areas.
- Over the next 10 years, thousands of Alaskans in rural and remote areas will have new access to broadband service due to support from the Connect America Fund.

MTA Alaska Plan Requirements

FCC Speed Requirement	Minimum GIG Allowance	New Deployment by 12/31/2021	New Deployment by 12/31/2026
25/3	150 GB	15,027	19,540
50/5	150 GB	8,518	15,500
100/5	150 GB	1,500	4,000

Network Investment

- Capital Investments – Over \$25 million annually
- Extend Fiber deeper into neighborhoods
 - Fiber - New subdivisions
 - Over-build subdivisions where it's economically feasible
- Fiber to Businesses Investment
- Fiber to Fairbanks
- Improve Network Reliability & Redundancy

Pre-Planning & A Lot of Work

- Engineering Activity – 108 hours for a typical job
 - Outside Plant starts the work
 - Surveying must be done
 - Engineering designs the job
 - Right of Way and Easements obtained
 - Placing of the fiber
 - Splicing of the fiber to activate service
 - As-build's are completed

Fiber Expansion – Faster Broadband



Project materials headed north for the Clear to Fairbanks fiber project.

Fiber cabinets, like this one, can be seen throughout our service area as we deploy more and more fiber.

MTA Crew & Fiber Materials

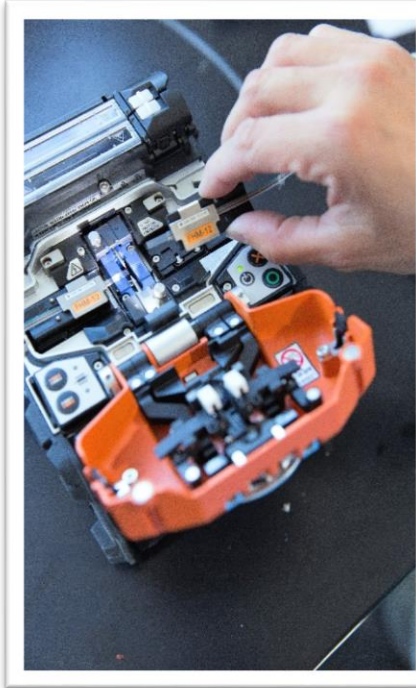
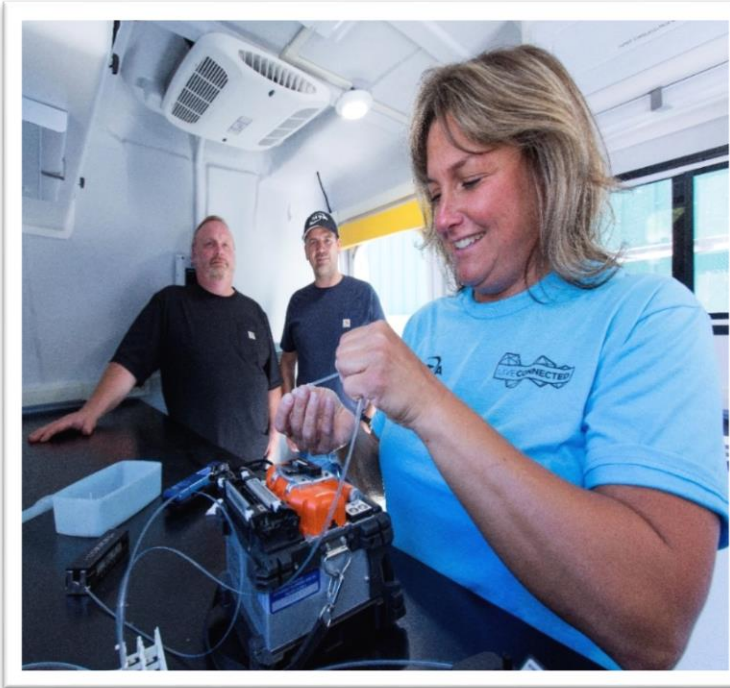
MTA crew preparing
to splice fibers



Glacier View Fiber Materials

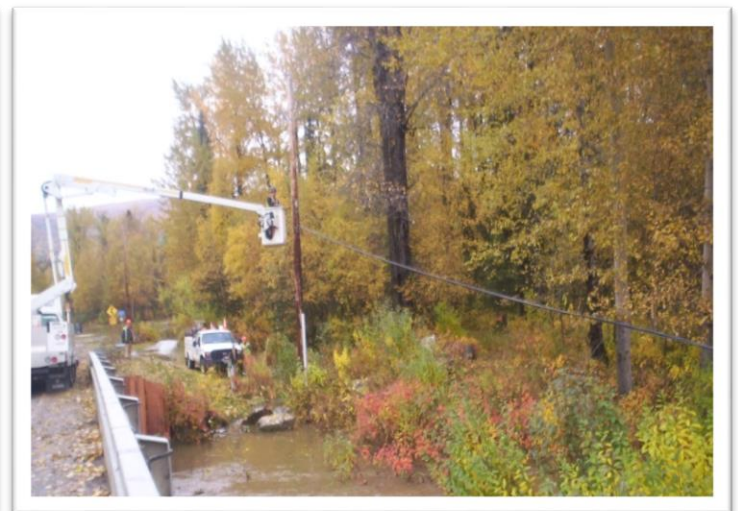


Fiber Optic Network



- Extensive Fiber Optic Network
- Fiber to schools throughout our service area

Challenging Environment



Challenging Environment



Challenging Environment



MTA in the Community

A community is more than a place where people live – it's a place where neighbors share their lives together. MTA strives to stay connected to the communities we serve. Whether it's our employee's individual volunteerism or the initiatives of our corporate giving program, a spirit of community is part of MTA's culture both on and off the job.

MTA is evolving to be the leading, advanced-technology provider in the state. Our goal is to create a state-of-the-art network that rivals any comparable network in the country. We were the first provider to offer unlimited broadband internet packages to our members. We were also the first to offer a tailored video streaming product, MTA Stream, where customers could watch local TV programming via the internet without having to subscribe to a full cable TV package. Through our AlasConnect subsidiary, MTA is now the state's leading provider of data center, future-focused managed IT and cyber-security services.

We are committed to creating new and exciting products that will be rolled out in the future to meet the needs of our members.

MTA - we provide the vital linkage between your lives and the technology that makes all the connections possible.

Life. Technology. Together.

www.mtasolutions.com



Life. Technology. Together.

Contact Information



Michael C. Burke, CPA

Chief Executive Officer, MTA

Email - mburke@mta-telco.com

1740 S. Chugach Street

Palmer, Alaska 99645

907-761-2400



Life. Technology. Together.