



December 10, 2017

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

RE: **Ex parte filing** in WC Docket Nos. 16-271; 17-206 and 06-122

Dear Ms. Dortch:

On December 7, three separate *ex parte* meetings were conducted by Michael Burke, CEO from Matanuska Telephone Association (MTA); Jens Laipenieks, CEO and Steve Merriam, Federal Advocate from Arctic Slope Telephone Association Cooperative, Inc. (ASTAC); and the undersigned from GVNW Consulting, Inc. (GVNW). On December 7, we met with Amy Bender, Wireline Legal Advisor for Commissioner O’Rielly; Travis Litman, Chief of Staff and Senior Legal Advisor for Commissioner Rosenworcel and Claude Aiken, Wireline Legal Advisor for Commissioner Clyburn.

On December 8, Mr. Burke and Mr. Smith met with Jay Schwarz, Wireline Legal Advisor for Chairman Pai and Jamie Susskind, Chief of Staff for Commissioner Carr.

The *ex parte* meetings included a discussion of MTA’s excellent progress on its Alaska Plan performance obligations in 2017, highlighted by an additional 8,267 locations now utilizing 10/1 Mbps service or greater during the first eleven months of calendar year 2017.

During the December 7 meetings, ASTAC provided an update from its September 27 *ex parte* meetings on Alaska Plan progress, including a clarification as to when it expects to update its performance obligation target levels. The highlights for ASTAC for 2017 included installation of fiber optic drops to 100% of homes and businesses in Point Hope, Wainwright and Nuiqsut and the upgrade to 4G wireless service in Deadhorse/Prudhoe Bay and all 8 North Slope villages.

With the March, 2018 deadline for the initial performance obligation report, we expressed our appreciation that Alaska Plan carriers began to have access to the HUBB reporting portal on November 6.

We also discussed the status of the forbearance petition filed by NTCA and USTelecom with respect to contributions requirements imposed only on a discrete set of broadband services, urging Commission action with respect to that forbearance petition. *See* Petition for Forbearance of NTCA and the United States Telecom Association, WC Docket Nos. 17-206 and 06-122 (filed June 14, 2017).

Maintaining adequate federal universal service funding (FUSF) 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 into 2018 pending further study, and expressed our concern regarding the cumulative year over year effect of the loss of a net interest annual accrual of \$53.5 million on FUSF deposited in the bank. (As shown on page 29, Combining Supplemental Schedules of Changes in Net Assets Applicable to the Federal USF in the 2016 USAC annual report, \$55M interest less \$1.5M bank fees, rounding to the nearest half million.)

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

Respectfully submitted,

Via ECFS 12/10/17

Jeffrey H. Smith  
President and CEO

Enclosures

Copy to

Jay Schwarz, FCC  
Amy Bender, FCC  
Jamie Susskind, FCC  
Claude Aiken, FCC  
Travis Litman, FCC  
Michael Burke, MTA  
Jens Laipenieks, ASTAC  
Steve Merriam, ASTAC