

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

In the Matter of)	
)	
Modernizing the E-Rate Program)	WC Docket No. 13-184
for Schools and Libraries)	
_____)	

**REPLY COMMENTS OF THE ALASKA RURAL COALITION IN
SUPPORT OF PETITION FOR RECONSIDERATION**

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Introduction.

The Alaska Rural Coalition¹ (“ARC”) files its Reply Comments in this proceeding pursuant to the Public Notice issued by the Federal Communications Commission (“Commission”) on September 24, 2014 seeking comment regarding the Petition for Clarification and/or Reconsideration filed by the NTCA and the Utah Rural Telecom Association.² The ARC supports the Petition filed by the NTCA, as well as the comments filed by Alaska Communications Systems (“ACS”), Arctic Slope Telephone Association Cooperative, Inc. (“ASTAC”), and the Alaska Telephone Association (“ATA”)³, and encourages the Commission to clarify or reconsider its position regarding use of the urban cluster definition.⁴

¹ The ARC is composed of Adak Telephone Utility, Alaska Telephone Company, Arctic Slope Telephone Association Cooperative, Inc., Bettles Telephone, Inc., Bristol Bay Telephone Cooperative, Inc., Bush-Tell, Inc., Circle Telephone & Electric, LLC, City of Ketchikan dba Ketchikan Public Utilities, Copper Valley Telephone Cooperative, Cordova Telephone Cooperative, Inc., Inc., Interior Telephone Company, Inc., Matanuska Telephone Association, Inc., Mukluk Telephone Company, Inc., North Country Telephone Inc., Nushagak Electric and Telephone Company, Inc., OTZ Telephone Cooperative, Inc., and The Summit Telephone and Telegraph Company, Inc.

² See Public Notice; Petitions for Reconsideration of Action in Rulemaking Proceeding, 79 Fed. Reg. 194 (Oct. 7, 2014), p. 60406; *Petition for Clarification and/or Reconsideration of NTCA-The Rural Broadband Association and the Utah Rural Telecom Association*, Modernizing the E-rate Program for Schools and Libraries, WC Docket No. 13-184, before the FCC (Sep. 17, 2014) (“*NTCA Petition*”).

³ See Letter from Christine O’Connor to Marlene Dortch, Secretary, Federal Communications Commission, WC Docket No. 13-184 (Filed Oct. 22, 2014) (“*ATA Comments*”); *Comments of Alaska Communications Systems on the NTCA/URTA Petition for Clarification and/or Reconsideration*, Modernizing the E-Rate Program for Schools and Libraries, WC Docket No. 13-184, before the FCC (Oct. 22, 2014) (“*ACS Comments*”); Letter from Steve Merriam to Marlene Dortch, Secretary, Federal Communications Commission, WC Docket No. 13-184 (Filed Oct. 16, 2014) (“*ASTAC Comments*”).

⁴ *NTCA Petition* at 4.

The ARC membership consists of most of the rate of return incumbent rural local exchange carriers (“RLECs”) in Alaska, all of whom serve some of the highest cost areas of the nation. ARC members are generally small, rural telephone companies and cooperatives that serve tribal lands and endeavor to bring the highest quality of service possible to Alaskans. Many ARC members provide service to recipients of E-Rate funding that otherwise would not be able to afford broadband internet.⁵

I. ARC Agrees with Other Commenters in Supporting the NTCA Petition.

The ARC supports the Petition for Clarification and/or Reconsideration filed by the NTCA and Utah Rural Telecom Association on September 17, 2014, seeking clarification of the Commission’s July 23, 2014 Order regarding (“July 23 Order”).⁶ If the Commission decides to include “urban clusters” in the definition of “urban” for purposes of the E-Rate program, it will radically affect several schools and libraries in what has always been considered “rural” areas.⁷ Furthermore, as amply described by ASTAC and the ATA, it would include areas identified by the Commission as remote.⁸

⁵ See, e.g., *ASTAC Comments* at 1 (ASTAC, an ARC Member, is “a rural incumbent local exchange carrier servicing the arctic region of Alaska...”).

⁶ *Modernizing the E-rate Program for Schools and Libraries*, WC Docket No. 13-184, Report and Order and Further Notice of Proposed Rulemaking, FCC 14-99 (rel. July 23, 2014) at ¶ 223.

⁷ *NTCA Petition* at 4 (“There are many schools and libraries located in relatively small towns that dot the landscape of rural America and serve populations in the outlying areas.”).

⁸ See *ASTAC Comments* at 4 (“Arbitrarily selecting a new definition based solely on population count predictably results in rural remote and low income communities losing essential support needed to provide both broadband connectivity and for keeping their doors open for the community at large.”); *ATA Comments* at 1 (“Regardless of the urban label, these communities are remote and face extremely high costs.”); see also *Transformation Order* at para. 529.

The ARC concurs with the comments offered by ASTAC and the ATA regarding the inherent danger to institutions in Remote Alaska if included in the “urban cluster” definition. While it is true that many communities in Alaska may meet the Census Bureau’s definition of “urban cluster,” these communities bear no resemblance to urban.⁹ The ARC has routinely advocated to the Commission that the climate and geography of Alaska is unique, and even if a new definition arguably makes sense in the Lower 48, it could have disastrous effects on Alaska.¹⁰ As with many rural issues, the ARC believes a policy determination that appears problematic for rural America would deliver amplified impacts for communities already struggling to access advanced telecommunications.

In the July 23 Order, the Commission defines an “urban cluster” as an “adjacent area” that is “linked to the densely settled core” of an urban area.¹¹ In the communities served by ARC members, there is no adjacent urban area, nor is there a link to a densely settle core. ASTAC noted specifically that the distance between Barrow, Alaska (which meets the definition of an “urban cluster”) and Fairbanks, the closest urban area, is more than 500 miles, and that there is no road that connects the two communities.¹² By any

⁹ See *ATA Comments* at 1 (“Regardless of the urban label, these communities are remote and face extremely high costs.”); *ASTAC Comments* at 4 (“Arbitrarily selecting a new definition based solely on population count predictably results in rural remote and low income communities losing essential support needed to provide both broadband connectivity and for keeping their doors open for the community at large. This is especially important in the geographically isolated communities in remote rural Alaska...”).

¹⁰ See, e.g., *Reply Comments of the Alaska Rural Coalition*, WC Docket Nos. 10-90, 05-337, before the FCC (July 23, 2012) at 9 (“[T]he lack of roads, extreme climate and harsh geography of Alaska must remain in the forefront of the discussion when considering the role the Remote Areas Fund will play in Alaska.”).

¹¹ *July 23 Order* at ¶ 223.

¹² *ASTAC Comments* at 5.

definition other than the Census Bureau's, communities such as Barrow are truly "rural." The Commission identified such communities as "rural and isolated."¹³ The ARC believes the exclusion of urban-clusters from the definition of rural was an oversight by the Commission. Now is the time to apply pragmatism to regulation and clarify for all those reaching for education, health and public safety that the Commission will fulfill its mission.

Further, as pointed out by ASTAC and the ATA, the Census Bureau itself addressed the use of its urban-rural classification in other settings: "If a federal, tribal, state, or local government agency voluntarily uses the urban-rural classification in a nonstatistical program, it is that agency's responsibility to ensure that the classification is appropriate for such use."¹⁴ The ARC agrees with the commenters that using the Census Bureau's definition is not appropriate for the realities of Alaska.¹⁵ As ACS pointed out, over 150,000 Alaskans live in remote areas of the Alaskan Bush.¹⁶ The effect of leaving the record unclear or patently wrong threatens to undermine hard fought progress.¹⁷

¹³ See *Alaska: Lessons Learned*, Commissioner Michael O'Rielly, available at <http://www.fcc.gov/blog/alaska-lessons-learned>.

¹⁴ *Urban Area Criteria for the 2010 Census*, 76 Fed. Reg. 164 (Aug. 24, 2011), p. 53030.

¹⁵ *ATA Comments* at 2 ("In this case the results of implementing the urban-rural classification are not reasonable and penalize truly rural communities."); *ASTAC Comments* at 6 ("Because of inappropriate application of the Census Bureau's urban-rural classification for determining rural discounts for e-rate, the Commission should act expeditiously and suspend the use of that list for reclassifying currently rural areas as urban clusters, particularly in Alaska.").

¹⁶ *ACS Comments* at 3.

¹⁷ *ACS Comments* at 6 (Treating these communities as "urban" for E-rate purposes would defy both logic and the purposes of the E-rate program itself.).

The ARC also supports the State of Alaska’s comments asking the Commission to accept the NTCA’s Petition. The ARC must respectfully disagree with the alternative proposed by the State of Alaska. Its suggestion that an urban cluster should be defined as a population exceeding 10,000 creates potentially unintended consequences.¹⁸ For example, the definition of Ketchikan, Alaska as urban defies reason and contravenes the public interest in education that the E-Rate program serves. As ASTAC points out, Ketchikan is a remote town in Southeast Alaska. The nearest urban center is Anchorage. An attempt to drive from Ketchikan to Anchorage requires approximately 4 days of travel including 350 miles of ocean-ferry travel followed by 800 miles of difficult driving that includes significant sections of roads often impassable during the winter.¹⁹ Alternatively, air travel from Ketchikan to Anchorage is typically a 4-5 hour journey complete with marginal weather conditions in multiple airports along the way. It is difficult to conceive of a scenario in the lower 48 where an isolated town like Ketchikan would be considered “urban,” even under the most liberal or creative definition. Perhaps the Commission will find that the State’s proposal merits further consideration, but as NTCA aptly argues, any change in the definition of rural must be properly noticed and all consequences fully considered.²⁰ The ARC appreciates the State weighing in on this important issue and

¹⁸ *Comments of State of Alaska on the NTCA/URTA Petition for Clarification and/or Reconsideration, Modernizing the E-Rate Program for Schools and Libraries, WC Docket No. 13-184, before the FCC (Oct. 30, 2014) (“State of Alaska Comments”).*

¹⁹ *ASTAC Comments* at 6.

²⁰ *NTCA Petition* at 4-5.

urges the Commission to heed the State's request that the Commission reconsider defining an urban cluster as population exceeding 2,500.

II. Conclusion.

The ARC urges the Commission to Clarify and/or Reconsider the July 23 Order as necessary to ensure that rural E-Rate recipients are not incorrectly reclassified as "urban." The Census Bureau's definitions are inappropriate in this application, and will unduly burden rural Alaska E-Rate recipients.

Respectfully submitted on this 3rd day, November 2014.

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