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Marlene Dortch
Secretary
Federal Communications Commission
445 12th St., SW
Washington, DC 20554

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

Dear Ms. Dortch:

As we understand it, the Commission is currently considering a proposal filed by the Alaska Telephone Association (ATA) on March 21, 2016, to address high-cost universal service support in remote areas of Alaska.¹ On behalf of its affiliates that provide wireless service and are eligible telecommunications carriers (ETCs), AT&T Services, Inc. (AT&T) submits this letter to identify several concerns with the wireless component of ATA's proposal. AT&T takes no position on the provisions of ATA's proposal applicable to rate-of-return carriers.

First, ATA has not explained, let alone justified, why competitive ETCs like AT&T Mobility should be subject to an Alaska-specific expedited phase down. Like most other competitive ETCs, AT&T Mobility is subject to the phase down set forth in 47 C.F.R. § 54.307(e)(2). Once the Commission implements Mobility Fund Phase II, AT&T Mobility's high-cost support in Alaska, and elsewhere, will continue to be phased down.² Rather than adhering to the Commission's existing common sense rules, ATA would have the Commission modify its rules to discriminate against AT&T Mobility in Alaska via an accelerated phase out of support while ensuring that AT&T Mobility's wireless competitors in Alaska continue receiving high-cost support amounts based on the Commission's discredited and subsequently eliminated identical support rule for *ten years* through a non-competitive process. However, if the Commission is considering ATA's proposal it should at the very least provide affected carriers 12 months advance notice of the resumption of the phase out.

Second, ATA's wireless proposal identifies particular carriers for different treatment and proposes to codify that discriminatory treatment in the Commission's

¹ Letter from Christine O'Connor, Alaska Telephone Association, to Marlene Dortch, FCC, WC Docket No. 10-90 (filed March 21, 2016).

² 47 C.F.R. § 54.307(e)(5).

rules. Specifically, ATA proposes that funding recipients may not use their support in areas where AT&T or Verizon offered 4G LTE service as of December 31, 2014. Neither ATA nor GCI, which has submitted several *ex parte* letters on ATA's wireless proposal, has explained why two carriers should be singled out for different treatment. That is because there is no principled reason to treat AT&T and Verizon 4G LTE-served areas differently from areas served by other wireless carriers with 4G LTE service. If the Commission is considering ATA's wireless proposal, rather than excluding only those areas served by AT&T's and Verizon's 4G LTE service from continued funding, the Commission should exclude *all* areas currently served by 4G LTE service, regardless of the identity of carrier providing that service. If a wireless carrier asserts that continued high-cost funding is necessary in order for it to maintain 4G LTE service in a particular area *and* it is the only carrier providing 4G LTE service in that area, then it should follow the process the Commission established in its *USF/ICC Transformation Order*.³

Again, AT&T expresses no opinion on those provisions of ATA's proposal affecting rate-of-return carriers but AT&T does oppose the arbitrary and discriminatory wireless provisions contained in ATA's proposal described above.

Please do not hesitate to contact me should you have any questions.

Sincerely,

/s/ Mary L. Henze

Mary L. Henze

cc: Alex Minard
Peter Trachtenberg

³ See *Connect America Fund et al.*, WC Docket 10-90 et al., 26 FCC Rcd 17663, ¶ 542 (2011).