



June 23, 2004

Tina M. Pidgeon
(202) 457-8812
tpidgeon@gci.com

EX PARTE – VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

Re: WC Docket No. 03-133; CC Docket No. 00-46; CC Docket No. 95-182
Notice of Oral and Written Ex Parte Presentation

Dear Ms. Dortch:

Yesterday, on June 22, 2004, I met with Jessica Rosenworcel, legal advisor to Commissioner Copps, and today, I met with Scott Bergmann, legal advisor to Commissioner Adelstein, to discuss issues raised in the referenced proceedings. These proceedings implicate operations in the Alaska market, and a rational resolution of each is required to ensure continued investment in the market and to foster a competitive market for the benefit of consumers throughout Alaska, including the rural Bush locations.

As an initial matter and consistent with its filings in the docket, GCI supported swift Commission denial of the AT&T Petition for Declaratory Ruling Regarding Enhanced Prepaid Calling Card Services (WC Docket No. 03-133). By falsely classifying calls that originate and terminate in the 907 area code as “interstate”, AT&T Alascom has wrongly shifted millions of dollars in intrastate cost recovery from itself to GCI. In addition, AT&T has reportedly shirked over \$140 million in universal service contributions by further theorizing that the debit card traffic is an “enhanced” service, a theory that GCI and other carriers have unanimously refuted in prior filings in the docket.

Further, GCI emphasized that the AT&T and Alascom petition to be released from separate affiliate, accounting, and tariffing requirements in connection with the Alascom’s Common Carrier Service cannot be segregated from the long-pending Tariff 11 investigation. The cost-based rate structure under Tariff 11 must be maintained in

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some form to prevent subsidization of non-bush areas with higher rates to the non-competitive bush areas, to promote necessary investment in the State—particularly in facilities to provide quality services to the Bush, and to ensure nondiscriminatory service offerings to other carriers. As GCI has previously explained, the outcome of the issues raised by the Tariff 11 investigation are part and parcel with the AT&T and Alascom Petition to Eliminate Conditions. For example, given that a price cap tariff offering may present a reasonable outcome, as GCI identified in its initial opposition to the petition, it is nonsensical to delay the tariff investigation, which would be a critical component of initializing the rates. Moreover, a full review is necessary to assess GCI's claim that Alascom has attempted to accomplish through the rate levels and structure under investigation exactly what a lawful tariff should prevent—subsidy of Alascom's service to the non-Bush through its rates for the Bush, thereby raising the cost of services to those Bush communities where other carriers do not have a facilities-based competitive alternative. AT&T and Alascom have not demonstrated why they should be allowed to achieve this same discriminatory, anti-competitive, undesirable result by being relieved of any tariff filing obligation whatsoever.

In accordance with the Commission's rules, a copy of this letter is being filed in the referenced proceedings.

Sincerely,

/s/

Tina M. Pidgeon

Vice President, Federal Regulatory Affairs

cc: Jessica Rosenworcel
Scott Bergmann
via electronic mail