

HAL R. HORTON (1944 - 1998)

RONALD G. BIRCH**
WILLIAM H. BITTNER
KATHRYN A. BLACK
SUZANNE CHEROT
ADAM W. COOK
JON M. DEVORE**
CHARLES R. EBERLET†
MARK E. FINEMAN, P.E.
GREGORY S. FISHER

DOUGLAS S. FULLER*
MAX D. GARNER
SCOTT J. GERLACH
DAVID KARL GROSS
TINA M. GROVIER
WILLIAM P. HORN*
STEPHEN H. HUTCHINGS
DANIEL C. KENT
THOMAS F. KLINKNER

DAVID E. LAMPP*
STANLEY T. LEWIS
JAMES H. LISTER*†
GREGORY A. MILLER
JENNIFER L. OWENS, Ph.D.
MICHAEL J. PARISE
TIMOTHY J. PETUMENOS
ELISABETH H. ROSS**

OF COUNSEL:
JENNIFER C. ALEXANDER
SHELLEY D. EBENAL
KENNETH E. VASSAR

1127 WEST SEVENTH AVENUE
ANCHORAGE, ALASKA 99501-3399
(907) 276-1550
FACSIMILE (907) 276-3680

* D.C. BAR
** D.C. AND ALASKA BAR
† MARYLAND BAR
‡ VIRGINIA BAR
ALL OTHERS ALASKA BAR

January 3, 2008

VIA ELECTRONIC FILING

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

Re: *Federal-State Joint Board on Universal Service, High Cost Universal Service Support, WC Docket No. 05-337; Federal-State Joint Board on Universal Service, CC Docket No. 96-45*

Dear Ms. Dortch:

ACS Wireless, Inc. (“ACSW”) files this brief reply to GCI’s December 19, 2007 *ex parte* letter¹ concerning its exclusion from a proposed cap on USF funding for competitive eligible telecommunications carriers (“CETCs”).

GCI had proposed that, if the Commission adopted a cap on USF support for CETCs, that it exclude service throughout Alaska Native Regions (essentially the whole state) to prevent harm to typically underserved areas that most need broadband deployment.² ACSW showed that GCI’s proposal was strongly suited for GCI.³ It was designed with such high penetration benchmarks in remote areas, that most Alaska CETCs would not be able to afford the extraordinarily costly satellite transport needed to carry traffic from remote villages to the nearest Internet peering location, Seattle.⁴

The record speaks for itself. Since GCI filed its proposal, no Alaska CETC has come out to support it. Apparently, no other Alaska CETC believes it could qualify for uncapped support under the parameters GCI set.

¹ See Letter from John Nakahata, Harris, Wilshire and Grannis, to Marlene H. Dortch, Secretary, FCC, *Written Ex Parte*, WC Docket No. 05-337, CC Docket No. 96-45 (filed December 19, 2007).

² See Letter from Tina Pidgeon, Vice-President, Federal Regulatory Affairs, GCI, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 96-45, WC Docket No. 05-337 (filed November 2, 2007), at 1-2.

³ See Letter from Leonard Steinberg, General Counsel and Corporate Secretary, Alaska Communications Systems, Inc and Elisabeth Ross, Birch, Horton, Bittner and Cherot, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 96-45, WC Docket No. 05-337 (filed November 14, 2007), at 4.

⁴ See *id.*

Ms. Marlene H. Dortch
January 3, 2008
Page 2 of 3

ACSW agrees that it is in the public interest to support deployment of these services in remote and isolated Alaska communities. It offered an approach that was designed based on unique service characteristics of Alaska networks. It was a true Alaska exception. It addressed the same need, but not in a self-serving way. The FCC could set reasonable limits for the program so that its costs were contained.

ACSW asks that if the FCC carves out an Alaska CETC cap exception, that it not adopt an approach designed by a single carrier to differentially benefit itself.

Sincerely,

/s/ Leonard Steinberg

Leonard Steinberg
General Counsel and Corporate Secretary
Alaska Communications Systems, Inc.
600 Telephone Avenue, Suite 500
Anchorage, Alaska 99503
Tel: (907) 297-3000
Fax: (907) 297-3153

/s/ Elisabeth H. Ross

Elisabeth H. Ross
Birch, Horton, Bittner & Cherot
1155 Connecticut Avenue NW
Suite 1200
Washington, D.C. 20036
Tel: (202) 659-5800
Fax: (202) 659-1027

cc: Dan Gonzalez
Ian Dillner
Scott Deutchman
Scott Bergmann
Nick Alexander
John Hunter
Dana Shaffer
Renee Crittendon
Randy Clarke
Jeremy Marcus
Jennifer McKee
Ted Burmeister
Alex Minard
Chris Moore