

October 27, 2008

VIA ELECTRONIC FILING

The Honorable Kevin J. Martin
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 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; Written Ex Parte*

Dear Chairman Martin:

As you and your fellow commissioners consider the state of the universal service high cost program, the undersigned Alaska carriers – ACS, MTA, and GCI, along with its affiliates United Utilities and Unicom (the “Alaska providers”) – join to reiterate the necessity for continued universal service funding to deliver comparable services throughout Alaska. We support the exemption of Alaska, Hawaii, and U.S. territories from proposals that would have the effect of reducing universal service support, which appropriately recognizes the unique characteristics of serving outside of the lower-48 states.

Alaska, of course, stands apart in the breadth and depth of its service challenges. This past May, the Commission took a critical step in recognizing and addressing the unique challenges in serving Alaska Native regions, along with tribal lands, by providing for a voluntary limited exception to the competitive eligible telecommunications carriers (“CETC”) interim cap. In adopting this policy, the Commission concluded that historically low subscribership in these areas demonstrates that continuation of existing support mechanisms was required to improve and sustain telephone subscribership in these areas.

Implementation of this critical policy, however, has been stalled, as there have been varying interpretations of the scope of the exception and USAC has yet to adopt the forms necessary to implement it. The Alaska signatories here, representing incumbent, CETC, wireless, and wireline interests of 632,000 subscribers have and maintain differing positions on the scope of the exception adopted last May. However, in recognition of the significant role of universal service in bringing affordable services to our State, and the critical need for certainty in universal service policies in exceedingly uncertain economic times, the Alaska providers join to support the following:

1. For the reasons that the exception to the interim CETC cap was adopted for tribal lands and Alaska Native regions, the same exemption, preserving pre-cap levels of per line support, must be extended to long-term universal service reform.

2. The tribal lands and Alaska Native regions policy must be implemented without further delay.
3. For the sake of a clear path to implementation, the undersigned agree that for CETCs electing the exception, support should be provided pursuant to section 54.307 of the Commission's rules (*i.e.*, uncapped support) for all lines served in Covered Locations, notwithstanding the interim cap or any changes to that section made in the upcoming order for areas other than Alaska, Hawaii and U.S. territories.

These three simple steps are critical to ensuring that support remains available to deploy and maintain critical infrastructure necessary to deliver essential wireless and broadband services throughout Alaska. In the interest of this critical mission, these providers have set aside traditional disagreements to voice unified support for ensuring that Alaskans secure the full benefit of this established policy without any further delay.

Sincerely,

/s/

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/s/

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