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Mr. Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Genachowski,

Thank you for the opportunity to comment on the National Broadband Plan (NBP). Publication of the NBP is a necessary step toward providing affordable broadband access for more Americans. Access to broadband is essential for economic development, educational opportunities, job creation, and improved quality of life. With the largest unserved and underserved geographic area of any state in the nation, Alaska has unique needs that must be addressed so that our citizens might share the benefits of high speed internet technology.

I am concerned that the NBP presents an aggressive approach and schedule, but lacks a thorough explanation of how it would be implemented. For this reason, I feel a sense of urgency to express Alaska's serious concerns now, with the understanding that we will also comment on specific aspects of the NBP during future public comment periods.

Much of Alaska is home to rural Americans whose needs are neglected by this plan. Redirecting the high cost component of the Universal Service Fund (USF) to the Connect America Fund will hurt rural areas where continued support is needed both to maintain and to advance the quality of universal service and broadband access provided today. More specifically, I am concerned that the proposals to retarget existing funding will adversely affect rural Alaska consumers who depend on the networks provided by Alaska's rural telephone companies.

The goals of the plan with respect to improving service for the entire nation's underserved consumers are laudable. The achievement of these goals, however, should not sacrifice or place in jeopardy the existing rural networks that have been built by small business owners and community-owned cooperatives to provide universal service in Alaska's rural areas. These networks have been built in reliance on the existing universal service program. The proposal in the NBP to shift this desperately needed support to carriers that have the economies of scale that they can obtain by serving urban areas is inequitable to the rural citizens of Alaska and inconsistent with the goals of universal service.

The USF program was created for the purpose of ensuring that consumers in rural, insular, and high cost regions of the nation have access to telecommunication services and rates comparable to consumers in urban areas. Under the proposed NBP, high cost support that currently helps to maintain this urban-rural rate parity will be directed elsewhere. Rural and high cost regions of America deserve equitable and nondiscriminatory service. This was an immediate priority of the 1996 Telecommunications Act, and it needs to be a priority in the NBP.

Alaska's vast landscape and lack of road access to most rural communities means that without high cost support, commercial and nonprofit organizations will not be able to continue to provide or expand affordable telecommunications services and broadband access to many of our rural citizens. And those citizens are not able to make up the revenue shortfall with a local rate increase. All service providers who can demonstrate high cost and who are willing to meet non-discrimination common carrier access rules and universal coverage in their service areas should be eligible to receive the USF.

I remain deeply concerned that there will be extreme fiscal impacts on states, Alaska specifically, of meeting the expressed changes in executing business in government functions such as public safety, homeland security, education, and health care. The recommendations to improve and expand online offerings and establish interoperable communications would require massive upgrade expansion of broadband capacity, creating challenges and costs to states that are not addressed in the NBP. The FCC plans to increase private sector initiatives to create more content and delivery approaches without addressing the underlying costs of state infrastructure to deliver such programs. The State of Alaska does not have the resources to absorb the significant added costs to purchase this increased capacity, let alone have any hopes of meeting the fiscal demands these recommendations would impose. Unless that is addressed in the plan for execution, the NBP cannot succeed.

Examples of some of my other concerns are as follows:

- It is very important to the State of Alaska that we retain the existing definition of Tribal Lands, throughout Alaska. The FCC has recognized that Tribal Lands are difficult to serve and that Competitive Eligible Telecommunications Carriers (CETC) are essential to deploying comparable service. This is consistent with treatment of Tribal Lands under the CETC interim cap, Tribal lands in Alaska, as defined under the CETC interim cap, are Alaska Native Regions. As a result, Tribal lands in Alaska are not discrete areas of geography but recognize the dominance of Alaska Native populations in vast areas of the state. Incumbent local exchange carrier support in rural Alaska must recognize delivery of all telecommunication services to the entire regions they serve and CETC Tribal Lands support in Alaska must remain coterminous with incumbent local exchange carrier service areas to maintain a minimal competition. The two should not be separated. Competition in internet services, especially terrestrial broadband, is absent in most communities.

- Refarming significant portions of frequency allocations will directly impact the broadcast industry and public safety spectrum in Alaska. If enacted, the State of Alaska's emergency public safety communication system, Alaska Land Mobile Radio System (ALMR), could be forced to utilize commercial private sector spectrum. Such a change would expose this vital system to the inherent challenges of using priority, security, and coverage limitations. ALMR is a fully interoperable system that has been built out on a VHF frequency and is fully compliant with the NTIA P-25 national standards. Shifting ALMR, even partially, to the narrower 700 MHz frequency range will have a direct impact on coverage. While I appreciate the NBP goal of broadband service everywhere, this goal must not jeopardize the universal availability of voice services. A suggested means of funding broadband service is to transition high cost support to a redesigned support mechanism that explicitly funds both voice and broadband service. To ensure continued access to vital services such as 911 services, voice services should receive a funding priority over broadband service. This should be the case until voice services are absorbed into broadband services, while maintaining comparable standards for reliability and quality of service.

- In addition to another round of refarming wireless frequencies, as mentioned above, the NBP proposes blending broadband and wireless technologies, regulations, and funding support. These actions will reshape all telecom and broadband regulatory landscapes that are currently – and some would argue delicately – shared by both state and federal governments. To converge all telecommunications technologies under a single regulatory scheme will reduce and/or eliminate current State regulatory powers executed by the Regulatory Commission of Alaska.

- The NBP ultimately seeks to converge traditional telecommunication and broadband services under a single regulatory regime. Expansion of broadband services under the NBP across unserved and underserved areas in rural Alaska will likely lead to conflicts implementing carrier of last resort (COLR) services when voice and broadband service providers are not the same. I am deeply concerned about the impact of this expansion, and will be interested to see how the FCC will ultimately resolve the issue.

- In addition to the NBP, the FCC has announced the "Third Way" framework where broadband networks would be subject to Title II carrier regulation under the Communication Act. Constructing and maintaining broadband networks in Alaska poses unique challenges to carriers given the enormity of the state, the sparse populations, lack of infrastructure, and the harsh climate and terrain. Subjecting broadband networks to Title II carrier regulations may impede broadband network deployment, limiting citizens most in need from access to all the educational, economic, health, and social benefits broadband access brings. I am encouraging you to use caution with the "Third Way" policy for regulating broadband. The goals of the NBP cannot be accomplished without continued investment. Efforts, no matter how well intentioned, that may chill private investment must be scrutinized.

Thank you for considering Alaska's concerns related to the National Broadband Plan. As we continue to analyze and critique the impacts of the NBP, the State of Alaska will comment during public comment periods, as well as generally.

Sincerely,

Sean Parnell
Governor

cc: The Honorable Lisa Murkowski, United States Senate
The Honorable Mark Begich, United States Senate
The Honorable Don Young, United States Congress
John Katz, Director of State and Federal Relations, Office of the Governor of Alaska