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May 31, 2011

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

Re: Notice of Permitted *Ex Parte* Presentation
WC Docket No. 10-90
GN Docket No. 09-51
WC Docket No. 07-135
WC Docket No. 05-337
CC Docket No. 01-92
CC Docket No. 96-45
WC Docket No. 03-109

Dear Ms. Dortch:

On May 27, 2011, representatives of Gila River Telecommunications, Inc. (“GRTI”), a telecommunications carrier wholly-owned and operated by the Gila River Indian Community, met with the following Federal Communications Commission (“FCC” or the “Commission”) staff to discuss certain aspects of the pending proposals regarding the Universal Service Fund (“USF”) and intercarrier compensation in the above-referenced dockets:

Kevin King – Telecommunications Access Policy Division, Wireline Competition Bureau
Gary Seigel (by phone) – Telecommunications Access Policy Division, Wireline Competition Bureau
Joe Cavender – Telecommunications Access Policy Division, Wireline Competition Bureau
Dan Ball – Pricing Policy Division, Wireline Competition Bureau
Irene Flannery – Office of Native Affairs and Policy, Consumer and Governmental Affairs Bureau
Geoffrey Blackwell – Office of Native Affairs and Policy, Consumer and Governmental Affairs Bureau

Representing GRTI were Bruce Holdridge, GRTI’s General Manager; Rebecca Kisto, GRTI Board Member; Darrell L. Gerlaugh, GRTI Board Member; Gordon Santos, GRTI Board

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Member; Melanya Pasqual, GRTI Board Secretary; Doug Kitch of Alexicon Telecommunications Consulting, Inc. (“Alexicon”); and the undersigned FCC counsel.

GRTI provided the FCC staff with an overview of the Gila River Indian Community. The Gila River Indian Community lies on 621 square miles in rural southern Arizona. GRTI maintains approximately six telephone lines per square mile. GRTI provides lines to any residence or business in the Gila River Indian Community requesting a line. This differentiates GRTI from non-tribally owned telecommunications carriers providing service on Tribal lands but does raise GRTI’s cost per line. Approximately 50% of the residents of the Gila River Indian Community are unemployed, and approximately 51% of its residents have obtained a high school diploma. Approximately 84% of GRTI’s local telephone subscribers currently qualify for the Lifeline and Link Up programs, including 91% of GRTI’s elderly subscribers. Mobile wireless voice coverage is spotty in places throughout the Gila River Indian Community. In addition, 4G service is not available.

GRTI also provided the Commission staff with an overview of its broadband DSL service. GRTI currently offers DSL high-speed internet service to the Gila River Indian Community at a minimum speed of 1.5 Mbps. The price of this service is \$52.90 per month. The high cost of this service is due largely to GRTI’s high middle mile costs. The broadband adoption rate in the Gila River Indian Community is approximately 22%, which is higher than most other Tribal lands but significantly lower than the national average.

GRTI also discussed historical revenue data for 2010, as well as a summary of GRTI’s long-term debt. In addition, GRTI discussed the financial impact on GRTI of the Commission’s proposals for intercarrier compensation and USF in the above-referenced dockets. Specifically, GRTI discussed its annual financial projections for 2011 through 2015 based on the current rules, the proposed rules, and the proposal submitted by Alexicon in recent comments in the above-referenced dockets (“Alexicon Proposal”).¹ GRTI discussed the various benefits of adopting an approach similar to the Alexicon Proposal.

¹ Comments of Alexicon Telecommunications Consulting, WC Docket Nos. 10-90 *et al.* (filed April 18, 2011).

