



June 17, 2011

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**VIA ELECTRONIC FILING**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

Re: *Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; High Cost Universal Service Support; WC Docket No. 05-337; Developing a Unified Intercarrier Compensation Regime, CC Docket 01-92; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109, Notice of Oral Ex Parte Presentation*

Dear Ms. Dortch:

On Tuesday, June 14th, Ron Duncan, President and CEO, Tina Pidgeon, Senior Vice President, Governmental Affairs and Senior Counsel, and I met with Commissioner Mignon Clyburn and Dave Grimaldi, Chief of Staff to Commissioner Clyburn. We discussed the unique communications challenges facing Alaska and the critical importance of the universal service fund in deploying, maintaining, and upgrading not only broadband services, but also basic wireless service and much needed middle mile facilities throughout the state. With respect to the Commission's ongoing efforts to reform universal service, we discussed that a one size fits all approach does not work due to the varying and unique issues in different geographic regions of the country. We also discussed ways to balance the statutory mandate to provide universal service to even the most rural areas with the desire to prevent exponential growth of the fund.

More specifically, we discussed the reasons why the Commission's reforms should not be COLR or wireline centric, echoing GCI's comments already filed in this proceeding. We also cautioned that auction methodologies for sizing and awarding support could be fraught with administrative difficulties and may not provide a workable near-term solution, especially in Alaska. Perhaps more importantly, a mechanism to select a single winner with exclusive funding rights over a span of years will freeze technology and discourage innovation, perpetually relegating residents in rural, high cost areas to also-ran status. Finally, we discussed other measured steps for potential reform, including capping per-line support or limiting increases in support due solely to the loss of access lines. The Commission should consider reforms that support the services that consumers value most and the facilities necessary to deliver those services.

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Please address any questions to the undersigned.

Sincerely,

/s/

Megan Delany  
Vice President, Governmental Affairs and Counsel