Before the

FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
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 an Unified Intercarrier Compensation Regime	))	CC Docket No. 01-92
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
Lifeline and Link-Up	)	WC Docket No. 03-109

REPLY COMMENTS OF GENERAL COMMUNICATION, INC.

INTRODUCTION

General Communication, Inc. ("GCI") files these reply comments regarding the Federal Communication Commission's ("FCC" or "Commission") *Further Inquiry into Certain Issues in the Universal Service – Intercarrier Compensation Transformation Proceeding* ("*Further Inquiry*").[1] All Alaskan commenters agree that the America's Broadband Connectivity Plan ("ABC Plan"),[2] the Joint Rural Associations Plan ("RLEC Plan"),[3] and the Joint Incumbent

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[1] *Further Inquiry into Certain Issues in the Universal Service – Intercarrier Compensation Transformation Proceeding*, Public Notice, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; CC Docket Nos. 01-92, 96-45; GN Docket No. 09-51 (rel. Aug. 3, 2011) ("*Further Inquiry*").

[2] Joint Letter from Kathleen Grillo, Verizon, et al., to Marlene H. Dortch, FCC, WC Docket Nos. 10-90 et al. (filed July 29, 2011) ("ABC Plan").

[3] Comments of NECA, NTCA, OPASTCO, and WTA, WC Docket No. 10-90 et al. (filed Apr. 18, 2011) ("RLEC Plan").

Local Exchange Carrier ("ILEC") Framework[4] do not make sense for Alaska.[5] Commenters similarly acknowledge that these plans are ill-suited for many, if not all, Tribal Lands and insular areas,[6] and that "careful consideration should be given to American Indians and Alaska Natives."[7] The ABC Plan authors recognize as much, and seek to work with interested parties to find solutions for these areas that do not increase the overall size of the fund[8] – an objective GCI has also sought with its proposed Alaska Broadband Plan ("ABP"). The National Cable and Telecommunications Association ("NCTA"), American Cable Association ("ACA") and Rural Cellular Association ("RCA") likewise agree that Alaska requires different solutions than the Lower 48.[9]

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4 Letter from Walter B. McCormick, Jr., United States Telecom Association, et al. to Julius Genachowski, Chairman, Michael J. Copps, Commissioner, Robert M. McDowell, Commissioner, and Mignon Clyburn, Commissioner, FCC, WC Docket No. 10-90 et al. (filed July 29, 2011).

5 *See* Comments of General Communication, Inc., WC Docket No. 10-90 et al. (filed Aug. 24, 2011) ("GCI Comments"); Comments of Alaska Communications Systems Group, Inc., WC Docket No. 10-90 et al. (filed Aug. 24, 2011) ("ACS Comments"); Comments of the Alaska Rural Coalition, WC Docket No. 10-90 et al. (filed Aug. 29, 2011) ("ARC Comments"); Comments of GVNW Consulting, Inc., WC Docket No. 10-90 et al. (filed Aug. 24, 2011); Comments of the Native Telecom Coalition for Broadband, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) ("NTCB Comments").

6 *See* Comments of the National Tribal Telecommunications Association, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) ("NTTA"); NTCB Comments; Comments of Smith Bagley, Inc., WC Docket No. 10-90 et al. (filed Aug. 24, 2011); Comments of the State of Hawaii, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) ("State of Hawaii Comments"); Comments of the Standing Rock Sioux, WC Docket No. 10-90 et al. (filed Aug. 24, 2011).

7 Letter from Jefferson Keel, National Congress of American Indians, to Chairman Julius Genachowski, FCC, WC Docket No. 10-90, CG Docket No. 11-41 (filed Aug. 31, 2011).

8 *See* Joint Comments of AT&T, CenturyLink, FairPoint, Frontier, Verizon, and Windstream at 17, WC Docket No. 10-90 et al. (filed Aug. 24, 2011).

9 *See* Letter from Steven F. Morris and Jennifer K. McKee, National Cable & Telecommunications Association, to Marlene H. Dortch, FCC, WC Docket No. 10-90 et al. (filed July 29, 2011); Comments of the American Cable Association at 7, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) ("ACA Comments"); Comments of the Rural Cellular Association at 10, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) ("RCA Comments").

This consensus confirms that the Commission should tailor universal service and intercarrier compensation reform to the realities of Alaska Native regions by adopting the framework principles of the ABP, as described in GCI's August 24, 2011 comments.[10] The ABP would provide sufficient support in Alaska, fulfill the Commission's goals of curbing fund growth while transitioning traditional support to broadband, and maintain the framework outlined in the ABC and RLEC Plans. Although Alaska Communications Systems ("ACS") and the Alaska Rural Coalition ("ARC") propose plans that are in some ways similar, the ABP offers the best solution for Alaska because it: (1) promotes the development of Alaska's telecommunications infrastructure, including wireless services that are critical to public safety; (2) requires fiscal responsibility and accountability from all carriers; and (3) promotes broadband deployment, including broadband speed assurances where technologically feasible.

I. GCI'S ALASKA BROADBAND PLAN IS THE BEST SOLUTION FOR ALASKA.

GCI's proposed ABP tailors USF and ICC reform to address the unique service and support needs of Alaska, while meeting the Commission's reform goals. In the NPRM, the Commission set forth four principles:

- Modernize USF and ICC for Broadband;
- Fiscal responsibility;
- Accountability; and
- Market-driven policies.[11]

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[10] *See* GCI Comments at 6, 24-28, Appendix I.

[11] *Connect America Fund, A National Broadband Plan for Our Future, High-Cost Universal Service Support, Establishing Just and Reasonable Rates for Local Exchange Carriers, Developing a Unified Intercarrier Compensation Regime. Federal-State Joint Board on Universal Service, and Lifeline and Link-Up* Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, ¶ 10, WC Docket No. 10-90 et al. (rel. Feb. 9, 2011).

All four Commissioners recently reaffirmed these goals, declaring in a joint statement, "we will seek to achieve reform in a comprehensive and legally sustainable way that modernizes the current system; brings broadband to millions of Americans that are currently unserved; puts USF and ICC on a fiscally responsible path that provides incentives for efficient operations and accountability; contains the size of the Universal Service Fund; and fairly balances the interests of all consumers."[12]

The ABP, ACS's proposed Target Alaska Fund ("TAF"),[13] and many of the ARC's proposals[14] share common elements. Importantly, all three Alaska-specific proposals would cap high-cost support for Alaska based on 2010 disbursements (approximately $219 million), initially freeze Incumbent Local Exchange Carrier ("ILEC") study area high-cost support at that level (subject to potential further reductions), and, by definition, limit aggregate statewide Competitive Eligible Telecommunications Carrier ("CETC") disbursements.[15] Both the ABP and TAF would freeze CETC support per line in each study area, divorcing CETC support from ILEC support.[16] In addition, under all three plans, growth above the cap (primarily due to an increase in CETC wireless lines) would be offset predominantly through reductions in CETC support in exceptionally high-support areas, as well as reductions to both CETC and ILEC

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[12] Julius Genachowski, Michael Copps, Robert McDowell, and Mignon Clyburn, FCC Commissioners, *Bringing Broadband to Rural America: The Home Stretch on USF and ICC Reform*, Official FCC Blog (Aug. 8, 2011) http://www.fcc.gov/blog/bringing-broadband-rural-america-home-stretch.

[13] *See* ACS comments at ii-iii, 12-15.

[14] *See* ARC comments at 8-12.

[15] It should be noted that when ACS converted from rate-of-return to price cap regulation, it began receiving Interstate Common Line Support ("ICLS") on a per-line basis in all of its study areas, consistent with price cap regulation. These study areas would be frozen in aggregate ILEC support, although ICLS support in aggregate would most likely have declined in these areas as lines have been decreasing.

[16] ARC did not comment on this subject.

support in Anchorage and other larger communities that do not receive High Cost Loop Support ("HCLS") today. Each of these measures promotes fiscal responsibility by setting an overall budget and rationalizing the distribution of USF support within that budget cap.

The ABP and TAF would also maintain market-driven incentives to expand service availability and adoption by continuing to provide per-subscriber support to CETCs.[17] A CETC would gain support only if it wins a customer, which would create incentives for CETCs to deploy wireless services into unserved areas and increase affordable access. Although the ARC complains that CETC support has increased in Alaska over the past several years,[18] that increase largely resulted from GCI's deployment of 2G wireless service into 110 unserved villages, and from improvements in wireless affordability and adoption by all Alaska CETCs.[19] GCI's extension of wireless service to some of this nation's hardest-to-serve areas is hardly an indictment of the growth of CETC support in Alaska. Instead, GCI's expanded service demonstrates the benefits of a pro-competitive approach to universal service support, as well as the important work yet to be done to ensure that Alaska communications services are comparable to those in the Lower 48 – and provide the associated improvements to public safety, economic development and personal opportunities.

The biggest difference between the ABP, the TAF and the ARC proposals is their respective commitments – or lack thereof – to accountability and the modernization of USF for broadband. Unlike GCI and ACS, the ARC makes no commitments with respect to the level of broadband performance that its members will deliver in return for continued receipt of high-cost

17 ARC did not object to this proposal.

18 *See* ARC Comments at 8.

19 GCI estimates that ARC members' CETC affiliates will receive approximately $25 million in high-cost funding in 2011 (excluding prior period true-ups). Of these affiliates, only Copper Valley and Bristol Bay provide service outside of their ILEC study areas.

support. Despite the absence of any such commitments, the ARC nonetheless argues that any reductions to its members' ILEC support must be limited so as not to "hinder the deployment of broadband services in unserved areas," or to undermine broadband service where it is offered today.[20] In addition, while the TAF proposes to deploy broadband to 75 percent of service locations in at least some areas, the TAF proposes no commitments regarding the speeds that would be offered in those communities.[21] GCI's ABP, in contrast, proposes commitments regarding both deployment and speed and ties those commitments to the available middle-mile facilities, thus providing greater accountability and a more certain transition to a USF focused on supporting broadband services.

The TAF would also guarantee, for at least 10 years, that ILECs outside of the Anchorage, Fairbanks, Juneau, and Greatland study areas receive no less than 90 percent of their 2010 ILEC disbursements, regardless of how many customers the ILEC serves, or whether they have deployed broadband. This proposal to limit potential future reductions to 10 percent of 2010 ILEC disbursements is unnecessary and undermines fiscal responsibility, accountability, and market-driven policies. Unless Access Recovery Mechanism ("ARM") support is included – which no Alaska commenter has proposed – across the board decreases in support for all ETCs at Step 4 of the ABP plan reductions would be necessary only if wireless subscribership increases dramatically. That will likely happen only if consumers overwhelmingly vote with their pocketbooks that wireless service is essential to them. In that event, accountability and market-driven policies would be best served by reflecting consumers' decisions to prioritize wireless services. At some point, the Commission cannot and should not continue to hold wireline

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[20] ARC Comments at 10.

[21] *Compare* ACS Comments at 14-15, *with* GCI ABP at 2.

carriers harmless (or nearly so) against their failure to deliver products that consumers desire to purchase.[22]

To the extent, however, that ACS and ARC are simply objecting that Step 4 of the reductions appears to create an inequitable residual that shields support in large communities, that could be corrected easily. GCI accordingly suggests the following revision to its proposed Step 4 reductions:

> Step 4. If necessary, reduce the ILEC study-area support and CETC per-line support in the other, remaining areas to the extent needed to satisfy the Alaska high-cost budget target, up to 10 percent. If the high-cost budget target is still not met, reduce all ILEC study area support and CETC per-line support by a statewide uniform percentage necessary to achieve the Alaska high-cost budget target.

This change would place any residual burden equitably on all ETCs.

In stark contrast to both the ABP and the TAF, the GVNW Tribal/Native Broadband Fund ("TBF") proposal for Alaska fails to promote fiscal responsibility, accountability or market-driven policies. The centerpiece of the TBF is ensuring that rate-of-return ILECs maintain a Times Interest Earned Ratio ("TIER") of 1.5. The TBF has no upper limit on support. Nor does it appear to limit the use of universal service funding to designated supported services. As GCI pointed out in its comments, TIER is calculated across a borrower's entire revenues, not just regulated revenues.[23] Thus, high-cost support would necessarily fund unsupported services, if necessary to maintain the 1.5 TIER. Furthermore, the TBF ignores the fact that many Rural

[22] In addition, ARC does not support the Rural ILEC's plan to calculate support at a 10 percent rate of return, arguing that the Commission has not conducted a rate of return re-prescription, and that a "rapidly adjudicated rate of return proceeding may fail to accomplish the Commission's stated goals and/or may run afoul of the law." ARC Comments at 3. While it is true that the Commission has not done so, ARC makes no showing that such a prescription would support an 11.25 percent rate of return under current capital market conditions; *see id.* at 3-4.

[23] GCI Comments at 28.

Local Exchange Carriers ("RLECs") operate today below a TIER of 1.5.[24] The TBF does nothing to capture economies of scale, or to recognize the mobility or public safety benefits of wireless service. In short, the TBF cannot meet the Commission's objectives and does not serve the public interest.

II. AN ILEC RIGHT OF FIRST REFUSAL FOR SINGLE PROVIDER SUPPORT IS NOT WARRANTED IN ALASKA.

As GCI noted in its comments, an ILEC Right of First Refusal ("ROFR") for single provider support would not take advantage of economies of scale and does not reflect the increasing importance of wireless in Alaska. Rather, such a plan would be disastrous for ETCs like GCI and the customers they serve, would turn back the clock on rural wireless and broadband deployment, and, importantly, would harm public safety.[25] No proponent of the ROFR explains why it is logical to assume that an ILEC that has not built out broadband to an unserved area is the best party to conduct such a build out, or why the fact that a carrier is designated as the Carrier of Last Resort ("COLR") for voice service should have anything to do with receipt of support for *broadband* service in an unserved area. In fact, a ROFR is the antithesis of a market-driven broadband support policy.

Numerous commenters agree that an ILEC ROFR generally should not be part of USF reform and that its implementation would harm competition and eliminate its benefits. For instance, the National Association of State Utility Consumer Advocates ("NASUCA") flatly states that, "there should be no such right [of first refusal]."[26] NCTA argues that the

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[24] Rural Utilities Service, Notice of Ex Parte, Attachment at 26 (filed Aug. 1, 2011), (22 percent of RUS borrowers in 2010 had a TIER of less than 1.25).

[25] *See* GCI Comments at 13-16.

[26] Initial Comments of the National Association of State Utility Consumer Advocates at 84, WC Docket No. 10-90 et al. (filed Aug. 24, 2011).

Commission should not implement any policies that favor incumbents over other providers, including a right of first refusal.[27] ACA similarly urges the Commission "not [to] provide price cap companies with a right of first refusal."[28]

GCI also agrees with CTIA that "proposals to implement a right of first refusal mechanism may exclude wireless carriers from meaningful participation in the universal service program, to the detriment of rural consumers,"[29] and with the RCA that an ILEC ROFR would be contrary to technology neutral reform of the USF.[30]

In Alaska in particular, and contrary to ACS's suggestion,[31] it does not make sense to link COLR obligations to an ILEC ROFR. As a threshold matter, a carrier rarely builds out its network to reach new customers solely because of a COLR obligation. An ILEC – and, in a competitive market, a CETC – will build facilities to a new residential development because the revenue opportunity from serving the new units justifies the investment. In a market with

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27 Comments of the National Cable & Telecommunications Association at 4, WC Docket No. 10-90 et al. (filed Aug. 24, 2011).

28 ACA Comments at 6.

29 Comments of CTIA – The Wireless Association at 20. WC Docket No. 10-90 et al. (filed Aug. 24, 2011).

30 RCA Comments at 15; *see also* Comments of Cox Communications, Inc. at 23, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) (asserting that the "Commission should not adopt a Right of First Refusal for Incumbent Carriers"); Comments of Comcast Corporation at 28, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) (stating that "the ABC Plan's proposed Right of First Refusal should be rejected"); Comments of the Rural Independent Competitive Alliance at 11, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) (arguing against an ILEC ROFR as "unlawful and bad public policy"); Comments of Sprint Nextel Corporation at 23, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) (arguing against the ROFR in CAF subsidies available only to ILECs); Comments of the Coalition for Rational Universal Service and Intercarrier Reform ("CRUSIR") at 6, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) (arguing that price cap carriers should not be given a ROFR); Comments of COMPTEL at 26, WC Docket No. 10-90 et al. (filed Aug. 24, 2011) (stating that the Commission should reject ROFR.)

31 ACS Comments at 15-16 n.26. The ROFR is a major difference between the ABP and the TAF, although the plans are very similar in other respects.

facilities-based, last-mile competition (including wireless competition), an ILEC has a market incentive to extend its network so that it can have the opportunity to serve these customers, rather than ceding that opportunity to a competitor.[32] Build-out in such cases is not the result of COLR requirements.

This is particularly true in Alaska, where both middle-mile and last-mile facility construction are necessary for delivery of broadband. Although Alaska has, uniquely, relied on satellite middle-mile to serve many communities, the growing importance of broadband, with cloud-based and other services that are not latency-tolerant, dictates that Alaska migrate over time to terrestrial middle-mile facilities to the greatest extent possible. Wireline COLRs and providers of middle-mile networks may provide broadband services in partnership, and the Commission should encourage such arrangements by ensuring that these partnerships satisfy the broadband eligibility requirements for any participating ETC, as provided in the ABP.

Even when an ILEC must extend its network pursuant to its COLR obligations, the requirement to do so often is limited by the terms and conditions of its line extension tariff, which mitigate substantially any "burden" on the ILEC.[33] For ACS of Alaska and ACS of

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[32] Of course, as GCI previously explained to the Commission, new entrants are not always on the same footing as the ILEC in a new build situation. For example, the ILEC often enjoys "first-mover" advantages – such as preferential access to multi-tenant buildings and rights-of-way – that prevent the new entrant from cost-effectively serving a customer through its own, self-deployed facilities. *See* Letter from Frederick W. Hitz, III, General Communication, Inc., to William Maher, Federal Communications Commission, CC Docket No. 01-338 at 4-5 (filed Jan. 24, 2003).

[33] *See e.g.*, *Complaints Against ACS of Anchorage, Inc. and ACS of Fairbanks, Inc. for Failure to Provide Service to new Subdivisions and Customers in Fairbanks and Anchorage,* U-01-37(2), (Regulatory Comm'n of Alaska May 7, 2003) ("if a utility is appropriately following its tariff . . . and if a customer decides not to pay for a valid line extension charge, then we would normally take no action to require the utility to install wire line service to that customer.") Although the Regulatory Commission of Alaska adopted express Carrier of Last Resort requirements in 2010, those requirements do not appear to alter the limit that line extension tariffs place on Carrier of Last Resort build-out obligations. *See* 3 A.A.C. §§

Fairbanks, for example, line extension tariffs require any customer that is more than 1,000 feet away from existing facilities to pay the *full cost* of extending those facilities beyond 1,000 feet.[34] In other words, the ILEC's rate base includes *only* the cost of the first 1,000 feet of line construction. In addition, the customer must agree to pay, in advance, for four years of basic local service, which is offset against construction fees. If the customer moves or otherwise drops service for any reason, the customer loses the prepaid service fees. Yet, although ACS' line extension tariffs credit the prepaid four years of basic local service charges against construction fees, charges in addition to the basic local service charges – such as vertical feature revenue, toll calling or broadband – are not so credited, and provide additional revenue to ACS. Thus, rather than imposing a burden, COLR provides rural ILECs with a significant competitive advantage over other ETCs.[35]

The fact that the Regulatory Commission of Alaska ("RCA") recently established rules governing COLR obligations does not change any of this. In fact, the primary purpose of the COLR designation was to delineate the carriers (*i.e.*, ILECs) that would receive access replacement support as part of Alaska's recent intrastate access reform of common line rates.

53.265(a)(1) (requiring that a local exchange COLR must "provide and maintain adequate, efficient, and safe facilities-based essential retail and carrier-to-carrier telecommunication services of similar quality throughout its carrier of last resort area") and 53.265(I)(requiring a COLR to offer "line extension services").

[34] *See* Exhibit A. ACS of Alaska includes the Greatland and Juneau study areas.

[35] ACS of the Northland has a similar line extension tariff. For extensions over 1000 feet, the costs of construction beyond one thousand feet are charged to the subscriber. After four years of basic service at that location, the customer is then refunded up to $1000 of the extension charges; however, if the subscriber moves or disconnects during that four years, the subscriber loses any refund. *See* Exhibit A. For ACS of Anchorage, ACS will build the first half-mile without charge. Beyond that distance, ACS has a schedule of charges that the subscriber must pay upfront or, when ACS agrees, over a period of two years. If the subscriber pays monthly and terminates over two years, it must pay the balance due. *Id*. In both these areas, although the details are different, the effect of the line extension tariff in reducing the total burden to the Carrier of Last Resort is similar.

Designation of COLR for this purpose should not dictate the availability of support to provide broadband service to an unserved area.

III. ANY SINGLE-PROVIDER REGIME SHOULD ENSURE STATEWIDE SERVICE.

If the Commission were to adopt a single-provider regime, it must ensure statewide service. Adopting an ILEC-centric ROFR would, in Alaska, prevent this beneficial policy outcome. In Alaska, ILECs generally do not deploy middle-mile backhaul facilities outside of road network areas. In an ILEC-centric ROFR regime – a regime that would systematically exclude support for middle-mile backhaul –Alaska would likely be left with pockets of isolated wireless networks.

By contrast, once GCI's rural wireless deployment is complete, it will be the only carrier in the state to offer mass market last-mile services statewide, and it is presently the only mass market last-mile provider to serve nearly all of the state. Even now, GCI is the largest provider in the state, and is both a wireline and wireless CETC. With this scale comes efficiency. Adopting a ROFR that would shut out the most efficient carriers, like GCI, would undermine rather than advance the goals of Universal Service reform. GCI is better equipped than any other Alaska provider to use economies of scale to put scarce USF funding to its best use, and to leverage private capital to support much-needed last-mile and middle-mile deployment and operations to guarantee statewide service.

IV. SATELLITE IS NOT A VIABLE BROADBAND SOLUTION FOR ALASKA.

While satellite may be a viable option for hard-to-serve rural areas in the Lower 48, the Commission should not assume that satellite coverage will be available in Alaska or other insular areas. With respect to direct-to-home/small business services, Alaska lacks meaningful coverage outside of the areas that currently have broadband service. Furthermore, direct-to-home satellite coverage to much of rural Alaska is limited by capacity, latency, cost, weather, and the Earth's curvature in extreme northern latitudes. Consumers in Hawaii face similar obstacles.[36] For all of these reasons, satellite is limited in its ability to serve as a ubiquitous future broadband delivery technology for insular areas, including rural Alaska.

CONCLUSION

GCI again urges the Commission to carefully consider the implications of the various USF/ICC reform proposals on Alaska, a state composed entirely of Tribal Lands, and to measure those proposals against the Commission's goals for USF and ICC reform. The ABP meets the Commission's reform goals in a way that is tailored to Alaska's unique demographics and telecommunications environment, and is consistent with the Commission's Alaska precedents. The Commission should therefore adopt the ABP proposal. The Commission should also reject any ROFR for ILECs that would disfavor universal service support to providers of efficient, comprehensive and state-wide networks.

Respectfully submitted,

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September 6, 2011

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[36] *See* State of Hawaii Comments at 9-10; Comments of Hawaiian Telecom, Inc. at 11-12, WC Docket No. 10-90 et al. (filed Aug. 24, 2011).

Exhibit A

- ACS of Anchorage Line Extension Tariff
- ACS of Alaska Line Extension Tariff
- ACS of Fairbanks Line Extension Tariff
- ACS of The Northland Line Extension Tariff

ACS of Anchorage Line Extension Tariff

4.11 CONSTRUCTION SERVICES

4.11.1 LINE EXTENSION

		Nonrecurring Charge
4.11.1.1	RATES	
4.11.1.1.1	Line extension and addition within 1/2 mile of an existing line.	None
4.11.1.1.2	Line extension and addition beyond 1/2 mile of an existing line.	
4.11.1.1.2.1	Telephone line only - per section	$579.35
4.11.1.1.2.2	Telephone/Electric line – per section	$289.00
4.11.1.1.3	Single service pole on private property	None
4.11.1.1.4	Additional poles per pole (telephone only) *	$145.15
4.11.1.1.5	Additional poles per pole (telephone/electric) *	$72.60

* Customer to provide necessary trimming for line.

4.11.1.2 TERMS AND CONDITIONS**

4.11.1.2.1 Line extension charges are applicable in connection with all classes, types and grades of service when established by means of an extension to the Utility's plant consisting of buried wire, pole construction or power line carrier and including extension by means of contact space on poles of others.

4.11.1.2.2 All line extensions will be owned and maintained by the Utility. The applicant, however, if he so elects, may furnish and set the required poles in excess of the distance for which there is no charge in accordance with construction standards of the Utility in lieu of the charges applicable, but in all instances the Ownership of facilities shall be entirely vested in the Utility.

4.11.1.2.3 Distances mentioned in this schedule are route distances. The routing of line extensions will be determined by the Utility.

4.11.1.2.4 Should two customers request service requiring a line extension of more than one mile, each customer will share the cost equally. No rebate will be made to the First Revised customers should additional customers receive service from this line after it has been constructed.

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4.11 CONSTRUCTION SERVICES

4.11.1 LINE EXTENSION

4.11.1.2.5 Line extension charges may be paid in a lump sum or when mutually agreeable in equal monthly installments for a term of two years.

4.11.1.2.6 When a customer on a project disconnects his service, no refund is made of the line extension charge.

4.11.1.2.7 On disconnection of service, those customers making monthly line extension charge payments are required to pay an amount equal to the total of the monthly line extension charge payment of the unexpired life of the contract.

4.11.1.2.8 Charges to remaining customers are not affected by disconnects.

4.11.1.2.9 When a customer disconnects service or moves off the project and service is established for a new applicant at the same location the new applicant may assume the line extension charge contract provided there is no lapse in payments.

4.11.1.2.10 Any adjustment in prepaid line extension charges is a matter for negotiation between the original customer and the new applicant.

4.11.1.2.11 A departure from the rates and special conditions specified in Section 6 may be made on behalf of the Utility when a line extension involves unusual or disproportionately large construction expenditures as compared with the usual types of plant construction.

4.11.1.2.12 As required by Section 4.11.2.2.5.3, ACS will require that the developer of a subdivision enter into a "Subdivision Agreement" with the Utility. The Subdivision Agreement will be in the form approved by the Regulatory Commission of Alaska in U-98-137(3). The Commission approved Subdivision Agreement form is incorporated herein by reference and may be obtained, upon request, from the Utility. The terms of the Subdivision Agreement will govern the installation of ACS's facilities in new or expanding subdivisions.

ACS of Alaska Line Extension Tariff

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State of Alaska
Regulatory Commission of Alaska

ACS OF ALASKA, INC.

4.11 CONSTRUCTION SERVICES

4.11.1 LINE EXTENSION

4.11.1.1 RATES

4.11.1.1.1 Line extension charges will be billed in the following manner:

4.11.1.1.2 The Company will construct at its expense a maximum of 1000 feet of line extension per applicant.

4.11.1.1.3 The extension from existing plant which exceeds the 1000 feet free footage allowance is billed at actual cost. In addition, a service obligation for 48 months will be required and an amount equal to 48 months of basic recurring line charge will be computed and deducted from the estimate of construction charges. The amount of money reimbursed to the customer should not exceed the cost of the extension. The amount representing the 48-month service obligation or the amount of credit will then be required as a payment with the estimated construction charges at the time of service request. Each month the subscriber has service at the premises where the line extension was constructed, the monthly recurring basic line charge will be credited on the phone bill for a time frame to match the service obligation. If the subscriber moves or disconnects service, for any reason, the remaining amount representing the number of months from the original service date unused will be forfeited to the company.

4.11.1.1.4 Customer requested installation or maintenance of Company's facilities on customer's premises where a road is not accessible by the Company's licensed motor vehicles is billed at actual cost.

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ACS of Fairbanks Line Extension Tariff

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ACS OF FAIRBANKS, INC.

4.11 CONSTRUCTION SERVICES

4.11.1 LINE EXTENSION

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4.11.1.1.1 Line extension charges will be billed in the following manner:

4.11.1.1.2 The Company will construct at its expense a maximum of 1000 feet of line extension per applicant.

4.11.1.1.3 The extension from existing plant which exceeds the 1000 feet free footage allowance is billed at actual cost. In addition, a service obligation for 48 months will be required and an amount equal to 48 months of basic recurring line charge will be computed and deducted from the estimate of construction charges. The amount of money reimbursed to the customer should not exceed the cost of the extension. The amount representing the 48-month service obligation or the amount of credit will then be required as a payment with the estimated construction charges at the time of service request. Each month the subscriber has service at the premises where the line extension was constructed, the monthly recurring basic line charge will be credited on the phone bill for a time frame to match the service obligation. If the subscriber moves or disconnects service, for any reason, the remaining amount representing the number of months from the original service date unused will be forfeited to the company.

4.11.1.1.4 Customer requested installation or maintenance of Company's facilities on customer's premises where a road is not accessible by the Company's licensed motor vehicles is billed at actual cost.

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ACS of The Northland Line Extension Tariff

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Regulatory Commission of Alaska

ACS OF THE NORTHLAND, INC.

4.11 CONSTRUCTION SERVICES

4.11.1 LINE EXTENSION

4.11.1.1 RATES

4.11.1.1.1 Line extension charges will be billed in the following manner:

4.11.1.1.1.1 The extension from existing plant which exceeds the 1000 feet will be charged to the customer at actual cost. If the actual costs of construction are less than the estimate, the difference will be refunded to the customer. If the actual costs of construction are greater than the estimate, no additional money will be collected from the customer.

4.11.1.2 TERMS AND CONDITIONS

4.11.1.2.1 The Company will construct at its expense a maximum of 1000 feet of line extension per applicant.

4.11.1.2.2 The line extension charge will be refunded to the customer (without interest) after four construction years (48 months) of service at the location for which the line extension was paid. The line extension refund shall not exceed $1,000.00 (one-thousand dollars).

4.11.1.2.3 If the original subscriber moves or disconnects service, prior to the end of the 48-month period, the line extension refund will be forfeited and retained by the company.

4.11.1.2.4 Customer requested installation or maintenance of Company's facilities on customer's premises where a road is not accessible by the Company's licensed motor vehicles is at actual cost.