

September 23, 2011

VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Developing a Unified Inter-carrier Compensation Regime, CC Docket No. 01-92; High-Cost Universal Service Support, WC Docket No. 05-337; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51*

Dear Ms. Dortch:

On September 22, 2011, Megan Delany, Chris Nierman (both of General Communication, Inc. ("GCI") and I, also on behalf of GCI, met with Amy Bender, Ted Burmeister, Joseph Cavender, Brad Gillen, and Patrick Halley of the Wireline Competition Bureau.

We discussed GCI's proposed Alaska Broadband Plan. A summary of that plan is attached, as was provided to the FCC participants. We explained that the broadband commitments contained therein reflected the limitations of the available backbone facilities, in the context of those facilities also supporting carrier services and enterprise services for anchor tenants, particularly schools, libraries and rural health care providers, in addition to mass market Internet access services. We summarized the similarities and differences between the positions of GCI, ACS and the Alaska Rural Coalition, as noted in GCI's Reply Comments at pages 3 to 8.¹

¹ Reply Comments of General Communication, Inc. WC Docket No. 10-90 et al. (filed September 6, 2011).

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A copy of this letter is being filed in the above-referenced dockets.

Sincerely,



John T. Nakahata
Counsel to General Communication, Inc.

Cc: Amy Bender
Ted Burmeister
Joseph Cavender
Brad Gillen

Patrick Halley
Megan Delany
Chris Nierman

Attachment

Alaska Broadband Plan
(Revised per 9/6/2011 Reply Comments)

The Alaska Broadband Plan (ABP) addresses the unique service and support needs of Alaska Native regions. At the same time, the plan meets the FCC's goals of transitioning traditional support to broadband and curbing fund growth, and it does so consistent with the framework laid out by the ABC and small carrier plans, modified to be suitable to Alaska's unique demographics and telecommunications environment.

1. For the period 2012-2022, high cost support for the State of Alaska is capped at \$219M (2010 disbursements). This is the budget target for the state. This budget target is high cost support only and does not include any access replacement support provided pursuant to Item 5.
2. ILEC support will be frozen on a study area basis based on 2010 disbursements, and CETC support per-line will be frozen statewide, consistent with the manner in which support is issued, both subject to the potential reductions identified in Item 3 below. This means that CETC support per line will not grow if ILECs lose lines, ensuring that there will not be "identical support" per line between ETCs and CETCs. This could allow potential CETC line growth statewide, reflecting the need to increase wireless and broadband penetration in Alaska Native lands to "catch up" with the rest of the country, consistent with the tribal lands policy adopted in the *Interim Cap Order*.
3. Any line growth as described in Item 2 will be offset by the following reductions to remain within the budget target:

Step 1: Reduce by 15% the CETC per-line support disbursed for each individual line that exceeds the average monthly high-cost support in all smaller study areas (fewer than 500 lines) in Alaska. This is currently approximately \$380 per line per month.

Step 2: If necessary, reduce both the ILEC study-area support and CETC per-line support in Anchorage study area by 20% in year 1, increased by 20% per year in next four years, such that in the fifth year, for example, potentially *all* of both ILEC and CETC support in Anchorage would be available for these reductions.

Step 3: If necessary, reduce the ILEC study-area support and CETC per-line support in the following price cap study areas -- Fairbanks, Juneau, and Greatland -- by 10%. The communities in these study areas are served by fiber facilities and currently receive no High Cost Loop Support, *i.e.*, where barriers to providing broadband services are less challenging.

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.

4. High cost support will be transitioned to broadband support over an initial five-year commitment, at which point all ETCs will be required to offer broadband plans at reasonable performance requirements based on the available middle-mile technology capabilities in that study area.
 - All ETCs, whether individually or through partnership with another provider, will offer broadband service speeds of at least 4 Mbps download and 768 kbps upload to at least 75% of the residential locations within the study area served by fiber middle-mile facilities (i.e., not reliant on satellite or microwave facilities for any piece of the middle mile).
 - All ETCs, whether individually or through partnership with another provider, will offer broadband service speeds of at least 1.5 Mbps download and 512 kbps upload to at least 75% of the residential locations within the study area served by microwave middle-mile facilities. This category would include the fiber legs of a hybrid fiber-microwave middle mile network. (i.e., not reliant on satellite for any piece of the middle mile).
 - All ETCs, whether individually or through partnership with another provider, will offer broadband service speeds of at least 1 Mbps download and 256 kbps upload to at least 75% of the residential locations within the study served by satellite middle-mile facilities.
 - Study areas served by ETCs and/or CETCs under common ownership may be aggregated for the purpose of meeting service commitments.
 - ETCs in areas where terrestrial middle-mile facilities (i.e., fiber or microwave) are subsequently deployed must meet the above broadband service requirements within five years of the year that the corresponding terrestrial middle-mile service was made available. Similarly, a newly designated CETC will commit to meeting the requirements in place for the given study area at that time.
 - Individual carriers will have a waiver process available to them.
5. *All* access providers will follow the access reform plan established under the ABC plan or rate-of-return plans as applicable, and be entitled to receive access replacement support.