

April 11, 2012

Ex Parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 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 an Unified Inter-carrier Compensation Regime*, CC Docket No. 01-92

Dear Ms. Dortch:

On April 9, 2012, I spoke with Michael Steffen, Legal Adviser to the Chairman, regarding General Communication Inc.'s ("GCI") petition for reconsideration with respect to the Remote Alaska provisions of the *CAF Order*. I made the points previously summarized in my ex parte letter of March 7, 2012, which is incorporated by reference herein. In particular, I stated that, as modified by GCI's ex parte of March 7, 2012, GCI's request to include all Remote Alaska CETC support in setting the Remote Alaska cap will have no predictable budget scoring impact. I will detail why that is the case in a subsequent ex parte. Moreover, grant of that portion of GCI's reconsideration petition will increase incentives for investment in unserved and underserved areas in Remote Alaska, as compared with the current rules, and is not offset by a reduction in the amount of support lost when a line ports to a competitor. Of the three Remote Alaska issues on which GCI sought reconsideration, the only reconsideration request that predictably affects the budget "score" is the request to modify the Remote Alaska cap initialization to better preserve support for recent deployment (Issue #1 in the March 7, 2012 presentation). Altering the method for calculating the baseline for the final CETC phase-down to incent continued deployment (Issue #2 in the March 7, 2012 presentation), may redistribute funding among Remote Alaska ETCs, but will not alter the total amount of capped Remote Alaska support.

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Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Nakahata". The signature is fluid and cursive, with a long horizontal stroke at the end.

John T. Nakahata
Counsel to General Communication Inc.

cc: Michael Steffen