



April 19, 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; *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45; *Lifeline and Link-Up*, WC Docket No. 03-109

Dear Ms. Dortch:

On Wednesday, April 18, 2012, I spoke with Michael Steffen, Legal Advisor to Chairman Genachowski. In this phone conversation, I reiterated the points made in the ex parte notice filed yesterday, April 18<sup>th</sup>, which is incorporated by reference herein. I stated that GCI does not object to being subject to the rate floor with respect to its wireline operations provided that: (1) it is clear how the rate floor is to be determined (*i.e.*, including or excluding bundles and promotions) so that ETCs can plan their marketing in advance with knowledge of the impacts on USF support; (2) in the event that bundles and promotions are included, that discounts such as the electric bill discount are included; and (3) the lowest benchmark rate charged by any ETC in an ILEC study area is imputed to all subject ETCs (*i.e.* wireline) in that study area. In particular, the last of these ensures that a CETC does not receive additional USF support for failing to meet competition. However, the Alaska Rural Coalition's assertion that GCI's rates breach the rate floor is false.

I also stated that the Commission should grant GCI's petition for reconsideration with respect to the Remote Alaska mechanism, and that the inclusion of all Remote Alaska CETCs in the manner described in my ex parte letter of April 13, 2012 is budget neutral.

Ms. Marlene H. Dortch  
April 19, 2012  
Page 2 of 2

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