

November 8, 2012

**Ex Parte Communication**

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

Re: Developing a Unified Intercarrier 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; 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, October 31, 2012, representatives of the Alaska Rural Coalition (ARC) discussed matters related to the above-referenced proceedings with Angela Kronenberg, Wireline Legal Advisor to Commissioner Clyburn. Participants included myself and Elizabeth Gray Nunez from Dorsey, Michael Burke from Burke Watson, Inc., Steve Merriam and Clover McNeil from Arctic Slope Telephone Association Cooperative, Dave Dengel from Copper Valley Telephone Cooperative, Inc., Dan Lindgren from Ketchikan Public Utilities, Kenneth Bahr and Christine O'Connor from Matanuska Telephone Association.

We discussed the uncertainty of funding mechanisms facing Rate of Return companies. Specifically, the ARC is concerned that sustainable funding be established for Alaska ETCs and the Commission not rely upon a Regression Analysis to determine support levels. The ARC also expressed concern that the CQBAT Model not be expanded to Rate of Return carriers given that it was designed by Price Cap Carriers for Price Cap Carriers. We also discussed the status of the ARC's Signaling Waiver.

If you have any questions or I may be of assistance, please do not hesitate to contact me.

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Sincerely,



Shannon M. Heim

cc: Angela Kronenberg