

November 9, 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, November 8, 2012, representatives of the Alaska Rural Coalition (ARC) discussed matters related to the above-referenced proceedings with Michael Steffen, Legal Advisor to the Chairman and Carol Matthey. 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, Mike Megli and Michael Favors from Nushagak Cooperative, Doug Neal from OTZ Telephone Cooperative, Inc. and Bob Dunn and Brenda Shepard from TelAlaska, Inc.

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 and does not reflect the costs of providing broadband service in Alaska.

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

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Sincerely,

A handwritten signature in black ink, appearing to read "Shannon M. Heim". The signature is written in a cursive style with a long horizontal flourish at the end.

Shannon M. Heim

cc: Michael Steffen
Carol Matthey