

July 1, 2013

BY ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, D.C. 20554

Re: *Connect America Fund*, WC Docket No. 10-90 –
Notice of *Ex Parte* Communication

Dear Ms. Dortch:

On Friday, June 28, 2013, Richard Cameron of Alaska Communications Systems Group, Inc. (“ACS”), Dave Blessing of Parrish Blessing & Associates, and I met with the following personnel in the Commission’s Wireline Competition Bureau concerning Phase II of the Connect America Fund (“CAF”) and the Connect America Model (“CAM”) under development by the Bureau: Carol Matthey, Amy Bender, Alex Minard, Katie King, Danya Ayoubi, Talmage Cox, and Mike Jacobs. Leonard Steinberg and Ruth Willard of ACS also participated in the meeting by tele-conference.

ACS described progress it has made in developing Alaska-specific inputs for the Wireline Competition Bureau’s CAM. ACS expressed its concern that the CAM as currently configured dramatically understates the cost of construction and operation of broadband-capable networks in the Alaska price cap territories served by ACS. ACS proposed changes to the CAM or its underlying assumptions in five categories, for which ACS in the coming days will file Alaska-specific supporting data:

- Plant mix
- Soil type
- Opex adjustment for small company
- Capex adjustment
- Undersea fiber optic cable system additive

ACS also explained why the proposed requirement of five years to extend broadband to 100 percent of eligible locations in the state would not be workable in Alaska, as it fails to account for the unusually short construction season and limited labor pool in the state. ACS requests a ten-year build-out period, and a corresponding adjustment in annual CAF Phase II support.

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ACS believes that incorporating these proposed changes into the model will significantly improve the efficacy of CAF Phase II to achieve the Commission's goal of expanding broadband to unserved Alaska locations which, as the Commission has acknowledged, have been among the most underserved by broadband in the nation.

The enclosed materials were distributed and discussed in the meeting.

Please direct any questions regarding this matter to me.

Very truly yours,

/s/

Karen Brinkmann
Counsel to ACS

Enclosure

cc: Carol Matthey
Amy Bender
Alex Minard
Katie King
Danya Ayoubi
Talmage Cox
Mike Jacobs
Steve Rosenberg