

Alaska Rural Coalition



Alaska's Broadband Gap



- The Commission has recognized that Alaska has the lowest broadband penetration in the nation

“In Alaska, nearly 49 percent of rural residents lack access to broadband. Inadequate funding is the primary reason.”

- Eighth Broadband Progress Report



- The majority of the state still lacks terrestrial middle mile fiber facilities
- Current funding inadequate to upgrade Alaska's telecommunications infrastructure

Alaska's Large Area Means A Large Need for Terrestrial Facilities



Remote Areas Fund Should Support Large-Scale Broadband Deployment in Alaska

- Last-mile infrastructure is already in place to support broadband connectivity
- Affordable middle mile is needed to link existing last-mile networks to the larger Internet backbone
- Alaska's high costs of construction and maintenance necessitate a large-scale Alaska-specific solution
- The Commission must prioritize Alaska and other high-need areas when distributing the RAF



Satellite Will Not Work For Alaska Broadband



Alaska parties agree that consumer-based satellite subsidies will be a waste of money for Alaskan consumers

Satellite has limited middle-mile capability, and is not well-suited for high-bandwidth applications like videoconferencing or video streaming



Alaska's latitude and geography greatly limit the available satellite footprint

Extreme weather (frequent in Alaska) can interrupt the satellite signal

Ongoing maintenance and customer support for satellite equipment would be a nightmare

Funding should support long-term investment in reliable terrestrial middle mile

An Alaska Set-Aside Will Serve The Commission's Broadband Goals

- Alaska parties agree that large-scale build-out of middle mile is needed
- Alaska parties also agree that they are unlikely to receive adequate funding in reverse auctions
- Given Alaska's significant and unique needs, a funding set-aside for Alaska makes sense
- We propose \$25 million per year of RAF funds for Alaska middle mile build-out
- We also propose \$10 million per year of RAF funds for carriers to purchase existing middle mile capacity priced above urban rates



Alaska is a Unique Tribal Area

- The Commission must maintain its definition of Alaska as 100% Tribal
- Many tribal citizens living in rural, remote areas are currently without broadband access
- Small rural carriers serve these customers, often as cooperatives
- Alaska's high costs of construction and maintenance make broadband deployment particularly challenging
- Best way to support broadband deployment for Tribal citizens is to help small carriers link their broadband capable last-mile networks via build-out of affordable middle mile



Tribal Mobility Auction: Problematic Structure for Alaska Participants

- High cost of service in Alaska makes successful bidding by Alaska carriers unlikely
- Letter of Credit requirement effectively excludes smaller carriers and tribal carriers from participation in the Auction altogether
- Cooperatives serving tribal areas are not eligible for tribal bidding credit
- Default penalty payment requirements are punitive to small companies and discourage their participation
- **Result: Though Alaska is a Tribal area, Alaska carriers are unlikely to participate or win Tribal Mobility Auction support because of these barriers**



Solution: Alaska Bidding Credit



An Alaska Bidding Credit would:

- Account for the state's current lack of key infrastructure
- Account for Alaska's extremely high costs of construction and maintenance
- Increase small and tribal carriers' chances of participation
- Get Tribal Mobility funds to Tribal areas with greatest need