



November 27, 2013

Ex Parte

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

Re: *Connect America Fund*, WC Docket 10-90; *Universal Service Reform – Mobility Fund*, WT Docket 10-208; *Adak Eagle Enterprises, LLC and Windy City Cellular, LLC*, *Petition for Waiver of Certain High-Cost Universal Service Rules*, WC Docket No. 10-90, WT Docket No. 10-208; *Modernizing the E-rate Program for Schools and Libraries*, WC Docket 13-184

Dear Ms. Dortch:

On November 25, 2013, Chris Nierman and Adam Taylor, both of General Communication Inc. (“GCI”), and Traci Galbreath and I, both of Wiltshire & Grannis LLP on behalf of GCI, met with Daniel Alvarez, Legal Adviser to the Chairman. Messrs. Nierman and Taylor and I also met separately with Nicholas Degani, Legal Adviser to Commissioner Pai.

In the meeting with Mr. Alvarez, GCI discussed the attached presentation regarding universal service issues facing Alaska. As set forth in that presentation, we outlined the significant factors that distinguish the Alaska telecommunications environment from other areas of the United States, particularly those that affect the costs, topology and challenges of mobile and fixed broadband network deployment. We also stressed the critical importance of setting aside at least \$78 million for service to Alaska in the Mobility Funds Phase II.

In both the meeting with Mr. Alvarez and the meeting with Mr. Degani, we also discussed the pending application for review and petition for reconsideration filed by Adak Eagle Enterprise and its affiliate Windy City Cellular from the Wireline Competition Bureau’s decision in DA 13-1578. We stated that with respect to Windy City, there is no justification for grant of the waiver. GCI and Windy City compete directly, and GCI serves substantially all of the inhabited locations that Windy City does – and it does so within the \$3,000 per line per year annual high cost support cap. While Windy City also serves uninhabited areas using its White Alice site (which it began operating after the FCC proposed the \$3,000 per line per year annual cap), given that GCI is willing to either assume operation of that site or extend its own coverage in the event that Windy City ceases operating, and to do so within the \$3,000 cap, that is also not a basis for Windy City’s waiver. In any event, there is no reason why any waiver with respect to the White Alice site should ever exceed the incremental costs of constructing and operating the site – without allocation of overhead or other common costs, as GCI explained in its ex parte letter of September 11, 2012 (at 3). With respect to Adak Eagle, the Commission fundamentally must decide whether providing additional support is a good use of universal service funds,

considering that GCI can provide the supported services within the \$3,000 cap (utilizing different technologies).

We also stated that Windy City/Adak incorrectly assert that support for multiple lines is improper. As the Commission is aware, it never adopted a “primary line” approach to high cost after that was proposed by the Federal-State Universal Service Joint Board, and in fact Congress has routinely include appropriations language forbidding the Commission from doing so. This means that all ETCs, whether ILECs or CETCs receive high cost support for providing multiple lines of service to an individual or household. In addition, GCI has voluntarily taken the step of ensuring that it only seeks support for Adak lines on which there has been usage within the relevant reporting quarter.

We also stated that Windy City/Adak incorrectly claim that GCI does not provide 911 service from its wireless phones. GCI is required to do so, and it does. To reach the public safety authorities on Adak Island, GCI must at present route its 911 calls through the ILEC. However, if Adak Eagle ceased to operate, GCI would find a way to deliver those 911 calls to public safety.

Finally, we note that the Section 214(e) gives both the Regulatory Commission of Alaska and the Commission the means to ensure that Adak Island remains served by GCI, an ETC, in the event that Windy City and Adak Eagle Enterprises ceased operation.

Sincerely,

/s/

John T. Nakahata
Counsel to General Communication, Inc.

cc: Daniel Alvarez
Nicholas Degani