

## Alaska Telephone Association

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Honorable Tom Wheeler  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Chairman Wheeler,

The Alaska Telephone Association (“ATA”) writes to urge FCC action to protect against a precipitous decline in universal service funding for mobile wireless voice and broadband services in Alaska. In the *USF/ICC Transformation Order*, the Commission asked whether mobile funding should be “set aside only for carriers serving Alaska to ensure some minimal level of funding representative of the need in that state?”<sup>1</sup> The facts demonstrate that the answer to this question is an unequivocal “yes,” especially while work continues on a nationwide Mobility Fund Phase II.

The need for support for mobile services in Alaska is undeniable, as many remote communities have no mobile broadband service whatsoever – some even lack mobile voice service – and those that do have access to mobile broadband service frequently would not have it in the absence of high-cost universal service support. Despite this service gap, which leaves much of Alaska without service comparable to that available in the Lower 48, the reverse auction mechanism proposed for Mobility Fund II and Tribal Mobility Fund Phase II unquestionably would result in a *reduction* of support for mobile voice and broadband services in Alaska if the state were competing with the rest of the nation for support on a least-cost basis. Faced with the undeniably unique challenges of extending and supporting mobile wireless voice and broadband services throughout rural Alaska, redirecting current Alaska CETC support to carriers in other

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<sup>1</sup> *USF/ICC Transformation Order* at ¶ 1172.

parts of the country will not fulfill the Commission’s goal “to ensure that robust, affordable voice and broadband service, both fixed and mobile, are available to Americans throughout the nation.”<sup>2</sup>

High-cost locations in rural Alaska simply cannot compete with Lower 48 locations on a cost-per-road-mile or cost-per-person basis. Indeed, the Mobility Fund Phase I results speak for themselves. Of the \$300 million available for one-time support, Alaska had winning bids for only \$3 million (1% of the total funding). A comparable result in the Mobility Fund Phase II auction for \$500 million would reduce current annualized CETC high-cost support in Alaska from \$105 million to \$5 million, which would destroy wireless service in Remote Alaska. Even assuming a better than 1% success rate in any subsequent Tribal Mobility Fund nationwide reverse auction, Alaska wireless providers would certainly lose support.<sup>3</sup> Moreover, any Alaska service deployments funded by the Tribal Mobility Fund Phase I auction are unlikely to be operational prior to 2015, such that it would not be practical to bid in any event for ongoing support for these locations on the same timeline as for the rest of the country under Mobility Fund Phase II. Requiring bidding for Remote Alaska locations under the same schedule as for locations ineligible for Tribal Mobility Fund Phase I support will only further exacerbate the redistribution of support funding out of Alaska.

Rather than forcing this inevitable and perverse transfer of mobile high cost support from Alaska to other parts of the country, the ATA asks the Commission to set aside from the Mobility Fund Phase II and Tribal Mobility Fund allotments \$105 million, the current annualized amount of Alaska CETC high-cost support, to be distributed to mobile voice and broadband service providers in Remote Alaska according to a future, reformed mechanism.

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<sup>2</sup> *Id.* ¶1; *see also* 47 U.S.C. 254(b)(3) (“Consumers in all regions of the Nation, including low income consumers and those in rural, insular, and high cost areas, should have access to telecommunications and information services, including interexchange services and advanced telecommunications and information services, that are reasonably comparable to those service provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas.”)

<sup>3</sup> The *maximum* amount of support allocated for the entire country in Tribal Mobility Fund Phase II is only \$100 million—less than Alaska CETCs currently receive annually in high-cost support.

Sincerely,

A handwritten signature in black ink that reads "Jim Rowe". The signature is written in a cursive style with a long, sweeping tail that extends to the right.

Jim Rowe

cc: Hon. Lisa Murkowski  
Hon. Mark Begich  
Hon. Don Young  
Hon. Mignon Clyburn  
Hon. Jessica Rosenworcel  
Hon. Ajit Pai  
Hon. Michael O'Rielly