



March 7, 2014

By Electronic Filing

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

Re: Alaska Communications Systems, Expression of Interest in Rural
Broadband Experiment, WC Docket No. 10-90

Dear Ms. Dortch:

Alaska Communications Systems (“ACS”)¹ hereby expresses interest in the experimental mechanism for awarding high cost support for broadband deployment to serve customers living in rural areas, including those on Tribal lands.²

Broadband subscribership in Alaska lags far behind that of the nation as a whole. Recent Commission data show that only 37 percent of Alaska households receive broadband service of at least 3Mbps downstream/768 kbps upstream, far below the national average of 50 percent.³ ACS has previously explained in some detail the myriad of factors that make Alaska difficult and uneconomic to serve with broadband absent substantial federal high cost support. These chiefly include the high cost of obtaining and deploying broadband equipment; Alaska’s large size, sparse population, difficult climate and terrain; its resulting lack of adequate and economically priced middle mile transport, and its remoteness from Internet access points located in the lower 48 states.

As a result of these factors, ACS has been and active and vocal participant in the Commission’s recent efforts to incorporate broadband services into its high cost universal service support mechanisms. 21st century voice and broadband services comparable to

¹ In this letter, ACS signifies the operating company subsidiaries of Alaska Communications Systems Group, Inc.

² *Technology Transitions*, GN Docket No.13-5, *et al.*, Order, Report and Order and Further Notice of Proposed Rulemaking, Report and Order, Order and Further Notice of Proposed Rulemaking, Proposal for Ongoing Data Initiative, FCC 14-5 (rel. Jan. 31, 2014) (“*Technology Transitions Order*”)

³ Industry Analysis and Technology Div., Wir. Comp. Bur., “Internet Access Services: Status as of December 31, 2012 (rel. Dec. 31, 2013, at Table 13 (available at: http://transition.fcc.gov/Daily_Releases/Daily_Business/2013/db1224/DOC-324884A1.pdf).

those available in the rest of the nation are vital to ensure that Alaskans have access to the rich educational, cultural, civic, economic, health care, and social opportunities that those in the lower 48 already enjoy. But, even in conjunction with other resources, those services will require substantial federal support.

ACS's is interested in using the Commission's rural broadband experiment mechanism to advance the deployment of broadband in rural areas of Alaska currently unserved by an unsubsidized competitor. ACS is in the process of examining opportunities to use the funding the Commission intends to make available, in preparation for a more detailed future submission under this program. In response to the Commission's specific questions,⁴ ACS responds as follows:

- **The nature of the submitting entity or entities:** ACS plans to undertake a rural broadband experiment through one or more of its operating affiliates.
- **Identification of the proposed service area for the experiment:** ACS is in the process of evaluating the available complementary resources, network infrastructure, and investment and operating costs that would be involved in bringing broadband to the census blocks eligible for rural broadband experiments. ACS is interested in deploying facilities to areas where Alaskans and their anchor institutions are unlikely to benefit from broadband deployment in the near term, and thus provide the Commission with information about stimulating broadband deployment to the most challenging populations and locations. As part of its proposal, ACS is also exploring ways to target a specific set of anchor institutions in rural locations to test the assumption that deploying broadband to such locations can stimulate wider broadband adoption. ACS believes that the census blocks that are the likely candidates for such experiments include, without limitation, those on the Kenai peninsula, such as those located in census tract nos. 2122000100, 2122000200, 2122000400, 2122000500, 2122000600, 2122000700, 2122000800, 2122000900, 2122001000, 2122001100, 2122001200. ACS continues, however, to evaluate opportunities to deploy voice and broadband under the rural broadband experiment mechanism in a variety of eligible census tracts.
- **The broadband technology or technologies to be deployed:** ACS is currently examining rural broadband experiments that could involve fiber-to-the-home, wireless technologies, or both. For example, ACS is currently examining opportunities to deploy voice and broadband to areas it currently serves using Basic Exchange Telephone Radio Service (BETRS), as well as

⁴ *Technology Transitions Order*, at ¶ 105.

opportunities to leverage investments it is currently making using Connect America Fund (“CAF”) Phase I support.

- **Contemplated service offerings (e.g., description of voice service, broadband speed tiers, nature of video service, if any) and pricing of such offerings:** ACS will provide voice service meeting the Commission’s definition of universal service, and broadband meeting or exceeding the requirements of CAF Phase II. ACS believes that, in many locations, the broadband services it would deploy would exceed the minimum CAF Phase II 4/1 broadband speed required by the Commission, and would anticipate customers’ future broadband demands. Pricing is yet to be determined, but would be developed in light of ACS’s current voice and broadband offerings.
- **If known, expected State and/or local or Tribal governmental participation in and/or support for the project (e.g., expedited permitting, access to rights of way, matching funds, etc.):** Alaska Native regions established pursuant to the Alaska Native Claims Settlements Act (85 Stat. 688) are included in the Commission’s definition of “Tribal Lands” established by the *Transformation Order*.⁵ ACS contemplates that its proposed rural broadband experiment would deliver service to Tribal Lands.
- **Whether the proposal is expected to require one-time or continuing funding and a high-level estimate of the amount of funding requested:** ACS anticipates that its proposed rural broadband experiment would require a level of annual funding that will not exceed the maximum level described by the *Technology Transitions Order* for the applicable census tracts.⁶

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⁵ *Connect America Fund*, WC Docket No. 10-90, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, 26 FCC Rcd 17663 (2011), at ¶ 125, n.197.

⁶ *Technology Transitions Order*, at ¶ 112.

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ACS appreciates the opportunity to seek broadband funding under the Commission's rural broadband experiment mechanism. Please contact the undersigned should you have any questions.

Very truly yours,



Digitally signed by Richard
R. Cameron
Date: 2014.03.07 21:54:18 Z

Leonard A. Steinberg
General Counsel and Corporate Secretary
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cc: Daniel Alvarez
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