

Congress of the United States

Washington, DC 20510

August 1, 2014

840

The Honorable Thomas Wheeler, Chairman
The Honorable Mignon Clyburn, Commissioner
The Honorable Jessica Rosenworcel, Commissioner
The Honorable Ajit Pai, Commissioner
The Honorable Michael O'Rielly, Commissioner
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554

Dear Mr. Chairman and Commissioners,

Over the past two years, the Alaska Delegation has written to you in support of Adak Eagle Enterprises, LLC (AEE) and its affiliate, Windy City Cellular, LLC (WCC) from rules adopted by the Commission in the USF/ICC Transformation Order. We have done so out of a strong concern that, without prompt action, the denial of AEE's and WCC's request will cause undue harm to the remote community in Adak, Alaska. You will recall the Delegation submitted a letter to the Commission last October urging reconsideration of a denial of the Petitions for Waiver filed by AEE and WCC. We understand that the interim order for continued funding for AEE and WCC pending resolution of its pending petition and application for review is about to expire. Still, that appears little indication that a resolution is forthcoming from the Bureau or the Commission.

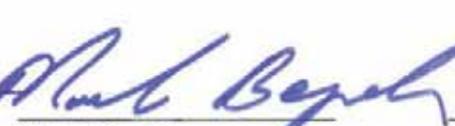
We write to you once again to express our concern over the delay in processing AEE's and WCC's petition and application and refer you to our prior letters outlining those concerns (attached for your reference). However, before a final decision is made, we renew our invitation for the FCC to send a representative or representatives to Adak Island to observe and experience the unique conditions under which AEE and WCC operate in order to serve the rural and remote community of Adak.

The community and residents of Adak deserve this much. We are happy to assist you in making the necessary travel arrangements. Thank you for your attention to this matter.

Sincerely,



Lisa Murkowski
United States Senator



Mark Begich
United States Senator



Don Young
Congressman for All Alaska

United States Senate

WASHINGTON, DC 20510

April 20, 2012

Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

Dear Chairman Genachowski:

The Alaska Congressional Delegation is writing in regard to the petition for waiver filed by Windy City Cellular on April 3. Our concern in this matter pertains to the impact on the people of Adak and the Bering Sea fishing fleet. Windy City Cellular has been providing a valuable telecommunications service to the community of Adak and the fishing fleet. We are concerned that if the company is unable to continue its operation, the impact on the residents and the fishing fleet will be detrimental.

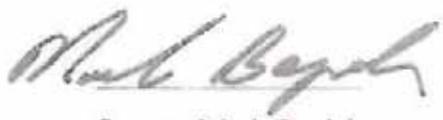
Adak is at the far end of the Aleutian Chain. It is 1,197 miles from Anchorage. In comparison, that is the distance from the FCC's Washington DC office to its Resident Agent Office in Houston, Texas. Adak is arguably the most remote community in the United States. Therefore, as you can imagine, Adak's dependence on telecommunications is enormous. The risk of losing wireless telecommunications services presents a crisis and jeopardizes an integral part of an industry that supplies the United States with fifty percent of its seafood.

As we understand it, Windy City Cellular has indicated that it has the financial resources, after the reduction in its Universal Service Fund revenues, to continue operating for only a couple of weeks. Since Windy City's waiver was noticed on April 9, a 45-day comment period has begun to be followed by an additional 45 days allowed under commission rules for a response. We will be monitoring this timeframe very closely.

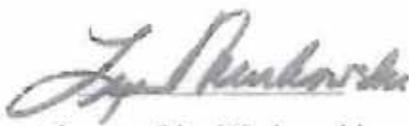
Given the serious implications that Windy City Cellular faces, we urge you to act as quickly as possible in rendering a decision on this petition. In the case that Windy City Cellular ceases operation, the negative impact on the people of Adak and the fishing fleet in the Bering Sea will be most severe.

We look forward to continuing to work with you and your staff. Please contact Andrea Sanders in Senator Begich's office at 202-224-3004, Jeremy Price in Senator Murkowski's office at 202-224-6665, and Jason Suslavich in Congressman Young's office at 202-225-5765 for further details. Thank you in advance for your prompt response.

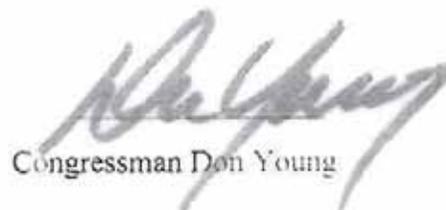
Sincerely,



Senator Mark Begich



Senator Lisa Murkowski



Congressman Don Young

CC: Commissioner Clyburn
Commissioner McDowell

Congress of the United States
Washington, DC 20515

October 17, 2013

The Honorable Mignon Clyburn, Acting Chairwoman
Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

Dear Mme. Chairwoman;

We are writing to strongly urge the Federal Communications Commission (FCC) to reconsider the denials of the Petitions for Waiver filed by Adak Eagle Enterprises, LLC (AEE) and its affiliate Windy City Cellular, LLC (WCC) from rules adopted by the Commission in the USF/ICC Transformation Order. We fear that, without prompt action, the denial of these waivers could cause undue harm to the Adak community.

Several negative effects caused by the waivers' denials are already being felt throughout the Adak community. Thus far, AEE and WCC have reduced the number of their employees by half and were forced to close their only retail store on the remote island of Adak. Unfortunately, unlike most places in the Lower 48, where the next closest retail store is just 40 miles away in an adjacent town, Adak is different. For the residents of Adak, the next closest retail store, of any kind, is over 450 sea miles away, across the desolate and dangerous Bering Sea. Yet, due to this closing, if AEE or WCC customers wish to remain customers of AEE or WCC (and not switch to a competitor), they must now travel a short 1,200 miles to Anchorage to the only other retail location operated by AEE and WCC.

As a result of the FCC's decision on this matter, we are also concerned that both governmental functions and public safety could be jeopardized on Adak. Numerous tribal, local, state, and federal government agencies and departments remaining on Adak— including the City of Adak, Adak Police Department, Marine Exchange of Alaska, Aleut Corporation, Adak Community Development Corporation, Alaska Maritime National Wildlife Refuge, U.S. Department of the Interior, Fish and Wildlife Service, Eastern Aleutian Tribes, and the U.S. Geological Survey – have expressed in letters to the FCC their reliance on AEE and WCC. Just as important, AEE and WCC appear to provide the only fully-functional and reliable 9-1-1 service on Adak.

Ultimately, we ask the FCC to fully consider the ramifications of AEE and WCC declaring bankruptcy. One likely consequence is that AEE will default on its Rural Utilities Service (RUS) loan, jeopardize U.S. tax dollars in the process, and destabilize a reliable portfolio of RUS loans. This issue is precisely what the FCC promised to “consider” in the USF/ICC Transformation Order when evaluating waiver requests.

In addition, the on-going uncertainty created by the FCC's reforms has already produced a chilling impact on infrastructure development. In fact, the FCC's reforms have actually hurt the very type of investment the FCC says is needed to connect rural and remote areas. Meanwhile, as a result of the FCC's decision on AEE and WCC, a second telecommunications company in Alaska, a customer owned cooperative serving communities that are predominantly Alaska Native, has curtailed its investments in remote areas. In fact, this company recently advised the Rural Utilities Service (RUS) that, based on the FCC's positions stated in the Order denying AEE's and WCC's waiver, it will not draw funds from its previously approved RUS loan and will not attempt to complete construction of its wireless system in several remote villages in the Arctic. Not only does this pose a public safety risk to the Alaskans who live in those villages, but it is also the beginning of the "domino" effect of which the RUS warned in its August 14, 2013 letter to the FCC.

In closing, for the past two years, we have expressed our concerns to the FCC about what makes Alaska different. In particular, we have provided the FCC countless amounts of information about the unique challenges that serving Adak presents, even beyond the normal challenges found elsewhere in Alaska. As Alaska's elected representatives, we have a firsthand understanding of these differences and challenges. We have tried relentlessly to share this information to better inform the important decisions the FCC makes. Unfortunately and especially in the case of Adak, we do not believe that the FCC understands, firsthand, the challenges on Adak.

As such, before making a final ruling on AEE, WCC, and the customers they serve, we challenge the FCC to send a representative to Adak Island to experience, firsthand, the unique conditions under which AEE and WCC must operate. We also would ask the FCC to take the time to explain to the local community on Adak how the bankruptcy of AEE and WCC will help improve broadband and phone service on this remote and isolated island. We feel that our constituents on Adak deserve at least that much.

We look forward to helping you arrange your trip in the very near future. Please note that, as there are only two flights per week into and out of Adak (and these flights are often delayed due to harsh weather conditions), one should plan to spend more than a single day on the island. We await your prompt response.

Sincerely,


Don Young
Member of Congress


Lisa Murkowski
United States Senator

Mark Begich
United States Senator



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

August 21, 2014

The Honorable Lisa Murkowski
United States Senate
709 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Murkowski:

Thank you for your letter encouraging the Commission to take prompt action with respect to the Petition for Reconsideration¹ and Application for Review² filed by Adak Eagle Enterprises, LLC (AEE), and its affiliate, Windy City Cellular, LLC (WCC). Your views are very important and will be included in the record of this proceeding and considered as part of the Commission's review.

As you are aware, Adak Eagle Enterprises and Windy City Cellular filed a Petition for Reconsideration and Application for Review of the Wireline Competition Bureau's and Wireless Telecommunications Bureau's denial of AEE's and WCC's requests that the Commission waive its caps on universal service funding.³ I appreciate your concern about the time involved in processing the petition and application. The Commission seeks to resolve the petition expeditiously but also recognizes the need to have up-to-date information from AEE and WCC in order to make an informed decision about how best to allocate limited universal service funds. To that end, the Wireline Competition Bureau sent a letter on August 12, 2014, to Mr. Larry Mayes, AEE's and WCC's President and CEO, requesting more detailed information regarding, among other matters, corporate staffing, lease agreements, corporate operations expenses, affiliate transactions, and contracts for AEE's wireline operations. In the meantime, Commission staff have extended AEE's and WCC's current waiver, thus keeping in place the monthly universal service funding levels both have been receiving until we act on a more permanent solution. This extension will provide funding certainty for both companies in the interim.

I share your concern for ensuring the residents of Adak Island have access to telecommunications services and appreciate your invitation to visit there. I will, in fact, be

¹ Adak Eagle Enterprises, LLC, and Windy City Cellular, LLC, Petition for Reconsideration, WC Docket No. 10-90 and WT Docket No. 10-208 (filed August 14, 2013) (Petition for Reconsideration).

² Adak Eagle Enterprises, LLC, and Windy City Cellular, LLC, Application for Review, WC Docket No. 10-90 and WT Docket No. 10-208 (filed August 14, 2013) (Application for Review).

³ *Connect America Fund; Universal Service Reform – Mobility Fund; Petitions for Waiver of Windy City Cellular, LLC, and Adak Eagle Enterprise, LLC*, WC Docket No. 10-90, WT Docket No. 10-208, Order, 28 FCC Rcd 10194, 10211-12 (Wireline Comp. Bur./Wireless Tel. Bur. 2012).

Page 2—The Honorable Lisa Murkowski

traveling to Alaska next week. While my schedule will not permit a visit to Adak Island, I will be meeting with AEE's and WCC's representatives. Please know that your participation in that meeting is most welcome.

Thank you again for contacting me about this issue. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Wheeler". The signature is fluid and cursive, with the first name "Tom" being more prominent than the last name "Wheeler".

Tom Wheeler



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

August 21, 2014

The Honorable Mark Begich
United States Senate
111 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Begich:

Thank you for your letter encouraging the Commission to take prompt action with respect to the Petition for Reconsideration¹ and Application for Review² filed by Adak Eagle Enterprises, LLC (AEE), and its affiliate, Windy City Cellular, LLC (WCC). Your views are very important and will be included in the record of this proceeding and considered as part of the Commission's review.

As you are aware, Adak Eagle Enterprises and Windy City Cellular filed a Petition for Reconsideration and Application for Review of the Wireline Competition Bureau's and Wireless Telecommunications Bureau's denial of AEE's and WCC's requests that the Commission waive its caps on universal service funding.³ I appreciate your concern about the time involved in processing the petition and application. The Commission seeks to resolve the petition expeditiously but also recognizes the need to have up-to-date information from AEE and WCC in order to make an informed decision about how best to allocate limited universal service funds. To that end, the Wireline Competition Bureau sent a letter on August 12, 2014, to Mr. Larry Mayes, AEE's and WCC's President and CEO, requesting more detailed information regarding, among other matters, corporate staffing, lease agreements, corporate operations expenses, affiliate transactions, and contracts for AEE's wireline operations. In the meantime, Commission staff have extended AEE's and WCC's current waiver, thus keeping in place the monthly universal service funding levels both have been receiving until we act on a more permanent solution. This extension will provide funding certainty for both companies in the interim.

I share your concern for ensuring the residents of Adak Island have access to telecommunications services and appreciate your invitation to visit there. I will, in fact, be

¹ Adak Eagle Enterprises, LLC, and Windy City Cellular, LLC, Petition for Reconsideration, WC Docket No. 10-90 and WT Docket No. 10-208 (filed August 14, 2013) (Petition for Reconsideration).

² Adak Eagle Enterprises, LLC, and Windy City Cellular, LLC, Application for Review, WC Docket No. 10-90 and WT Docket No. 10-208 (filed August 14, 2013) (Application for Review).

³ *Connect America Fund; Universal Service Reform – Mobility Fund; Petitions for Waiver of Windy City Cellular, LLC, and Adak Eagle Enterprise, LLC*, WC Docket No. 10-90, WT Docket No. 10-208, Order, 28 FCC Rcd 10194, 10211-12 (Wireline Comp., Bur./Wireless Tel. Bur. 2012).

Page 2—The Honorable Mark Begich

traveling to Alaska next week. While my schedule will not permit a visit to Adak Island, I will be meeting with AEE's and WCC's representatives. Please know that your participation in that meeting is most welcome.

Thank you again for contacting me about this issue. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Wheeler". The signature is fluid and cursive, with the first name "Tom" being more prominent.

Tom Wheeler



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

August 21, 2014

The Honorable Don Young
U.S. House of Representatives
2314 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Young:

Thank you for your letter encouraging the Commission to take prompt action with respect to the Petition for Reconsideration¹ and Application for Review² filed by Adak Eagle Enterprises, LLC (AEE), and its affiliate, Windy City Cellular, LLC (WCC). Your views are very important and will be included in the record of this proceeding and considered as part of the Commission's review.

As you are aware, Adak Eagle Enterprises and Windy City Cellular filed a Petition for Reconsideration and Application for Review of the Wireline Competition Bureau's and Wireless Telecommunications Bureau's denial of AEE's and WCC's requests that the Commission waive its caps on universal service funding.³ I appreciate your concern about the time involved in processing the petition and application. The Commission seeks to resolve the petition expeditiously but also recognizes the need to have up-to-date information from AEE and WCC in order to make an informed decision about how best to allocate limited universal service funds. To that end, the Wireline Competition Bureau sent a letter on August 12, 2014, to Mr. Larry Mayes, AEE's and WCC's President and CEO, requesting more detailed information regarding, among other matters, corporate staffing, lease agreements, corporate operations expenses, affiliate transactions, and contracts for AEE's wireline operations. In the meantime, Commission staff have extended AEE's and WCC's current waiver, thus keeping in place the monthly universal service funding levels both have been receiving until we act on a more permanent solution. This extension will provide funding certainty for both companies in the interim.

I share your concern for ensuring the residents of Adak Island have access to telecommunications services and appreciate your invitation to visit there. I will, in fact, be

¹ Adak Eagle Enterprises, LLC, and Windy City Cellular, LLC, Petition for Reconsideration, WC Docket No. 10-90 and WT Docket No. 10-208 (filed August 14, 2013) (Petition for Reconsideration).

² Adak Eagle Enterprises, LLC, and Windy City Cellular, LLC, Application for Review, WC Docket No. 10-90 and WT Docket No. 10-208 (filed August 14, 2013) (Application for Review).

³ *Connect America Fund; Universal Service Reform – Mobility Fund; Petitions for Waiver of Windy City Cellular, LLC, and Adak Eagle Enterprise, LLC*, WC Docket No. 10-90, WT Docket No. 10-208, Order, 28 FCC Rcd 10194, 10211-12 (Wireline Comp., Bur./Wireless Tel. Bur. 2012).

Page 2—The Honorable Don Young

traveling to Alaska next week. While my schedule will not permit a visit to Adak Island, I will be meeting with AEE's and WCC's representatives. Please know that your participation in that meeting is most welcome.

Thank you again for contacting me about this issue. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Wheeler". The signature is written in a cursive style with a prominent loop at the end.

Tom Wheeler