**DA 16-1425**

**Released: December 21, 2016**

**WIRELINE COMPETITION BUREAU AUTHORIZES ALASKA PLAN SUPPORT**

**FOR 13 ALASKAN RATE-OF-RETURN COMPANIES**

**WC Docket Nos. 10-90 and 16-271**

On August 23, 2016, the Federal Communications Commission (Commission) adopted the *Alaska Plan Order*.[[1]](#footnote-2) In the *Alaska Plan Order*, the Commission provided a one-time opportunity for Alaskan rate-of-return carriers to elect to receive support frozen at adjusted 2011 levels for a 10-year term in exchange for meeting individualized performance obligations — offering voice and broadband services meeting specific service obligations at specified minimum speeds by five-year and 10-year service milestones to a specified number of locations.

Today, in accordance with the *Alaska Plan Order*, the Wireline Competition Bureau (Bureau) approves the individualized performance obligations and authorizes support amounts as described in the appendices.[[2]](#footnote-3) The individualized performance obligations we approve today were submitted by the Alaska Telephone Association on behalf of its member companies on May 9, 2016, supplemented on May 12, 2016, and further revised/clarified after the Order’s adoption.[[3]](#footnote-4) Consistent with the Commission’s direction, the Bureau finds it is in the public interest to approve these performance obligations.

Certain carriers, due to limited access to middle-mile facilities, committed to maintaining service at existing levels without deploying new service or upgrading existing locations. The Commission required carriers that commit to only maintaining existing Internet access service at existing speeds to explain why they are unable to commit to upgrade their existing service or deploy service to new locations.[[4]](#footnote-5) Based on our review of the information submitted, consistent with the Commission’s direction, we approve those plans today. We remind those carriers that they are required to certify in their annual reports that they are providing service in accordance with their approved plan.[[5]](#footnote-6) As directed by the Commission, we will review these carriers’ plans on a biennial basis and adjust the plans based on any changed circumstances.[[6]](#footnote-7) Further, we remind all carriers on the Alaska Plan that they are required to report as new backhaul becomes available, which certain carriers anticipate will happen during the 10-year support term.[[7]](#footnote-8)

Both Summit Telephone Company of Alaska, Inc. d/b/a Summit Telephone Company and Alaska Power & Telephone, on behalf of its rate-of-return carrier subsidiaries, Bettles Telephone Company (SAC 613002), Alaska Telephone Company (SAC 613017), and North Country Telephone Company (SAC 613026), have indicated their interest in receiving Alternative Connect America Model (A-CAM) support.[[8]](#footnote-9) These companies previously had submitted proposed Alaska Plan performance plans. For administrative convenience, the Bureau briefly defers action on the performance plans for these companies, pending resolution of whether these carriers are ultimately authorized for A-CAM support. In the meantime, they will continue to receive support under the reformed legacy support mechanisms.

We also authorize Adak Eagle Enterprises, LLC (Adak) (SAC 610989) for Alaska Plan support. While Adak has indicated its interest in receiving A-CAM support, in the *Alaska Plan Order*, the Commission noted that those Alaska rate-of-return carriers that are unable to offer even 4/1 Mbps service would not be permitted to elect A-CAM support.[[9]](#footnote-10) Adak is unable to meet a 4/1 Mbps service obligation;[[10]](#footnote-11) as such, it is not eligible to elect A-CAM support.[[11]](#footnote-12)

For each of the carriers whose plans we approve today, by December 29, 2016 an officer of the company must submit a letter in WC Docket No. 16-271 certifying that the carrier will comply with the public interest obligations adopted in the *Alaska Plan Order* and the deployment obligations set forth in the adopted performance plan.[[12]](#footnote-13)

Finally, we remind the carriers approved to receive Alaska Plan support of the requirements related to tariffs.[[13]](#footnote-14) They must refile their special access tariffs removing the costs of Consumer Broadband-only Loops (CBOL) from the Special Access category, consistent with the *2016 Rate-of-Return Order*.[[14]](#footnote-15) They are permitted—but not required—to assess a wholesale consumer broadband-only loop charge that does not exceed $42 per line per month. Alternatively, they may detariff such a charge. Moreover, carriers receiving support pursuant to the Alaska Plan are not required to offer a separate CBOL service, on either a tariffed or detariffed basis.

Alaska Plan recipients must also exit the National Exchange Carrier Association (NECA) Common Line pool, while they have the option of continuing to use NECA to tariff their Common Line and CBOL charges. The affected Alaska carriers shall coordinate with NECA on making any required tariff filings in order to ease the administrative burden associated with implementation of any changes. Once the Universal Service Administrative Company confirms that the carriers have notified NECA of their intention to exit the Common Line pool, support under the Alaska Plan may be disbursed.[[15]](#footnote-16)

For additional information on this proceeding, contact Alexander Minard, alexander.minard@fcc.gov, or Jesse Jachman, jesse.jachman@fcc.gov of the Wireline Competition Bureau, Telecommunications Access Policy Division, (202) 418-7400.

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**Appendix A**

**Approved Support Amounts for Rate-of-Return Carrier Alaska Plan Recipients**

**January 1, 2017 to December 31, 2026[[16]](#footnote-17)**

**Aggregated to Holding Company Level**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **State** | **Holding Company** | **Rate-of-Return Carrier** | **Study Area Code** | **Yearly Support Amount ($)** |
| AK | Adak Eagle Enterprises, LLC | ADKG | 610989 | 333,000 |
| AK | American Broadband Communications et al. | AMRC | 613011613016 | 5,391,870 |
| AK | Arctic Slope Telephone Association Cooperative, Inc. | ARCT | 613001 | 3,135,240 |
| AK | Bristol Bay Telephone Cooperative | BRST | 613003 | 1,136,604 |
| AK | Bush-Tell, Inc. | BSHT | 613004 | 783,048 |
| AK | Circle Telephone & Electric | CRCL | 613005 | 38,532 |
| AK | Copper Valley Telephone Cooperative | CPPR | 613006 | 11,307,498 |
| AK | Cordova Telephone Cooperative, Inc. | CRDV | 613007 | 2,316,234 |
| AK | City of Ketchikan | CTYF3 | 613013 | 4,217,490 |
| AK | Matanuska Telephone Association, Inc. | MTNS | 613015 | 18,720,342 |
| AK | Nushagak Electric & Telephone Cooperative, Inc. | NSHG | 613018 | 1,545,198 |
| AK | OTZ Telephone Cooperative, Inc. | OTZT | 613019 | 1,925,544 |
| AK | General Communication, Inc. | GNRL | 613023613025 | 3,525,624 |

**Appendix B**

**Approved Plans for Carriers Committing to Newly Deployed/Upgraded Service**

| **Carrier** | **Study Area Code** | **Rate-of-Return Carrier Code** | **Backhaul** | **Speed** | **Minimum Data Usage** | **Newly Deployed/Upgraded Locations by December 31, 2021** | **Newly Deployed/Upgraded Locations by December 31, 2026** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Bristol Bay Tel Coop | 613003 | BRST | Microwave | 4/1 Mbps | 40 GB | 0 | 10 |
|  |  |  |  |  |  |  |  |
| Copper Valley Tel | 613006 | CPPR | Hybrid Microwave/ Fiber | 25/3 Mbps | 150 GB | 97 | 97 |
| Fiber | 25/3 Mbps | 150 GB | 786 | 786 |
| Fiber | 50/5 Mbps | 150 GB | 668 | 668 |
| Fiber | 100/5 Mbps | 150 GB | 590 | 1101 |
| Fiber | 1GB/100 Mbps | 150 GB | 708 | 1769 |
|  |  |  |  |  |  |  |  |
| Cordova Tel Coop | 613007 | CRDV | Fiber | 25/3 Mbps | 150 GB | 17 | 17 |
| Fiber | 50/5 Mbps | 150 GB | 255 | 255 |
| Fiber | 100/5 Mbps | 150 GB | 425 | 850 |
|  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Interior Tel Co Inc.[[17]](#footnote-18) | 613011 | AMRC | Fiber | 10/1 Mbps | 150 GB | 1,616 | 1,616 |
| Fiber | 25/3 Mbps | 150 GB | 652 | 1,332 |
|  |  |  |  |  |  |  |  |
| Ketchikan Public Ut. | 613013 | CTYF3 | Fiber | 25/3 Mbps | 150 GB | 71 | 71 |
| Fiber | 50/5 Mbps | 150 GB | 72 | 216 |
| Fiber | 100/5 Mbps | 150 GB | 502 | 933 |
|  |  |  |  |  |  |  |  |
| Matanuska Tel Assoc | 613015 | MTNS | Fiber | 25/3 Mbps | 150 GB | 15,027 | 19,540 |
| Fiber | 50/5 Mbps | 150 GB | 8,518 | 15,500 |
| Fiber | 100/5 Mbps | 150 GB | 1,500 | 4,000 |
|  |  |  |  |  |  |  |  |
| Nushagak Elec & Tel | 613018 | NSHG | Microwave | 6/1 Mbps | 40 GB | 146 | 195 |
|  |  |  |  |  |  |  |  |
| Otz Tel Cooperative[[18]](#footnote-19) | 613019 | OTZT | Fiber | 25/3 Mbps | 150 GB | 694 | 1,249 |
|  |  |  |  |  |  |  |  |
| United Utilities Inc. And Yukon Tel Co Inc. | 613023613025 | GNRL | Satellite | 1Mbps/256kbps | 7 GB | 1,063 | 1,063 |
| Microwave | 10/1 Mbps | 40 GB | 4,311 | 8,621 |
| Fiber | 25/3 Mbps | 150 GB | 324 | 324 |

**Approved Plans for Carriers Maintaining Service at Current Levels[[19]](#footnote-20)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Carrier** | **Rate-of-Return Carrier Code** | **Study Area Code** | **Backhaul** | **Speed** | **Data Usage** | **Locations Passed** |
| Adak Tel Utility | ADKG | 610989 | Satellite | 1Mbps/256kbps | 4 GB | 346 |
|  |  |  |  |  |  |  |
| Arctic Slope Tel | ARCT | 613001 | Satellite  | 1Mbps/256kbps | Unlimited | 2,509 |
| Hybrid Microwave-Fiber | 4/1 Mbps | Unlimited | 206 |
|  |  |  |  |  |  |  |
| Bush-Tell Inc. | BSHT | 613004 | Microwave | 6/1 Mbps | 25 GB | 1,109 |
|  |  |  |  |  |  |  |
| Circle Utilities | CRCL | 613005 | N/A | N/A[[20]](#footnote-21) | N/A | 40 |
|  |  |  |  |  |  |  |
| Mukluk Tel Co Inc. | AMRC | 613016 | Satellite | 1Mbps/256kbps | 12 GB | 2,628 |

1. *Connect America Fund, et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 31 FCC Rcd 10139 (2016) (*Alaska Plan Order*). [↑](#footnote-ref-2)
2. The approved yearly support amounts are provided in Appendix A to this Public Notice. *See also* 47 CFR § 54.306(c). The approved individualized performance obligations are provided in Appendix B to this Public Notice. *See also* 47 CFR § 54.306(b). [↑](#footnote-ref-3)
3. Letter from Christine O’Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, at Attach (filed May 9, 2016) (ATA May 9 Letter); Letter from Christine O’Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, at Attach. (filed May 12, 2016) (ATA May 12, 2016 Letter); Letter from Stephen Merriam, Federal Advocate, Arctic Slope Telephone Association Cooperative, Inc., to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket Nos. 10-90, 16-271 (filed Nov. 17, 2016) (ASTAC Nov. 17, 2016 Letter); Letter from Christine O’Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271 (filed Nov. 22, 2016); Letter from Julie A. Veach, Counsel to General Communications, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (filed Nov. 29, 2016); Letter from Dave Goggins, President/GM TelAlaska, Inc. to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271 (filed Dec. 1, 2016) (TelAlaska Dec. 1, 2016 Letter); Letter from Christine O’Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (filed Dec. 6, 2016); Letter from Daniel B. Lindgren, Assistant KPU Telecommunications Division Manager, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271 (filed Dec. 8, 2016). [↑](#footnote-ref-4)
4. *Alaska Plan Order*, 31 FCC Rcd at 10146, para. 18. [↑](#footnote-ref-5)
5. 47 CFR § 54.313(f)(1)(i). [↑](#footnote-ref-6)
6. *Alaska Plan Order*, 31 FCC Rcd at 10158, para. 62 [↑](#footnote-ref-7)
7. 47 CFR § 54.313(f)(3). *See* ASTAC Nov. 17, 2016 Letter *and* TelAlaska Dec. 1, 2016 Letter. *See also* Quintillion, System, http://qexpressnet.com/system/ (last visited Dec. 21, 2016). [↑](#footnote-ref-8)
8. *See Wireline Competition Bureau Announces Results of Rate-Of-Return Carriers That Accepted Offer of Model Support*, WC Docket No. 10-90, Public Notice, DA 16-1246 (WCB Nov. 2, 2016). [↑](#footnote-ref-9)
9. *Alaska Plan Order*, 31 FCC Rcd at 10142, n.18. [↑](#footnote-ref-10)
10. *See* ATAMay 9, 2016 Letter; ATA May 12, 2016 Letter (indicating access to only satellite middle-mile facilities at speeds less than 4/1 Mbps). [↑](#footnote-ref-11)
11. *See Connect America Fund*, WC Docket No. 10-90, Report and Order and Further Notice of Proposed Rulemaking, FCC 16-178, para. 16 (Dec. 20, 2016). [↑](#footnote-ref-12)
12. *Alaska Plan Order*, 31 FCC Rcd at 10154, para. 45. [↑](#footnote-ref-13)
13. *See id*. at 10154-55, para. 46 [↑](#footnote-ref-14)
14. *See Access Charge Tariff Filings Introducing Broadband-only Loop Service*, Order, Docket No. 16-317, 31 FCC Rcd 11017 (WCB Oct. 6, 2016) (*Broadband-only Loop Service TRP Order*); *see also Access Charge Tariff Filings Introducing Broadband-only Loop Service*, Order on Reconsideration, Docket No. 16-317, 31 FCC Rcd 12007 (WCB Nov. 4, 2016). The waiver the Bureau granted in *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, DA 16-1383 (WCB Dec. 14, 2016), limiting the amount of CBOL costs that must be shifted from the Special Access category to the Consumer Broadband-only Loop category also applies to carriers receiving support pursuant to the Alaska plan. We also clarify that carriers receiving support pursuant to the Alaska plan must impute an Access Recovery Charge on Consumer Broadband-only Loops, consistent with the Bureau clarification in *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, DA 16-1384 (WCB Dec. 14, 2016). [↑](#footnote-ref-15)
15. *Alaska Plan Order*, 31 FCC Rcd at 10154, para. 46 (citations omitted). [↑](#footnote-ref-16)
16. *See* 47 CFR § 54.306(c). [↑](#footnote-ref-17)
17. In addition to the newly deployed/upgraded locations, Interior Tel Co Inc. committed to maintain existing service throughout the 10-year term to 2,518 locations with access to only satellite backhaul with speeds of 1Mbps/256kbps. *See* Letter from Christine O’Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271 (filed Nov. 22, 2016). [↑](#footnote-ref-18)
18. OTZ Tel Cooperative will also provide 4/1 Mbps service via satellite backhaul throughout the 10-year term. The number of locations receiving service via satellite backhaul will decrease proportionally to number of newly deployed fiber locations. *See* Letter from Christine O’Connor, Executive Director, Alaska Telephone Association, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90, at Attach (filed May 9, 2016) (May 9, 2016 Ex Parte). [↑](#footnote-ref-19)
19. These carriers have committed to maintaining existing service, and therefore are subject to a biennial review per the Commission’s *Alaska Plan Order*. *See Alaska Plan Order*, 31 FCC Rcd at 10158, para. 62. [↑](#footnote-ref-20)
20. Circle Utilities states it does not have the facilities in place to provide any Internet access services; it does not have access to terrestrial backhaul and the cost of satellite backhaul is too much for the served community. *See* May 9 Ex Parte at Attach. [↑](#footnote-ref-21)