



# PUBLIC NOTICE

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## BIENNIAL REVIEW FOR THE ALASKA PLAN WIRELINE CARRIERS

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

In this Public Notice, the Wireline Competition Bureau announces the conclusion of the Biennial Review required by the Federal Communications Commission pursuant to the *Alaska Plan Order* adopted by the Commission on August 23, 2016.<sup>1</sup> 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.

On December 16, 2016, the Wireline Competition Bureau (Bureau) authorized the individualized performance obligations and support amounts for 13 rate-of-return companies in Alaska.<sup>2</sup> Carriers with approved plans to maintain existing levels service, which include Arctic Slope Telephone Cooperative, Inc. (ASTAC), Adak Eagle Enterprise, LLC, Bush-Tell, Inc., Circle Telephone & Electric, LLC, and Mukluk Telephone Company, Inc., are subject to biennial review.<sup>3</sup>

In conducting this Biennial Review, the Bureau held discussions with the carriers and/or assessed of the carriers' annual location and middle-mile map filings. Based on our review, we conclude that Circle and Bush-Tell will remain authorized to continue to maintain service at existing levels per the *Alaska Plan Wireline Authorization Public Notice*. Since the inception of the Alaska Plan, these carriers have not obtained

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<sup>1</sup> *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*).

<sup>2</sup> *Wireline Competition Bureau Authorizes Alaska Plan Support for 13 Alaskan Rate-of-Return Companies*, WC Docket Nos. 10-90, 16-271, Public Notice, 31 FCC Rcd 13347 (WCB 2016) (*Alaska Plan Wireline Authorization Public Notice*).

<sup>3</sup> See *Alaska Plan Order*, 31 FCC Rcd at 10158, para. 62.

access to new or upgraded middle-mile facilities in any of the areas of Alaska they serve.<sup>4</sup> For the same reasons, Adak will also remain authorized to continue to maintain service per the *Alaska Plan Wireline Authorization Public Notice*, but we note that Adak has a petition for reconsideration pending related to its Alaska Plan authorization.<sup>5</sup>

For ASTAC and Mukluk, we approve revised performance obligations provided in the Appendix to this Public Notice. On November 1, 2018, ASTAC submitted proposed revised wireline performance obligations.<sup>6</sup> After discussions with Bureau staff, ASTAC clarified those proposed obligations on November 27, 2018 and then further supplemented them on December 26, 2018 and again on November 19, 2019.<sup>7</sup> On March 1, 2019, Mukluk submitted proposed revised wireline performance obligations. After discussions with Bureau staff, Mukluk clarified and revised those performance obligations on March 8, 2019 and again on May 17, 2019;<sup>8</sup> and Mukluk subsequently addressed why it does not offer a level of service consistent with that of GCI's TERRA Network in certain communities.<sup>9</sup> As shown in their submissions, each of these carriers has obtained access to new middle-mile facilities allowing them offer improved service in parts of their study areas. The performance obligations we approve today replace the performance obligations the Bureau approved for ASTAC and Mukluk on December 16, 2016.<sup>10</sup>

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<sup>4</sup> See Letter from David Masephol, President, Circle Telephone & Electric, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (Apr. 4, 2019); Letter from William Douglas DeVore, President, Bush-Tell, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (May 10, 2019) (letter filed on May 22, 2019 and dated May 10, 2019).

<sup>5</sup> See Petition for Reconsideration of Adak Each Enterprises, LLC, WC Docket No. 10-90 (Jan. 19, 2017).

<sup>6</sup> Letter from Jeffry H. Smith President and CEO, GVNW Consulting, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271, at Attachment (Nov. 1, 2018).

<sup>7</sup> Letter from Jeffry H. Smith President and CEO, GVNW Consulting, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271, at Attachment (Nov. 27, 2018); Letter from Jeffry H. Smith President and CEO, GVNW Consulting, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271, at Attachment (Dec. 26, 2018); Letter from Jeffry H. Smith President and CEO, GVNW Consulting, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 16-271, at 4 (Nov. 19, 2019).

<sup>8</sup> See Letter from David J. Goggins, President and General Manager, TelAlaska, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (Mar. 1, 2019), Letter from David J. Goggins, President and General Manager, TelAlaska, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (Mar. 8, 2019). Letter from David J. Goggins, President and General Manager, TelAlaska, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (May 17, 2019).

<sup>9</sup> See Letter from David J. Goggins, President and General Manager, TelAlaska, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271 (Jun. 7, 2019).

<sup>10</sup> See *Alaska Plan Wireline Authorization Public Notice*, 31 FCC Rcd at 13354, Appx. B. Alaska Plan carriers are subject to the Alaska-specific reasonable comparability benchmark, see *Alaska Plan Order*, 31 FCC Rcd at 10149, para. 28, which the Bureau announces annually. See, e.g., Wireline Competition Bureau Announces Results of 2019 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for Eligible Telecommunications Carriers, WC Docket No. 10-90, Public Notice, 33 FCC Rcd 12316 (WCB 2018). See also 47 CFR § 54.313(a)(3) (broadband benchmark certification), and *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order, 29 FCC Rcd 15644, (continued....)

For additional information on this proceeding, contact Jesse Jachman, [jesse.jachman@fcc.gov](mailto:jesse.jachman@fcc.gov) of the Wireline Competition Bureau, (202) 418-2668.

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15700-01, para. 155-57 (2014) (directing the Universal Service Administrative Company “to gather additional information when ETCs fail to make the reasonably comparable certification about their voice or broadband rates in their section 54.313 annual report and transmit that information to the Commission.”).

**Appendix**  
**Revised Performance Obligations**

**1. Arctic Slope Telephone Cooperative, Inc.**

11/19/19 Revision

	Note 1	Note 2		Note 3					
	Speed to End User	Locations Passed 1/1/15	Locations Passed 1/1/18	Number of Locations At Benchmark 1/1/18	Percent of Locations At Benchmark 1/1/18	Number of Locations At Benchmark Year 5	Percent of Locations At Benchmark Year 5	Number of Locations At Benchmark Year 10	Percent of Locations At Benchmark Year 10
Middle Mile Facility									
Satellite	1Mb/384k	2,509	398	398	100%	398	100%	398	100%
Hybrid Microwave-Fiber	4Mb/1Mb	206							
Hybrid Microwave-Fiber**	10Mb/1Mb		161	161	100%	161	100%	161	100%
Fiber**	10Mb/1Mb		2,156	2,156	100%	2,156	100%	2,156	100%
Fiber**	25Mb/3Mb								
Total		2,715	2,715	2,715		2,715		2,715	

Note 1: Residential speeds. In Fiber and Hybrid fed markets, ASTAC offers a 10/1Mbps best effort service with a \$24.99/Mo access fee and metered usage (\$2 per GB used up to 100 GB, \$1 per GB after 101 GB and up). In the Satellite fed markets, ASTAC offers best effort speeds up to 1Mbps/384kbps service, including unlimited usage. ASTAC will update the Commission when our product offerings improve, triggered by improved economics\*\* on the middle mile service.

Note 2: Residential and estimated business locations passed in ETC's network as of 12/31/15.

Note 3: Year 1 is 2017

\*\* ASTAC's last mile (FTTH) network is capable of delivering higher broadband speeds in all markets than what is offered, but is limited by middle mile network cost/capacity constraints. ASTAC is able to meet the latency requirements in those markets connected by Fiber and Hybrid Microwave-Fiber middle mile. ASTAC has demonstrated why the reasonably comparable rate requirement and delivered speed metrics are not feasible in any of its markets with use of a simple economic model. We can show that the prohibitive factor continues to be the high cost of middle mile transport.

## 2. Mukluk Telephone Company, Inc.

### Mukluk Telephone Company, Inc

Note 1

Note 2

Note 3

		Base Locations 12/31/2015	Locations At Benchmark 12/31/15	Number of Locations Passed 12/31/2017	Percent of Locations At Benchmark Year 5	Number of Locations at Benchmark Year 5	Percent of Locations At Benchmark Year 10	Number of Locations at Benchmark Year 10
Middle Mile Facility	Speed to End User							
Satellite	1Mb/256k	3,039	95.00%	2,887	38.29%	1,164	39.52%	1,201
Hybrid Microwave-Fiber	4Mb/1Mb							
Fiber	10Mb/1Mb				1.32%	40	1.00%	30
Fiber	25Mb/3Mb				57.68%	1,753	58.28%	1,771
Total		3,039	95.00%	2,887	97.29%	2,957	98.80%	3,002

Note 1: Residential speeds.

Note 2: Base Locations in ETC's network as of 12/31/15. Source is 2010 US Census as updated for HUBB reporting.

Note 3: Year 1 is 2017