

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
Alaska Connect Fund)	WC Docket No. 23-328
)	
Connect America Fund—Alaska Plan)	WC Docket No. 16-271
)	
Universal Service Reform—Mobility Fund)	WT Docket No. 10-208
)	
ETC Annual Reports and Certifications)	WC Docket No. 14-58
)	
Telecommunications Carriers Eligible to Receive Universal Service Support)	WC Docket No. 09-197

**ALASKA CONNECT FUND ORDER ON RECONSIDERATION AND CLARIFICATION,
ALASKA PLAN WAIVER ORDER, AND ORDER**

Adopted: September 25, 2025

Released: September 26, 2025

By the Commission: Chairman Carr and Commissioner Trusty issuing separate statements.

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I. INTRODUCTION

1. In this Order, we further refine our Alaska high-cost mobile-support programs to ensure efficient use of scarce universal service funds that will bring 5G-NR to Americans living, working, and traveling in Alaska. To this end, this item addresses four matters. The first is a Petition by GCI Communication Corp. (GCI) seeking reconsideration and clarification of various aspects of the *Alaska Connect Fund Order*, which the Commission adopted last year.¹ Like its Alaska Plan predecessor, the *Alaska Connect Fund Order* established a high-cost universal service support program designed to address the distinct challenges of providing mobile voice and broadband service in the hard-to-serve rural and remote areas of Alaska.² The Alaska Connect Fund (ACF) will provide ongoing and certain support through 2034 to mobile wireless providers that currently receive high-cost support pursuant to the Alaska Plan.³ The refinements to the ACF we adopt today will better ensure the continued deployment of affordable and reliable high-speed broadband services to communities throughout Alaska.

2. We grant in part and deny in part the GCI ACF Petition by making certain modifications and providing further clarification of ACF rules and requirements for mobile providers. Specifically, we (1) clarify certain details of mobile providers’ performance plan requirements and commitments; (2) provide additional clarification regarding the deployment goals of 5G-NR at 35/3 Mbps for single-support areas and 5/1 Mbps for duplicate-support areas, while denying GCI’s request to limit the ACF deployment goals solely to areas with Broadband Serviceable Locations (BSLs); (3) clarify the extent of the Wireless Telecommunications Bureau’s (WTB’s or Bureau’s) discretion to determine a mobile provider’s ineligibility for the ACF due to noncompliance with its Alaska Plan commitments; (4) modify and clarify rules governing the categorization of eligible and ineligible areas; (5) clarify that providers have no service obligations for areas that are deemed ineligible for ACF support; (6) eliminate and modify several compliance obligations regarding the annual infrastructure data filing requirement for ACF mobile providers, the ACF speed test data submission deadline, and the reasonably comparable rate requirement; and (7) address the extent to which ACF support and obligations will transfer as a result of mergers or other transactions among participating providers.

3. Next, we address a second Petition by GCI, which seeks modification or waiver of two Bureau-level methodologies adopted to determine mobile providers’ compliance with their obligations

¹ *Connect America Fund; Alaska Connect Fund; Connect America Fund—Alaska Plan; Universal Service Reform—Mobility Fund; ETC Annual Reports and Certifications; Telecommunications Carriers Eligible to Receive Universal Service Support*, WC Docket Nos. 10-90, 23-328, 16-271, 14-58, and 09-197; WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, 39 FCC Rcd 12099 (2024) (*Alaska Connect Fund Order/Alaska Connect Fund FNPRM*); GCI Communication Corp. Petition for Clarification and Reconsideration of the Alaska Connect Fund Report and Order, WC Docket Nos. 23-328, 16-271, 10-90, 14-58, and 09-197; WT Docket No. 10-208 (filed Jan. 30, 2025) (GCI ACF Petition), <https://www.fcc.gov/ecfs/document/10130156599467/1>.

² *Alaska Connect Fund Order*, 39 FCC Rcd at 12100, para. 1

³ *Alaska Connect Fund Order*, 39 FCC Rcd at 12102-03, para. 6.

under the Alaska Plan.⁴ The Alaska Plan was adopted in 2016 as a ten-year plan to stabilize support to Alaskan mobile providers in remote areas after the universal service fund had undergone reforms.⁵ The Alaska Plan required providers to submit performance plans with commitments to bring mobile broadband or maintained mobile voice service to Alaskans living in remote areas of the state.⁶ The Commission directed WTB to effectuate Alaska Plan administration for the mobile portion of the Order.⁷ WTB adopted methodologies, where appropriate, to determine whether and to what extent providers were meeting their Alaska Plan commitments.⁸ GCI petitions for modification or waiver of two of the Bureau-adopted methodologies before GCI's final milestone on December 31, 2026.⁹ We grant in part GCI's request for waiver of those methodologies, consistent with the public interest.

4. We also address two additional items related to the Alaska mobile high-cost programs. The Alaska Remote Carrier Coalition (ARCC), which represents five of the eight mobile providers in the Alaska Plan, put forth a proposal affecting both the ACF and Alaska Plan.¹⁰ We dismiss the proposal as untimely filed in both proceedings. Finally, we correct one rule to better reflect the *Alaska Connect Fund Order*.

II. BACKGROUND

5. In 2016, the Commission adopted the Alaska Plan, establishing flexible universal service rules in order to account for distinct conditions in Alaska, in recognition that rural and high-cost areas of Alaska are some of the hardest and most costly to serve in the country.¹¹ The Alaska Plan—built on a proposal submitted by the Alaska Telephone Association (ATA)—addressed support for both fixed and mobile voice and broadband service in high-cost areas in the state of Alaska.¹² Given the distinct climate and geographic conditions of Alaska, the Commission found it to be in the public interest to offer Alaska providers the option of receiving fixed amounts of high-cost support over ten years in exchange for participants' individualized commitments to maintain or improve fixed and mobile broadband service in

⁴ GCI Communication Corp. Petition for Modification or Waiver of Portion of the Alaska Population-Distribution Model to Permit Use of the Broadband Serviceable Location Fabric for the Alaska Plan Mobile Compliance and for a Waiver to Revise the Mobile Waterfall Methodology, WC Docket No. 16-271 (filed Apr. 14, 2025) (GCI AK Plan Petition), <https://www.fcc.gov/ecfs/document/1041111257902/1>.

⁵ *Connect America Fund; Universal Service Reform—Mobility Fund; Connect America Fund—Alaska Plan*, WC Docket Nos. 10-90, 16-271, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, 31 FCC Rcd 10139, 10140, 10160-62, paras. 1, 68-71 (2016) (*Alaska Plan Order*).

⁶ 47 CFR § 54.317(f); *Alaska Plan Order*, 31 FCC Rcd at 10160, 10164-67, paras. 67, 77, 81, 85-86.

⁷ *Alaska Plan Order*, 31 FCC Rcd at 10160, para. 67 (“[W]e delegate authority to the Wireless Telecommunications Bureau . . . to effectuate plan implementation and administration as detailed below.”); *id.* 10166-67 at 85 (“We delegate to the Wireless Telecommunications Bureau authority to require additional information, . . . from individual participants that it deems necessary to establish clear standards for determining whether or not they meet their five- and 10-year commitments.”).

⁸ See, e.g., *Connect America Fund—Alaska Plan*, WC Docket No. 16-271, Order, 35 FCC Rcd 10373 (WTB 2020) (*Alaska Population Distribution Order*) (adopting a methodology for estimating the number of Alaskans who receive mobile service within census blocks in remote areas of Alaska); *Connect America Fund—Alaska Plan*, WC Docket No. 16-271, Order and Request for Comment, 37 FCC Rcd 5882 (WTB 2022) (*Alaska Drive Test Order*) (adopting a drive-test model and parameters for the drive tests that are required of certain mobile providers participating in the Alaska Plan).

⁹ GCI AK Plan Petition at 1-2.

¹⁰ Alaska Remote Carrier Coalition Comments, WC Docket Nos. 16-271 and 10-90, WT Docket No. 10-208 (rec. May 19, 2025) (ARCC AK Plan Comments), <https://www.fcc.gov/ecfs/document/10519030809710/1>.

¹¹ *Alaska Plan Order*, 31 FCC Rcd at 10140, para. 1.

¹² See generally *Alaska Plan Order*, 31 FCC Rcd 10140, para. 1.

the state.¹³ The Alaska Plan was expected to bring broadband to as many as 111,302 fixed locations and 133,788 mobile consumers by the end of the 10-year term on December 31, 2026.¹⁴

6. Due to the approaching end of support under the Alaska Plan, on January 4, 2023, ATA petitioned for the next version of the Alaska Plan to ensure ongoing support and help bring 5G to remote Alaska.¹⁵ On November 1, 2024, the Commission adopted the *Alaska Connect Fund Order*, establishing a new high-cost support program—the ACF—that would provide ongoing and certain support for mobile wireless services in Alaska through 2034.¹⁶ The ACF will play an important role in ensuring that Alaskans have access to reliable, advanced mobile service, particularly in upgrading networks to 5G and encouraging deployment to unserved and underserved areas.¹⁷ The Commission adopted a two-phase approach for mobile service.¹⁸ The approach balanced the importance of giving mobile providers certainty of funding in particular areas to help meet the Commission’s goals of 5G deployment, with the need to ensure funding is not being used for last generation technologies (e.g., 2G and 3G).¹⁹ It also targeted funding to areas where it is needed the most and addressed concerns of duplicate support.²⁰ The framework the Commission adopted for mobile support relies on the improved mobile coverage data obtained in the Broadband Data Collection (BDC), which is reflected on the Commission’s National Broadband Map, and which provides the most comprehensive picture to date of where mobile broadband service is and is not available across the country, including Alaska.²¹

7. The Commission extended support for a set period for mobile providers that: (1) participated in the Alaska Plan and (2) choose to opt into the ACF, subject to conditions set forth in the *Alaska Connect Fund Order*.²² The terms and goals for mobile support under the ACF are based on whether an eligible area has only one subsidized provider (single-support areas) or multiple subsidized providers (duplicate-support areas).²³ For eligible areas where there is a single subsidized provider, the

¹³ *Alaska Plan Order*, 31 FCC Rcd at 10140, para. 1.

¹⁴ *See Alaska Plan Order*, 31 FCC Rcd at 10140, para. 1.

¹⁵ Alaska Telecom Association Petition for Expedited Rulemaking, WC Docket Nos. 10-90, 16-271, at 2, 14, 25 (filed Jan. 4, 2023), <https://www.fcc.gov/ecfs/document/1010434769472/1>. ATA represents all eight mobile providers of the Alaska Plan. *See id.* at 1 n.1.

¹⁶ *Alaska Connect Fund Order*, 39 FCC Rcd at 12101, 12102-03, paras. 3, 6. In the *Alaska Connect Fund FNPRM*, the Commission sought comment on the implementation of the second phase of ACF mobile support. *Id.* at 12103, para. 7.

¹⁷ *Id.* at 12102, para. 6.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

²¹ *Id.*; *see also* Federal Communications Commission, National Broadband Map, <https://broadbandmap.fcc.gov/home> (last visited July 17, 2025); Letter from Jeffrey H. Smith VP of Public Policy, VPS, ARCC, to Marlene H. Dortch, WC Docket Nos. 23-328, 16-271, at 1 (filed May 28, 2025). Providers must report availability data biannually as part of the BDC. *See* 47 U.S.C. § 642(a)(1)(A)(i); 47 CFR § 1.7004 (establishing the scope, content, and frequency of BDC filings). Mobile wireless broadband service providers report their coverage areas using standardized propagation modeling parameters. 47 U.S.C. § 642(b)(2)(B); 47 CFR § 1.7004(c)(3)-(7). Those data are then subject to audits, verifications, and challenges. 47 U.S.C. §§ 642(a)(1)(B)(i), (iii), (b)(4)(B), (b)(5), 644(a); 47 CFR § 1.7006(a), (c), (e)-(f). The National Broadband Map is updated to reflect the results of these processes and providers’ biannual filings. *See* 47 U.S.C. § 642(c)(3); 47 CFR § 1.7008(c).

²² *Alaska Connect Fund Order*, 39 FCC Rcd at 12102, para. 6.

²³ *Id.* “Single-support areas” refers to areas that are being covered by only one Alaska Plan mobile-provider participant in Alaska. *Id.* at 12102, 12133, 12134, paras. 6 n.6, 73, 75. “Duplicate-support areas” refers to areas that are being covered by two or more Alaska Plan mobile provider participants in Alaska. *Id.* at 12102, 12133, 12134-

(continued....)

current provider will continue receiving support through the end of 2034 and will be expected to enter into a new performance plan providing for 5G service where technically and financially feasible.²⁴ For eligible areas with multiple subsidized providers, the Commission adopted a two-phase approach to resolve the problem of duplicative support: (1) an ACF Mobile Phase I that extends support for the mobile providers receiving support in these duplicate-support areas under the current Alaska Plan until December 31, 2029; and (2) an ACF Mobile Phase II that would provide a single provider in those areas with support through the end of 2034.²⁵ The Commission delegated authority to WTB to implement and administer various components of the mobile portion of the ACF.²⁶ For example, the Commission delegated authority to WTB to review and approve performance plans for mobile ACF support.²⁷ The Commission also delegated authority to WTB in coordination with the Office of Economics and Analytics (OEA) to develop and publish a map of areas eligible to receive ACF mobile support.²⁸ Finally, the Commission delegated authority to WTB to implement accountability and oversight measures for mobile-support recipients.²⁹

8. On January 30, 2025, GCI filed the GCI ACF Petition, seeking guidance and adjustments to various aspects of the mobile portion of the *Alaska Connect Fund Order*.³⁰ WTB sought public comment on the GCI ACF Petition in a Public Notice released March 19, 2025.³¹ In its subsequent filings, GCI both proposed specific edits to the Commission's rules consistent with its reconsideration petition and included additional changes to the rules.³² One other party—the Alaska Remote Carrier Coalition (ARCC)—filed comments in response to the GCI ACF Petition.³³

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35, paras. 6 n.6, 73, 76-79. However, areas that are ineligible for mobile support under the ACF, such as areas with one unsubsidized provider that offers 5G-New Radio (NR) at 7/1 Mbps, or three or more mobile providers providing at least 4G LTE at 5/1 Mbps mobile service (with at least one being an unsubsidized provider) will not be considered to be single- or duplicate-support areas. *Id.* at 12102, 12143-48, paras. 6 n.6, 98-110.

²⁴ *Alaska Connect Fund Order*, 39 FCC Rcd at 12102-03, para. 6.

²⁵ *Id.* at 12103, para. 6.

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.*

³⁰ GCI ACF Petition. GCI is the largest Alaska Plan mobile provider, receiving over 70% of all Alaska Plan mobile support at more than \$70 million per year and responsible for over 70% of the committed-to coverage.

³¹ *Wireless Telecommunications Bureau Seeks Comment on Petition Seeking Clarification and Reconsideration of the Alaska Connect Fund Order*, WC Docket No. 23-328 et al., Public Notice, DA 25-242, at 1 (WTB Mar. 19, 2025) (*GCI ACF Recon Petition Public Notice*).

³² GCI Petition for Clarification and Reconsideration of the Alaska Connect Fund Report and Order Reply, WC Docket Nos. 23-328 et al., Appx. A (filed Apr. 29, 2025) (GCI ACF Petition Reply), <https://www.fcc.gov/ecfs/document/10429716517853/1>; Letter from John T. Nakahata, Counsel to GCI Communications Corp., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328, Appx. A (filed May 22, 2025) (GCI May 22, 2025 *Ex Parte*); *see also* Letter from Annick M. Banoun, Counsel to GCI Communications Corp., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328, at 1-2 (filed July 14, 2025) (urging adoption of its GCI ACF Petition and subsequent filings).

³³ ARCC Comments, WC Docket No. 23-328 et al. (rec. Apr. 14, 2025) (ARCC ACF Recon Comments), <https://www.fcc.gov/ecfs/document/1041417641936/1>. OptimERA filed an *ex parte* opposing many of the changes requested by the GCI ACF Petition on August 19, 2025. Letter from James U. Troup, Counsel for OptimERA, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 23-328, 16-271 (filed Aug. 19, 2025) (OptimERA Aug. 19, 2025 *Ex Parte*).

9. On April 14, 2025, GCI filed the GCI AK Plan Petition, seeking changes to two methodologies utilized to evaluate a mobile provider's compliance with its final milestone commitments in the Alaska Plan.³⁴ WTB sought public comment on the GCI AK Plan Petition in a Public Notice released on May 16, 2025.³⁵ Two parties filed responses to the GCI AK Plan Petition, ARCC and OptimERA Holdings, Inc (OptimERA).³⁶ In its comments responding to both GCI Petitions, ARCC introduced its "Corrective Area Retention Reserve" (ARCC Reserve Plan) as a potential "middle ground" solution for noncompliant Alaska Plan carriers to serve as "an alternative to being determined as ineligible for the Alaska Connect Fund."³⁷

III. ALASKA CONNECT FUND ORDER ON RECONSIDERATION AND CLARIFICATION

10. In this section, we grant in part and deny in part the relief requested in the GCI ACF Petition, as provided below.³⁸

A. Performance Plan Deployment Goals and Commitments

11. A competitive eligible telecommunications carrier (ETC) previously receiving support under the Alaska Plan must be subject to a performance plan approved by WTB in order to continue receiving support as part of the ACF (extended support).³⁹ In the performance plan, the provider must commit to specific deployment obligations and performance requirements sufficient to demonstrate that support is being used in the public interest and in accordance with section 54.318(f) of the Commission's rules and the requirements adopted by the Commission for the ACF.⁴⁰

12. In the *Alaska Connect Fund Order*, the Commission established different performance goals for single-support and duplicate-support areas.⁴¹ For single-support areas, mobile wireless providers are expected to use ACF support to upgrade service to 5G-New Radio (NR) at 35/3 megabits per second (Mbps), where technically and financially feasible, by the end of December 2034.⁴² For duplicate-support areas, mobile wireless providers are expected to use ACF support to work on extending service to 4G LTE at 5/1 Mbps, where technically and financially feasible, by the end of December 2029

³⁴ See GCI AK Plan Petition at 1-2; GCI Communication Corp. Petition for Modification or Waiver of Portion of the Alaska Population-Distribution Model to Permit use of the Broadband Serviceable Location Fabric for the Alaska Plan Mobile Compliance and for a Waiver to Revise the Mobile Waterfall Methodology, WC Docket Nos. 16-271, 10-90, WT Docket No. 10-208 (rec. June 3, 2025) (GCI AK Plan Petition Reply), <https://www.fcc.gov/ecfs/document/1060325147131/1>.

³⁵ *Wireless Telecommunications Bureau Seeks Comment on Petition Seeking Modification or Waiver of the Alaska Population Distribution Model and of the Mobile Waterfall Methodology for the Alaska Plan*, WC Docket Nos. 16-271 and 10-90, WT Docket No. 10-208, Public Notice, DA 25-424, at 1 (WTB May 16, 2025) (*GCI AK Plan Petition Public Notice*).

³⁶ ARCC AK Plan Comments; OptimERA Opposition, WC Docket Nos. 16-271, 10-90; WT Docket No. 10-208, at 4 (rec. May 27, 2025) (OptimERA AK Plan Opposition), <https://www.fcc.gov/ecfs/document/10527646904820/1>.

³⁷ ARCC AK Plan Comments at 3, 11; *see also* Alaska Remote Carrier Coalition Reply, WC Docket Nos. 16-271 and 10-90, WT Docket No. 10-208, at 10 n.16 (rec. June 3, 2025) (ARCC AK Plan Reply), <https://www.fcc.gov/ecfs/document/1053174434552/1>.

³⁸ 47 CFR § 1.429(i) ("The Commission may grant the petition for reconsideration in whole or in part or may deny or dismiss the petition. Its order will contain a concise statement of the reasons for the action taken.").

³⁹ 47 CFR § 54.318(b), (f).

⁴⁰ 47 CFR § 54.318(f).

⁴¹ *Alaska Connect Fund Order*, 39 FCC Rcd at 12153, 12154-57, paras. 126, 128-34; *accord* 47 CFR § 54.318(f)(6).

⁴² 47 CFR § 54.318(f)(6); *see Alaska Connect Fund Order*, 39 FCC Rcd at 12154-56, paras. 128-32.

(i.e., by the end of ACF Mobile Phase I).⁴³ Providers are required to submit performance plans no later than September 1, 2026, based on BDC data standards and availability data as of December 31, 2024.⁴⁴

1. Clarifications of Performance Plan Requirements

13. In the GCI ACF Petition, GCI requests that the Commission clarify several aspects of the performance plan requirements adopted in the *Alaska Connect Fund Order*.⁴⁵ Specifically, GCI requests: (i) clarification that performance plans may include multiple technology and speed commitments within a census tract;⁴⁶ (ii) clarification that performance plans may include older technologies, at least for interim goals,⁴⁷ and (iii) clarification that performance plans and service requirements may take into account available backhaul capacity for fixed and mobile performance goals.⁴⁸ We address these issues in turn.

14. *Multiple technology and speed commitments within a census tract.* GCI requests clarification that performance plans do not need to include the same technology and speed throughout a census tract.⁴⁹ To the extent necessary, we clarify accordingly. In the *Alaska Connect Fund Order*, the Commission stated that ACF performance plans must “(1) include the name of the census tract that the provider commits to serve; (2) include the minimum technology level and speed in an outdoor stationary environment that the provider commits to provide; (3) specify the number of hex-9s committed to be covered within each census tract at the committed-to technology and speed levels, which shall be no less than the provider’s coverage in the Alaska Plan, minus any ineligible areas; and (4) specify how many additional hex-9s committed to within each census tract at the committed-to technology and speed levels are comparable hex-9s.”⁵⁰ The language does not require performance plans to include only a single technology and speed throughout a census tract. To the contrary, multiple references to “the committed-to technology and speed levels” for hex-9s within each census tract indicate that a provider may have multiple technology and speed commitments in a given census tract.⁵¹ Consistent with the intent of the *Alaska Connect Fund Order* and language in section 54.318(f)(1), we clarify that a single census tract may have multiple areas and commitments. In such cases, a mobile provider would list the same census tract separately in its performance plan for each differing technology and speed commitment. Individual hex-9s, however, will be limited to a single technology. WTB will release a Public Notice providing guidance on what to include in the performance plans and their format.⁵²

⁴³ 47 CFR § 54.318(f)(6); see *Alaska Connect Fund Order*, 39 FCC Rcd at 12156-57, paras. 133-34.

⁴⁴ 47 CFR § 54.318(f)(5), (8).

⁴⁵ GCI ACF Petition at 4-5.

⁴⁶ GCI ACF Petition at 4-5. In the alternative, if performance plans must include a single technology and speed commitment within a census tract, GCI asks that the Commission reconsider that decision. *Id.* at 4. Because we clarify that a census tract may have multiple technology and speed commitments, we dismiss the alternative request for reconsideration as moot. See 47 CFR § 1.429(i).

⁴⁷ GCI ACF Petition at 5; GCI ACF Petition Reply at 5, 17-18, Appx. at A-7.

⁴⁸ GCI ACF Petition at 21-23; GCI ACF Petition Reply at 12-13.

⁴⁹ GCI ACF Petition at 4 (citing *Alaska Connect Fund Order*, 39 FCC Rcd at 12160, para. 142); see also *id.* at 4 (“Some census tracts in Alaska are extremely large—up to 90,579 square miles, or larger than all but 11 states—thus performance will vary across the census tract, depending upon available backhaul and distance from the cell site.”).

⁵⁰ *Alaska Connect Fund Order*, 39 FCC Rcd at 12160, para. 142 (footnotes omitted); accord 47 CFR § 54.318(f)(1).

⁵¹ *Alaska Connect Fund Order*, 39 FCC Rcd at 12160, para. 142.

⁵² *Alaska Connect Fund Order*, 39 FCC Rcd at 12160, para. 143 (delegating authority to “WTB to adopt requirements and develop data specifications, after appropriate public process, concerning the format and method of uploading Alaska Connect Fund performance plans.”); 47 CFR § 54.318(f)(4).

15. *Use of older technologies.* Additionally, GCI requests that the Commission clarify whether performance plans can include older technologies, at least for interim milestones, to accommodate the time and expense needed to deploy 5G.⁵³ We make this clarification, with certain adjustments below. As noted in the *Alaska Connect Fund Order*, the Commission delegated authority to WTB to negotiate individualized performance plans with each mobile provider.⁵⁴ Section 54.318(f)(7) of the Commission's rules further provides that WTB "may approve lower technology . . . than the minimum technology . . . specified in this section, in some areas[,] as warranted on a case-by-case basis."⁵⁵ As part of these negotiations, WTB can consider all relevant and practical circumstances, including middle-mile mapping data and backhaul capacity.⁵⁶ The *Alaska Connect Fund Order* also states that "[w]here a hex-9 is more than 50 miles from a microwave or fiber node, this factor alone weighs heavily in favor of allowing a lesser commitment."⁵⁷

16. We clarify that, while WTB in its discretion may approve a lower technology than the minimum specified in section 54.318 of the Commission's rules on a case-by-case basis,⁵⁸ a mobile provider must demonstrate to WTB why upgrading to 5G-NR at 35/3 Mbps (for single-support areas) or extending to 4G at 5/1 Mbps (for duplicate-support areas) is not technically or financially feasible and articulate the reasons warranting an exception as a notation under the proposed performance plan for each census tract.⁵⁹ Where WTB approves a lower technology commitment in a provider's performance plan, the mobile provider also must annually certify, by census tract, that the basis on which it qualified for a lower technology commitment still applies in the previous calendar year and to describe on FCC Form 481 the efforts that it has taken to improve conditions that served as the basis for the lower technology commitment.⁶⁰

17. WTB will prioritize those commitment areas that did not receive an upgrade during the Alaska Plan in providers' ACF performance plans, with a presumption against approving older technology in those areas at the interim milestone. We find this additional clarification from WTB to be necessary because some areas with 2G⁶¹ and 3G commitments may remain underserved without an

⁵³ GCI ACF Petition at 5; GCI ACF Petition Reply at 17-18.

⁵⁴ *Alaska Connect Fund Order*, 39 FCC Rcd at 12167, para. 157.

⁵⁵ 47 CFR § 54.318(f)(7).

⁵⁶ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12167-68, para. 157.

⁵⁷ *Alaska Connect Fund Order*, 39 FCC Rcd at 12167-68, para. 157 (footnotes omitted).

⁵⁸ 47 CFR § 54.318(f)(7).

⁵⁹ 47 CFR § 54.318(f)(7); *Alaska Connect Fund Order*, 39 FCC Rcd at 12167-68, para. 157.

⁶⁰ 47 CFR § 54.313(r)(1); *Alaska Connect Fund Order*, 39 FCC Rcd at 12168, para. 158.

⁶¹ Two providers have 2G commitments for the December 31, 2026 final milestone of the Alaska Plan: GCI and TelAlaska. See *Wireless Telecommunications Bureau Approves the Revised Performance Plan of GCI Pursuant to the Alaska Plan*, WC Docket No. 16-271, Public Notice, DA 25-632 at 3, Appx. A (WTB July 16, 2025) (2025 *GCI Revised AK Plan Performance Plan Public Notice*) (approving GCI's 2025 revised performance plan); *Wireless Telecommunications Bureau Approves Bristol Bay Cellular Partnership's TelAlaska Cellular's, and Windy City Cellular's Revised Performance Plans Pursuant to the Alaska Plan*, WC Docket No. 16-271, Public Notice, 39 FCC Rcd 5898, 5901, Appx. A (WTB 2024) (2024 *Three AK Plan Revised Performance Plans Public Notice*) (accepting TelAlaska's operative performance plan). These are 2G commitments because they are coded as "85" or "86" under the FCC Form 477 technology codes of 2016 when the initial performance plans were accepted. See FCC Form 477, Instructions, at 31 (Dec. 5, 2016); see also 2024 *Three AK Plan Revised Performance Plans Public Notice*, 39 FCC Rcd at 5902, Appx. B. These technology codes in the Alaska Plan performance plans mean those areas will be served with CDMA and GSM, respectively, which are considered second generation mobile technologies, mainly known for digital voice capability. See, e.g., T-Mobile, *Wireless 101*, <https://www.t-mobile.com/dialed-in/wireless/gsm-vs-cdma-what-you-need-to-know-about-phone-bands> (last visited Aug. 4, 2025) (noting that GSM and CDMA are two of the oldest mobile technologies and are becoming obsolete). These 2G areas will be

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upgrade to their mobile service for an extended duration—from January 2017, when the Alaska Plan began, through the interim milestone for single-support areas of the ACF, which does not end until December 31, 2031.⁶² Such a 15-year trajectory would be unacceptable given the Commission’s adoption of the *Alaska Plan Order*⁶³ and *Alaska Connect Fund Order*⁶⁴ dedicated to bringing advanced telecommunications capability universally to remote, high-cost areas of Alaska during that time. WTB will have a strong presumption against approving a technology commitment lower than 4G LTE at 5/1 Mbps for any milestone.⁶⁵ Should any technology concerns remain following these clarifications, providers may raise them with WTB in the course of their negotiations over their individual performance plans.

18. *Monthly Usage Goals Accounting for Available Backhaul Capacity.* GCI requests that the Commission follow its precedent in the Alaska Plan and clarify that performance plans and service requirements may take into account available backhaul capacity for fixed and mobile performance goals.⁶⁶ We grant GCI’s request to the extent that we clarify that WTB will consider available backhaul capacity when negotiating individualized performance plans with each mobile provider; however, while this consideration is consistent with the Alaska Plan, we deny GCI’s request to the extent that it seeks to have the ACF follow how the Alaska Plan operates.

19. GCI requests that the ACF, “like the Alaska Plan, must recognize simultaneous capacity limitations of microwave and satellite backhaul and permit providers that must use such facilities to

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considered to be a part of mobile data areas to be improved by commitments for the purposes of the ACF. Under the Alaska Plan, TelAlaska committed to cover these areas with 256/256 kbps, *2024 Three Alaska Plan Revised Performance Plans Approved*, 39 FCC Rcd at 5901, Appx. A; GCI refers to these as commitments as “Voice/2G” and committed to cover these areas with “<2 Mbps,” *2025 GCI Revised AK Plan Performance Plan Public Notice* at 3, Appx. A. While it was originally to be tested for a minimum data rate, at the interim milestone for the Alaska Plan, GCI’s Voice/2G areas were tested solely to see if a voice call could be completed, as GCI’s commitments for less than 200 kbps (i.e., “<2 Mbps”) did not have a minimum data commitment. *See Alaska Drive Test Order*, 37 FCC Rcd at 5887-88, paras. 10-11 (switching to a voice-call based test from a minimum 22.8 kbps data-rate test). For the ACF, 2G areas of the Alaska Plan will be mobile data areas that are to be upgraded pursuant to providers’ commitments. In other words, the 2G commitment areas of the Alaska Plan will receive different treatment than the voice areas that are the result of signal bleed beyond the mobile broadband data cell edge: the former needs to be improved pursuant to the mobile provider’s ACF commitments; the latter, maintained pursuant to public interest obligations. *See Letter from John T. Nakahata et al., Counsel for GCI, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328, at A-2 (filed July 25, 2025) (GCI July 25, 2025 ex parte).*

⁶² *See* OptimERA Comments, WC Docket Nos. 10-90, 23-328, 14-58, and 09-197; WT Docket No. 10-208, at 3 (rec. Feb. 4, 2025), <https://www.fcc.gov/ecfs/document/10204131714981/1> (“Decades of various plans and funding schemes have left dozens of communities with no mobile service whatsoever. Countless other communities still have just 2G service, lagging far behind most of the lower 48 and urban areas in Alaska.”) (OptimERA ACF FNPRM Comments); Paul B. Walker Comment, WC Docket No. 23-328 (rec. June 17, 2025) (stating that many parts of rural Alaska have unreliable 2G or 3G service that pose health and safety risks).

⁶³ *See Alaska Plan Order*, 31 FCC Rcd at 10172, para. 102 (requiring an additional obligation of mobile providers where they could not commit to providing 4G LTE at 10/1 Mbps).

⁶⁴ *See Alaska Connect Fund Order*, 39 FCC Rcd 12099.

⁶⁵ *See Alaska Connect Fund Order*, 39 FCC Rcd at 12130, 12153, 12167-68, paras. 65 n.173, 126 n.328, 157. Voice-only service areas that extend beyond the mobile broadband data service area are subject to public interest obligations, not ACF broadband-service improvement commitments, unless the providers committed to such upgrades as part of their Alaska Plan commitments. *See Alaska Connect Fund Order*, 39 FCC Rcd at 12152, para. 124.

⁶⁶ GCI ACF Petition at 21. We do not address issues impacting fixed providers in this item.

commit to lower monthly usage allowances.”⁶⁷ In its request for clarification on this issue, GCI contends that the amount of available throughput in Alaska is limited by the state’s middle mile infrastructure, so that providers cannot meet the national standard for monthly usage allowances in all areas.⁶⁸ GCI notes that microwave and satellite facilities typically have less capacity than fiber facilities because throughput must be shared simultaneously by multiple users, including higher-priority users such as health care providers, schools, libraries, and government entities.⁶⁹ GCI urges that fixed and mobile providers need flexibility in their performance obligations to account for these limitations.⁷⁰

20. We grant GCI’s request in part and clarify that WTB may accept lesser commitments taking into account available backhaul capacity for mobile provider performance goals. The *Alaska Connect Fund Order* permits WTB to approve performance plans with lesser commitments than the minimum technology and speeds on a case-by-case basis.⁷¹ WTB can negotiate individualized performance plans with each mobile provider, and can consider all relevant and practical circumstances, among other considerations, including middle-mile mapping data and wireline affiliate commitments in the relevant area to help assess a mobile provider’s proposed commitment in single-support areas at the ACF support levels.⁷²

21. While our action is consistent with Alaska Plan precedent, we deny GCI’s request to the extent that GCI is requesting that the ACF process work the same as the Alaska Plan process. Performance plans for the Alaska Plan explicitly list the backhaul available and often allowed ubiquitous, extensive leeway for microwave backhaul. Due to current middle mile map information available to it from the Alaska Plan, the Commission now has more information than it had when the Alaska Plan was adopted in 2016, and staff can use that information to assess which providers have fiber and microwave backhaul that reach competitive transport areas. Moreover, the middle-mile information indicates the capacity on each link. A blanket, lesser standard for microwave transport, as was typical in the Alaska Plan, would not be appropriate for the ACF where there may be a multiple gigabits per second (Gbps) link within reach of a rural community.⁷³

2. 5G Deployment Goals for Areas with Broadband Serviceable Locations

22. GCI requests that the Commission clarify that 5G-NR at 35/3 Mbps will not be the speed goal for all areas covered by a provider under the ACF and amend section 54.318(f)(2) to limit the 35/3 Mbps goal to eligible hex-9s in a mobile provider’s support area with a BSL.⁷⁴ We grant GCI’s petition

⁶⁷ GCI ACF Petition at 21 (citing *Alaska Plan Order*, 31 FCC Rcd at 10154, para. 44 n.90 (pertaining to fixed performance commitments); *id.* at 10166, para. 85 (pertaining to mobile performance commitments); *WCB Announces Voice and Broadband Reasonable Comparability Benchmarks for Alaska Plan Rate-of-Return Carriers and Alaska Communications Systems and Confirms Minimum Usage Allowance Requirements*, WC Docket Nos. 10-90 and 16-271, Public Notice, 32 FCC Rcd 3003, 3005-06 (WCB 2017).

⁶⁸ GCI ACF Petition at 21.

⁶⁹ See GCI ACF Petition at 22; GCI ACF Petition Reply at 12-13.

⁷⁰ GCI ACF Petition at 22; GCI ACF Petition Reply at 12.

⁷¹ *Alaska Connect Fund Order*, 39 FCC Rcd at 12167-68, para. 157; accord 47 CFR § 54.318(f)(7).

⁷² *Alaska Connect Fund Order*, 39 FCC Rcd 12167-68, para. 157.

⁷³ See, e.g., *2025 GCI Revised AK Plan Performance Plan Public Notice* at 3, Appx. A (having a 2/8 Mbps speed commitment for microwave middle mile areas).

⁷⁴ GCI ACF Petition at 2-4; GCI ACF Petition Reply at 3, Appx. at A-1. A BSL is “a business or residential location in the United States at which mass-market fixed broadband Internet access service is, or can be, installed.” *Alaska Connect Fund Order*, 39 FCC Rcd at 12162, para. 147 n.383. The Commission’s BSL Fabric is a dataset that maps these locations and is used to identify areas where broadband service is available and where it is lacking. See FCC Broadband Data Collection Help Center, *About the Fabric: What a Broadband Serviceable Location (BSL) Is and Is Not* (July 31, 2025), <https://help.bdc.fcc.gov/hc/en-us/articles/16842264428059-About-the-Fabric-What-a->

in part to reconsider the 5G-NR at 35/3 Mbps deployment goals set forth in the *Alaska Connect Fund Order*, but decline GCI's request to limit deployment goals solely to areas with BSLs.

23. The *Alaska Connect Fund Order* requires mobile providers to improve upon and extend their Alaska Plan coverage.⁷⁵ In the Alaska Plan, providers committed to cover a specified number of Alaskans.⁷⁶ However, in the ACF, the Commission found that “the population-based approach in the Alaska Plan can be too limiting to effectively meet the program’s mandate to ensure mobile network coverage is available where Alaskans live, work, and travel”⁷⁷ and instead adopted an area-based approach.⁷⁸ Specifically, the Commission directed that in their single-support coverage areas,⁷⁹ mobile providers “are expected to use Alaska Connect Fund support to upgrade service beyond the service commitment level they made in the Alaska Plan, with an ultimate goal of achieving 5G-NR at 35/3 Mbps . . . where technically and financially feasible, by the end of December 2034.”⁸⁰ In their duplicate-support areas, providers are expected to use ACF support to work on extending service to 4G LTE at 5/1 Mbps, where technically and financially feasible, by the end of December 2029 (i.e., by the end of ACF Mobile Phase I).⁸¹

24. GCI argues that the goal for all areas cannot reasonably be 5G at 35/3 Mbps due to “fall-off” in speeds in the farthest reaches of the mobile signal from the broadband cell site, and it petitions for a reduction of the 35/3 Mbps service goal coverage area.⁸² GCI argues that the ACF’s approach “spreads support over a much broader area, including areas with low or no population density.”⁸³ Because cell site signals weaken the farther the signal gets from the cell site, GCI argues that “[s]ome outlying areas will be covered at data speeds even below 7/1 Mbps, and some will only have coverage sufficient for voice or text.”⁸⁴ GCI argues that “[e]xtending 35/3 Mbps to every location that has voice service today, many of which areas have only light or occasional levels of human activity, would require providers to build more infrastructure than necessary to provide the basic connectivity those areas need, such as to summon help

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[Broadband-Serviceable-Location-BSL-Is-and-Is-Not](#). GCI’s ACF Petition Reply discusses an area around some radius of a BSL, but its proposed rule indicates that it would limit service to areas at resolution-9 H3 hexagons (hex-9s) with BSLs. GCI ACF Petition Reply, Appx. at A-1 (indicating that the solution is that “the Commission should focus 35/3 (or 7/1) Mbps goals on the areas within some radius of BSLs,” but proposing a rule limiting coverage to hex-9s with BSLs).

⁷⁵ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12152, para. 124.

⁷⁶ 47 CFR § 54.317(f) (“[T]he performance plan must specify minimum speeds that will be offered to a specified population”); see, e.g., *Alaska Plan Order*, 31 FCC Rcd at 10167, para. 86 (“We expect that Alaska Plan participants will work to extend 4G LTE service to populations who are currently served by 2G or 3G.”).

⁷⁷ *Alaska Connect Fund Order*, 39 FCC Rcd at 12162, para. 147; see also *id.* at 12130, 12143, 12147-48, 12161, 12162, 12163, paras. 64, 98, 109, 145, 147, 148 (“[C]overing certain bodies of water is important to meet the ‘work and travel’ aspect of our universal service goals for Alaskans”).

⁷⁸ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12153, 12154-57, paras. 126, 128-34; accord 47 CFR § 54.318(f)(6).

⁷⁹ For purposes of the ACF, the Commission defines “single-support areas” as “areas covered by one Alaska Plan mobile provider participant.” *Alaska Connect Fund Order*, 39 FCC Rcd at 12133, para. 73.

⁸⁰ *Alaska Connect Fund Order*, 39 FCC Rcd at 12153, para. 125; see also *id.* at 12154-56, 12212-13, paras. 128-32.

⁸¹ *Alaska Connect Fund Order*, 39 FCC Rcd at 12156-57, paras. 133-34.

⁸² GCI ACF Petition at 2-4; see also Letter from John T. Nakahata et al., Counsel, GCI, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328, at 2 (filed Feb. 24, 2025).

⁸³ GCI ACF Petition at i.

⁸⁴ *Id.*

if needed.”⁸⁵ ARCC observes that the Commission has an “unrealistic expectation of 35/3 speed at every hex edge.”⁸⁶ In its GCI ACF Petition Reply, GCI asks the Commission to amend section 54.318(f)(2) such that only hex-9s with BSLs would be subject to the 35/3 Mbps goal.⁸⁷

25. We dismiss GCI’s requested amendment to section 54.318(f)(2) of the Commission’s rules on procedural grounds. As an initial matter, GCI failed to raise this request for an amendment of the rule in its Petition. Under the Commission’s rules, petitions for reconsideration in rulemaking proceedings must be filed within 30 days of publication of the final rule in the Federal Register.⁸⁸ In its GCI ACF Petition, GCI requests the Commission to “clarify or reconsider the [5G-NR 35/3 Mbps] goal for ‘all areas’ and provide that in considering performance plans, it recognizes that performance decreases with distance from the cell site and that it may not be cost-effective to add cell sites.”⁸⁹ Thus, the GCI ACF Petition merely asks for the “flexibility to propose, and have the Wireless Telecommunications Bureau . . . approve, performance plans that provide for less than 35/3 Mbps service at the [cell] edge.”⁹⁰ GCI did not raise its request for a rule amendment of section 54.318(f)(2) to eliminate the ACF’s technology and speed requirements for hex-9s without BSLs until its Petition Reply, submitted on April 29, 2025.⁹¹ Thus, because GCI failed to request the partial elimination of the technology and speed commitments until April 29—almost three months after the statutory deadline for filing a petition for reconsideration (i.e., January 30)⁹²—the Commission must dismiss the request as untimely. In addition, we find that GCI’s Petition Reply arguments were fully considered and rejected by the Commission in the *Alaska Connect Fund Order* and are therefore not properly before the Commission for reconsideration.⁹³

⁸⁵ *Id.*

⁸⁶ ARCC ACF Recon Comments at 6; *see also* Letter from Jeffry H. Smith, VP of Public Policy and Advocacy, VPS, ARCC, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 23-328, 16-271 (filed Aug. 21, 2025) (ARCC Aug. 21, 2025 *Ex Parte*); Letter from Jeffry H. Smith, VP of Public Policy and Advocacy, VPS, ARCC, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 23-328, 16-271 (filed Aug. 7, 2025); Letter from Jeffry H. Smith, VP of Public Policy and Advocacy, VPS, ARCC, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 23-328, 16-271 (filed June 21, 2025).

⁸⁷ GCI ACF Petition Reply at 3 (arguing that the solution to the problem with the technology and speed goals for ACF-supported areas “would be to focus the 35/3 Mbps speed goal on areas with Broadband Serviceable Locations”); *see also id.*, Appx. at A-1. To effectuate this change, GCI requests that we edit section 54.318(f)(2) of the Commission’s rules to read: “A mobile provider must commit to cover any eligible hex-9 with a BSL in its support area and may commit to cover any eligible hex-9 not covered by other mobile providers.” GCI ACF Petition Reply, Appx. at A-1. (GCI’s requested edit is underlined in the quotation.)

⁸⁸ *See* 47 U.S.C. § 405(a); 47 CFR § 1.429(d) (providing that “[t]he petition for reconsideration and any supplement thereto shall be filed within 30 days from the date of public notice of such action”). We note that the Bureau sought comment only on GCI’s Petition for Clarification and Reconsideration of the *Alaska Connect Fund Order* and not on any new requests in subsequent pleadings. *GCI ACF Recon Petition Public Notice*, at 1. *Compare* GCI ACF Petition Reply, Appx. at A-1 (“A mobile provider must commit to cover any eligible hex-9 with a BSL in its support area and may commit to cover any eligible hex-9 not covered by other mobile providers.”) *with* GCI ACF Petition at 1-4.

⁸⁹ GCI ACF Petition at 4.

⁹⁰ *Id.*

⁹¹ *See* GCI ACF Petition Reply at 3, Appx. at A-1.

⁹² *See* Connect America Fund, Alaska Connect Fund, Connect America Fund—Alaska Plan, ETC Annual Reports and Certifications, Telecommunications Carriers Eligible to Receive Universal Service Support, Universal Service Reform—Mobility Fund, 89 Fed. Reg. 107196, 107196, Final Rule (Dec. 31, 2024).

⁹³ *See* 47 CFR § 1.429(l)(3) (stating that a petition for reconsideration may be dismissed or denied if it “plainly do[es] not warrant consideration by the Commission,” which includes petitions that “[r]ely on arguments that have

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26. Procedural deficiencies aside, we deny GCI's proposed change to limit deployment goals to areas with BSLs because it would ultimately amount to less service for the same amount of support, undermining the goals of the program. GCI's proposed modification of the goals is not needed to ensure BSLs are covered, nor is it necessary for hex-9s without BSLs to be allowed lesser or no commitments. BSLs, especially in areas with a high density of BSLs, are more likely to be targeted for coverage due to the economic incentives of covering BSLs and the availability of high-cost support for providing fixed service to BSLs. Although the presence of BSLs is a relevant consideration when evaluating where mobile coverage needs to improve,⁹⁴ it is not the *only* relevant consideration. Many areas where Americans work and travel do not have BSLs.⁹⁵ If we limited mobile providers' service commitments to hex-9s with BSLs, then valuable areas where Americans work and travel—such as roads—may not see any service improvements by the end of 2034. As observed in the *Alaska Connect Fund Order*, “[a] concentration of BSLs is necessarily evidence that an area is valuable to its users, but the absence of BSLs does not always indicate that an area does not need to be covered by mobile networks.”⁹⁶ In explicitly rejecting the approach that GCI advocates, the Commission observed that “[t]hrough the Commission now has the Fabric, which provides information on where people live and work, people frequently travel in and visit areas where there are no Fabric locations, such as along roads, snow mobile routes, hunting areas, bodies of water, or hiking trails.”⁹⁷ The Commission also emphasized that “covering certain bodies of water is important to meet the ‘work and travel’ aspect of our universal service goals for Alaskans,” and those areas do not have BSLs.⁹⁸ Finally, we observe that GCI seemingly appended to its request for reconsideration of the 5G-NR 35/3 Mbps single-support goal a similar request for reconsideration of the 5/1 Mbps goal for duplicate support areas.⁹⁹ We interpret GCI's language as such, and deny this request for the same reasons as discussed above.

27. While we deny GCI's specific relief as requested, we amend section 54.318(f)(6) of the Commission's rules and offer mobile providers additional clarification of the “technically and financially feasible” standard. The mobile providers have expressed concern that the “technically and financially feasible” standard does not provide enough guidance for them to determine where WTB will expect 35/3

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been fully considered and rejected by the Commission within the same proceeding”); *Alaska Connect Fund Order*, 39 FCC Rcd at 12161-63, para. 147.

⁹⁴ *Alaska Connect Fund Order*, 39 FCC Rcd at 12163, para. 148 (“While we do not require hex-9s to include BSLs or roads, we strongly encourage providers to consider that data in determining their coverage, particularly to the extent they cover areas beyond those that they covered in the Alaska Plan.”).

⁹⁵ *Alaska Connect Fund Order*, 39 FCC Rcd at 12129, 12143, 12147-48, 12161-63, paras. 64, 98, 109, 145, 147 (“Though the Commission now has the Fabric, . . . people frequently travel in and visit areas where there are no Fabric locations, such as along roads, snow mobile routes, hunting areas, bodies of water, or hiking trails. Therefore, we do not limit support to merely targeting where populations live.”).

⁹⁶ *Alaska Connect Fund Order*, 39 FCC Rcd at 12162, para. 147.

⁹⁷ *Alaska Connect Fund Order*, 39 FCC Rcd at 12162, para. 147 (footnote omitted).

⁹⁸ *Alaska Connect Fund Order*, 39 FCC Rcd at 12163, para. 148.

⁹⁹ See GCI ACF Petition at 4 (“Providers will need flexibility to propose, and have the Wireless Telecommunications Bureau . . . approve, performance plans that provide for less than 35/3 Mbps service at the [cell] edge (or 5/1 Mbps for duplicate-support areas in ACF Mobile Phase I).”); GCI ACF Petition Reply, Appx. at A-1 (“The *ACF Order* requires that . . . all mobile providers must commit to providing 5G at 35/3 Mbps in single-support areas and 4G at 5/1 in duplicate-support areas (until ACF Mobile Phase II) for every hex-9 they currently serve with Alaska Plan support . . .”). We note that GCI's proposed solution, which is included as part of its rule language recommendations in its Reply Appendix, states that “[t]he goal for all areas that receive service under the Alaska Plan should not be 35/3 Mbps,” but does not address the 4G LTE at 5/1 Mbps goal. GCI ACF Petition Reply, Appx. at A-1.

Mbps service.¹⁰⁰ We believe that this uncertainty could impede performance plan negotiations, and therefore, we provide additional clarification regarding where we expect providers to commit to providing 35/3 Mbps service. We begin by reiterating that mobile providers must maintain and improve their Alaska Plan service.¹⁰¹ In single-support areas, we expect providers to provide 5G-NR where infrastructure and transport pricing makes 5G-NR-based services technically and financially feasible. Based on our internal staff analysis of provider spectrum holdings, link budget, and a standard ITU-R propagation model (Sub-6 GHz), we generally expect a provider to extend 5G-NR at 35/3 Mbps to all portions of its service areas within a 1.5-mile radius of its cell sites unless it can otherwise demonstrate that doing so is technically and financially infeasible, as described below.¹⁰² This expectation is only applicable where the provider has access to fiber or microwave backhaul and to competitive transport pricing rates.¹⁰³ This 5G-NR at 35/3 Mbps expectation is also subject to the consideration of other

¹⁰⁰ GCI ACF Petition at 2-4; ARCC ACF Recon Comments at 6.

¹⁰¹ 47 CFR § 54.308(e) (“Mobile providers receiving support from the Alaska Connect Fund must provide service at the same minimum service levels as required under the Alaska Plan and may not provide less coverage or provide service using a less advanced technology than the provider committed to under the Alaska Plan.”); *Alaska Connect Fund Order*, 39 FCC Rcd at 12151, para. 122 (“Alaska Connect Fund mobile support recipients must provide service with at least the same minimum service levels as required under the Alaska Plan and may not provide less coverage or provide service using a less advanced technology than the provider committed to under the Alaska Plan.”). This requirement does not apply to areas that are ineligible under the ACF.

¹⁰² The 1.5-mile radius standard is based on staff analysis of provider spectrum holdings, link budget, and a standard ITU-R propagation model (Sub-6 GHz). See International Telecommunications Union, *Guidelines for Evaluation of Radio Interface Technologies for IMT-Advanced*, M.2135-1. By using the 5G link budgets of one of the major national providers and the ITU-R model, Commission engineers evaluated the expected 35/3 Mbps coverage distance by applying the spectrum holdings of the providers in the Alaska Plan. Based on propagation model, link budget, and spectrum analysis with 3.5 GHz spectrum or lower band (e.g., 700 MHz), providers should generally be able to provide 35/3 Mbps within 1.5-mile radius of macro cell sites. Cf. Letter from Annick M. Banoun, Counsel to GCI, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328 (filed July 9, 2025) (“In terms of a distance from a cell site for a 35/3 Mbps expectation, a 1.5 mile radius may be reasonable as a starting point for performance plan negotiations, provided that the Commission makes clear that it also permits substantial downward flexibility for the number of hex-9s within that 1.5 mile radius that would actually receive 35/3 Mbps service.”), <https://www.fcc.gov/ecfs/document/10709644301691/1>; see also GCI July 25, 2025 *Ex Parte* at A-3.

¹⁰³ See 47 CFR § 54.318(f)(7) (allowing acceptance of lesser commitments but requiring new performance plans when conditions change). For example, reasons for not providing 5G-NR at 35/3 Mbps can include that a particular area has little to no human activity or that the area does not have access to competitively priced transport. See ARCC Aug. 21, 2025 *Ex Parte* at 1; Letter from Jeffry H. Smith VP of Public Policy, VPS, ARCC, to Marlene H. Dortch, WC Docket Nos. 23-328, 16-271 (filed May 5, 2025). Where a mobile provider has fiber or microwave infrastructure that runs to the Dalton Highway, nonremote areas as defined by section 54.307(e)(3)(i), or at the Alaskan panhandle, it will be presumed to have access to competitive transport pricing. See Letter from Jeffry H. Smith, VP of Public Policy and Advocacy, ARCC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-238 et al., Attach., Cost of Middle Mile/Internet Access at 1 (filed May 3, 2024) (showing \$700 per Mbps in some remote parts of Alaska versus \$2 per Mbps in competitively priced areas of Alaska). Restricting the 35/3 Mbps goal to areas within 1.5 miles from a cell site under specified conditions decreases the number of single-support areas subject to the 35/3 Mbps goal that extends beyond duplicate-support areas. This further alleviates GCI’s concern that it may have a substantially higher speed burden in single-support areas that extend beyond the duplicate-support areas but are served by the same cell. See GCI ACF Reply at 3 (“Relatedly, requiring different mandatory performance standards for single- (5G at 35/3 Mbps) and duplicate-support (4G LTE at 5/1 Mbps by the end of 2029) areas does not work. Both types of areas are often served by the same cell site. Single-support hex-9s are likely those that are farther from the cell site, . . .”). Regarding a technology-portion of the goal, GCI could deploy 5G-NR in a standalone configuration where it finds two different cell radios to be burdensome. However, where providers are deploying a non-standalone 5G-NR configuration, a cell site will have both 4G LTE and 5G-NR radios on the same tower as part of a 5G-NR solution. The 4G LTE duplicate-support area goal allows extra flexibility to the extent that the provider needs to deprioritize an upgrade before 2029 by noting those areas are sufficiently served for ACF purposes by that date.

circumstances as warranted and agreed to by WTB. Where a mobile provider previously committed to cover an area in the Alaska Plan, it is expected to upgrade that area to at least 5G-NR at 7/1 Mbps in eligible areas of the ACF.¹⁰⁴ We find this standard will add clarity to mobile providers' planning and is achievable within the budget and timeline of the ACF, while building upon the success of the Alaska Plan.¹⁰⁵

28. Although we find we adequately address ARCC's concerns about the 5G deployment obligations with the amendments and clarifications we make to the "technically and financially feasible" standard as described above, we reject the argument that 5G-NR provides inherently less coverage than 4G LTE when controlling for all other variables.

29. We also amend 54.318(f)(6) to clarify instances where 5G-NR is not required. ACF is a broadband plan, but as a user gets farther away from the cell site, the mobile data service becomes slower and a voice-only service area exists between the broadband data service area and the area where there is no service at all—i.e., voice-only areas that exist beyond the cell edge of a provider's broadband data commitment area, based on Alaska Plan service areas.¹⁰⁶ These areas are important for public safety, but are not a part of the broadband data commitments. Accordingly, for voice-only areas that exist beyond the cell edge of the mobile commitment areas—based on Alaska Plan service areas—mobile providers do not need to upgrade those areas to 5G-NR or commit to a minimum data speed and may maintain the facilities and voice service already in place, unless otherwise committed to in the ACF.¹⁰⁷ These public safety voice-only areas are distinguishable from the 2G/voice-only areas that were part of some mobile providers' commitments in the Alaska Plan, the latter of which are required to be upgraded as part of mobile providers' ACF commitments.¹⁰⁸ Mobile providers will be able to demonstrate to WTB other

¹⁰⁴ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12160-61, para. 144 & n.373. WTB will determine Alaska Plan service areas for ACF purposes based on information resulting from the Alaska Plan and BDC availability data as of December 31, 2026. WTB may use a different BDC data set if it determines that another BDC data set more accurately reflects the provider's Alaska Plan coverage. For example, for providers found to be noncompliant with Alaska Plan commitments, WTB may use BDC availability data as of June 30, 2027, or as of December 31, 2027, to determine a provider's initial single-support coverage area.

¹⁰⁵ We note that providers have made arguments regarding the difference in coverage characteristics between 4G LTE and 5G-NR, expressing the view that 5G-NR coverage does not go as far as 4G coverage in support of their opposition to our deployment goals for the ACF. ARCC ACF Recon Comments at 4, 15 ("The move to 5G will cost more money due to needing more cell sites to maintain a comparable footprint."); GCI ACF Petition Reply at 2 (quoting ARCC ACF Recon Comments at 4, 15); see also Letter from Jeffry H. Smith, VP of Public Policy, VPS, ARCC, to Marlene H. Dortch, WC Docket Nos. 23-328, 16-271, at 1 (filed June 26, 2025) (ARCC June 26, 2025 *Ex Parte*) ("In the attachments, the footprint for ASTAC continues to reduce significantly between 4G, and 5G, assuming no changes to the supporting infrastructure including antennae and towers."); Letter from Jeffry H. Smith, VP of Public Policy and Advocacy, VPS, ARCC, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 23-328, 16-271 (filed June 17, 2025); Letter from Jeffry H. Smith VP of Public Policy, VPS, ARCC, to Marlene H. Dortch, WC Docket Nos. 23-328, 16-271, at 1 (filed June 16, 2025); Letter from Jeffry H. Smith VP of Public Policy, VPS, ARCC, to Marlene H. Dortch, WC Docket Nos. 23-328, 16-271, at 1 (filed June 3, 2025). We disagree with the contention that 5G-NR provides reduced coverage compared to 4G LTE when all other variables are controlled.

¹⁰⁶ See, e.g., Letter from John T. Nakahata et al., Counsel, GCI, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328 at 7, Attach. (filed Apr. 4, 2025) (GCI Apr. 4, 2025 *Ex Parte*).

¹⁰⁷ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12152, para. 124; GCI ACF Petition Reply at 18; see also Letter from Jeffry H. Smith, VP of Public Policy and Advocacy, VPS, ARCC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328 et al., at 3 (filed June 23, 2025) ("A public safety hex is defined as any of the following: (i) A hex containing no BSL's. (ii) A single BSL hex that is at least a one mile radius from any other BSL's in other hexes. (iii) A hex with terrain issues that fails the financially feasible test. (iv) Any hex (or set of hexes) mutually agreed to by the WTB and the carrier based on an examination of the maps developed by the Commission.").

¹⁰⁸ Commitments under the mobile portions of the ACF and Alaska Plan are, on the whole, for providing and improving mobile broadband data service. See *Alaska Plan Order*, 31 FCC Rcd at 10166, para. 85; *Alaska Connect* (continued....)

reasons why it is not technically and financially feasible to meet these expectations during performance plan discussions, and may propose alternatives. We also reiterate that “[w]here a hex-9 is more than 50 miles from a microwave or fiber node, this factor alone weighs heavily in favor of allowing a lesser commitment” than 5G-NR.¹⁰⁹ In addition, mobile providers providing support in duplicate-support areas do not need to commit to 5G-NR upgrades.¹¹⁰ WTB also may approve lower technology and speeds than the minimum technology and speeds specified in section 54.318, as warranted, on a case-by-case basis.¹¹¹

B. Standards for Determining Ineligibility for ACF Support Due to Alaska Plan Noncompliance

30. GCI asserts that WTB has too much discretion to determine ineligibility for ACF support based on Alaska Plan noncompliance and requests that the Commission make two key changes.¹¹² First, GCI requests that the Commission “clarify that using the ‘cure year’¹¹³ to come into full compliance with Alaska Plan commitments is not grounds to eliminate a mobile provider from ACF eligibility or reduce its support, even if some support is delayed pending verification of compliance.”¹¹⁴ Second, GCI requests that the Commission modify the rule to “establish a *de minimis* threshold [of 5 percent]¹¹⁵ for meeting the 10-year performance commitments, below which an Alaska Plan provider will not be disqualified.”¹¹⁶ We grant GCI’s petition with respect to limiting WTB’s delegated authority to determine ineligibility for the ACF until after the cure year of the Alaska Plan and grant GCI’s petition in part regarding the *de minimis* threshold.

31. The *Alaska Connect Fund Order* states that WTB may deem an Alaska Plan mobile provider ineligible for the ACF if it determines that the mobile provider failed to comply with its public interest obligations or other terms and conditions of the Alaska Plan, failed to satisfy its other Alaska Plan commitments, or failed to meet a build-out milestone.¹¹⁷ The *Alaska Connect Fund Order* also allows WTB to determine whether an Alaska Plan mobile provider is ineligible for the ACF for specific coverage

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Fund Order, 39 FCC Rcd at 12152-53, paras. 125-27. However, where a provider makes a commitment to provide mobile broadband data service at a particular speed and technology, it is still under obligation to provide mobile voice service. 47 CFR § 54.308(e)(1); *Alaska Plan Order*, 31 FCC Rcd at 10164, para. 77. Because providers’ Alaska Plan and ACF commitments are not for mobile voice service, the providers must provide mobile voice service pursuant to the public interest compliance obligations of section 54.320(c), not 54.320(d). Compare 47 CFR § 54.320(c) (providing actions that the Commission may take against a provider that fails to comply with public interest obligations), with *id.* § 54.320(d) (providing actions that the Commission takes when providers fail to meet their buildout milestones pursuant to their commitments).

¹⁰⁹ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12167-68, para. 157.

¹¹⁰ 47 CFR § 54.318(f)(6).

¹¹¹ 47 CFR § 54.318(f)(7).

¹¹² GCI ACF Petition at 15-18.

¹¹³ The ACF rules allow a twelve-month cure period for the final commitment milestone, during which a noncompliant provider may come into compliance before it is subject to repayment penalties of its support. 47 CFR § 54.320(d)(2) (“Upon notification that the eligible telecommunications carrier has not met a final milestone, the eligible telecommunications carrier will have twelve months from the date of the final milestone deadline to come into full compliance with this milestone.”).

¹¹⁴ GCI ACF Petition at 16.

¹¹⁵ The *de minimis* threshold refers to the gap in compliance that is not penalized. GCI borrows this five percent threshold from the Commission’s existing rules. See 47 CFR § 54.320(d)(1)(i).

¹¹⁶ GCI ACF Petition at 16; see *id.* at 17.

¹¹⁷ *Alaska Connect Fund Order*, 39 FCC Rcd at 12142, para. 95; accord 47 CFR § 54.318(a)(1).

areas, or to delay its ACF support until the provider meets its outstanding obligations under the Alaska Plan or BDC.¹¹⁸

32. GCI claims that the *Alaska Connect Fund Order* lacks guidance about when a failure to complete Alaska Plan commitments by the 2026 deadline will result in ineligibility for the ACF.¹¹⁹ GCI expresses concern that WTB's authority would permit it to "disqualify GCI or any other potential ACF participant from ACF participation for missing Alaska Plan commitments by even one [population count]," or "disqualify that provider from the later competitive selection processes, even if the Commission decides to permit bids from entities with no proven track record of deploying mobile service in Alaska."¹²⁰ GCI argues that its requested changes would "ensure that the most qualified providers will be able to continue to work to expand mobile coverage, while still maintaining the Alaska Plan's enforcement regime."¹²¹ ARCC "supports [Commission] clarification when the [Commission] can exercise its best and reasoned judgment on the issue."¹²²

33. We grant GCI's request regarding use of the cure year and clarify that WTB is not to make a determination on ACF eligibility until after the cure year of the Alaska Plan. Under the Alaska Plan, upon notification that the mobile provider has not met its final milestone, the mobile provider has twelve months from the date of the final milestone deadline to come into full compliance (cure year).¹²³ This cure year allows the Alaska Plan mobile provider to meet their final milestone commitments without being penalized for noncompliance during that twelve-month period. Under the ACF, an Alaska Plan mobile provider may be deemed ineligible to participate in the ACF if WTB determines that the provider has failed to comply with its Alaska Plan obligations, including failing to meet its Alaska Plan build-out milestones.¹²⁴ WTB may determine whether an Alaska Plan mobile provider is ineligible for ACF based on the mobile provider's compliance with its Alaska Plan and Broadband Data Collection obligations.¹²⁵ We read these provisions together as authorizing WTB to determine an Alaska Plan mobile provider's eligibility based on its compliance with, among other things, its Alaska Plan final milestone commitments, and that Alaska Plan mobile providers cannot be penalized (and thus found noncompliant) for failing to meet their final milestone commitments until after the expiration of the twelve-month period from the final milestone deadline. We therefore find that a reasonable interpretation of the Alaska Plan and ACF rules together supports the clarification that WTB will refrain from determining an Alaska Plan mobile provider's ACF eligibility until after the twelve-month cure period.¹²⁶ While we expect mobile providers to fulfill their commitments, given that the penalties under the Alaska Plan are not assessed until after the cure year concludes on December 31, 2027,¹²⁷ we find that date to be an appropriate time for WTB to initiate its determination of whether a mobile provider is ineligible for the ACF. As such, we clarify that WTB will not determine whether an Alaska Plan provider is ineligible for the ACF until after December 31, 2027. WTB therefore will have until December 15, 2028—subject to reasonable extensions by WTB, not to go beyond July 1, 2029—to notify mobile providers of a final determination that they are ineligible for the ACF or will have support delayed due to Alaska Plan noncompliance. If

¹¹⁸ *Alaska Connect Fund Order*, 39 FCC Red at 12142-43, paras. 95, 97; *accord* 47 CFR § 54.318(a)(2).

¹¹⁹ *See* GCI ACF Petition at 15; GCI ACF Petition Reply at 4.

¹²⁰ GCI ACF Petition at 16; *accord* GCI ACF Petition Reply at 4-5.

¹²¹ GCI ACF Petition Reply at 7.

¹²² ARCC ACF Recon Comments at 8.

¹²³ 47 CFR § 54.320(d)(2).

¹²⁴ 47 CFR § 54.318(a)(1).

¹²⁵ 47 CFR § 54.318(a)(2).

¹²⁶ 47 CFR §§ 54.318, 54.320.

¹²⁷ 47 CFR § 54.320(d)(2).

WTB determines that an Alaska Plan mobile provider did not meet its Alaska Plan buildout obligations after the commencement of the ACF, and also determines that the mobile provider is not eligible to receive ACF mobile support, WTB can take all actions necessary to recover all ACF support dating back to January 1, 2027.¹²⁸

34. We also grant in part GCI's request to limit ACF ineligibility to mobile providers that miss more than a *de minimis* amount of their Alaska Plan commitments. While mobile providers are expected to fully meet their Alaska Plan commitments, ineligibility for the ACF is a serious additional penalty that is reserved only for the mobile providers that WTB finds to have more than *de minimis* noncompliance. If a mobile provider misses any of its Alaska Plan commitments, the Universal Service Administration Company (USAC) will recover 1.89 times¹²⁹ for each equivalent person¹³⁰ for which the mobile provider has missed providing the committed-to service. This penalty remains unchanged and applies to *de minimis* noncompliance at the final Alaska Plan milestone. However, WTB's delegation of authority *could* allow it to limit eligibility in ACF if a compliance gap in Alaska Plan is greater than *de minimis*. While we limit WTB's authority to find a mobile provider to be ineligible to situations in which the provider has greater than *de minimis* noncompliance in the Alaska Plan, we do not define that threshold as 5% noncompliance as GCI requests. We leave that determination to WTB based on its assessment of the circumstances after the cure year concludes.

C. Clarification and Reconsideration of Eligible Areas Designations

1. Modification of Areas Eligible for ACF Support to Make Untestable Hexes Eligible

35. GCI requests that the Commission reconsider the requirement that hex-9s that cannot be tested are ineligible for ACF support.¹³¹ We deny GCI's request and affirm our determination that areas that are untestable are not eligible for ACF support, but we clarify that this ineligibility determination applies only to areas that are permanently untestable and not to areas that are only temporarily untestable.¹³²

36. In the *Alaska Connect Fund Order*, the Commission explained that areas that are inaccessible or unsafe for testing are ineligible for ACF support in order to "ensure that support is

¹²⁸ See 47 CFR § 54.318(i)(5).

¹²⁹ 47 CFR § 54.320(d)(2).

¹³⁰ As the mobile portion of the *Alaska Plan Order* is population-based, the Commission "direct[ed] the Wireless Telecommunications Bureau to issue guidance on what constitutes a location for mobile recipients of Alaska Plan support." *Alaska Plan Order*, 31 FCC Rcd at 10173, para. 104 n.204. Subsequent to the *Alaska Plan Order*, WTB adopted the *Alaska Population Distribution Order*, which is used to determine how many people are being covered by the Alaska Plan provider consistent with its commitments. See generally *Alaska Population Distribution Order*, 35 FCC Rcd 10373. We address this issue here. A "location" is a committed-to person for Alaska Plan purposes, and for purposes of determining the number of missed locations for the final Alaska Plan milestone, the number of uncovered committed-to people consistent with the Alaska Population Distribution Model will be equal to the number of missed "locations" for the final milestone. In other words, if a mobile provider committed to cover 1000 Alaskans, and the Alaska Population Distribution Model indicates that the mobile provider only covers 900 Alaskans, then the mobile provider will have covered 900 of the 1000 locations for purposes of final milestone analysis of the Alaska Plan.

¹³¹ GCI ACF Petition at 8-11.

¹³² *Alaska Connect Fund Order*, 39 FCC Rcd at 12148, para. 110 ("Hex-9s that are inaccessible during all seasons or are a safety hazard to test at all times of the year are ineligible for support . . ."). Because we amend the ACF rules to specify that all ineligible areas will be designated as such based on BDC availability data as of December 31, 2024, any untestable areas discovered during speed testing of a provider's commitments will be deemed eligible for support.

targeted to areas where it is needed the most while maintaining accountability for how funds are used.”¹³³ GCI requests that the Commission reconsider its decision to eliminate eligibility for untestable hex-9s, arguing that there is no rationale for eliminating support for those areas when hexes covered by the same cell sites are eligible.¹³⁴ ARCC agrees that “hex testing challenges should not eliminate hexes from inclusion”¹³⁵ and contends that finding inaccessible hexes ineligible for support misses the point with the goal of ubiquitous mobile service.¹³⁶

37. GCI claims that the large number of hex-9s in its current Alaska Plan service area makes it impossible to assess whether every hex-9 is testable.¹³⁷ GCI further argues the Commission should not eliminate support for those areas because the testability of a hex-9 is not a proxy for whether that area is where Alaskans “live, work, or travel”—i.e., areas without any human activity.¹³⁸ GCI adds that a number of hexes may be practically difficult to test for security and safety reasons, weather events, or objections from local communities.¹³⁹ Though it acknowledges that the *Alaska Connect Fund Order* offers the possibility of performing testing using an uncrewed aircraft (UA), or drone, as an alternative to on-the-ground-testing, GCI maintains that there will still be areas where this alternative will not be a viable option.¹⁴⁰ GCI also argues that to the extent that untestable hexes are not areas with human activity, the Commission should find these areas to be eligible for ACF support anyway because “[s]uch areas are incidentally covered[] and excluding them as ineligible does not reduce the cost to serve adjacent, supported areas.”¹⁴¹ To this end, GCI proposes the amendment of section 54.318(c)(2) and the deletion of sections 54.318(c)(1)(iii) and 54.318(i)(4) of our rules.¹⁴² GCI also asks the Commission to clarify that the speed testing conducted will be outdoors/stationary, consistent with the BDC.¹⁴³

38. We reaffirm the fundamental principle in our rules that areas that are untestable are not eligible for ACF support and clarify how this principle would apply.¹⁴⁴ Generally, if a mobile provider cannot prove it is providing service, then it cannot receive support for that service.¹⁴⁵ We reiterate, however, that the principle applies to areas that are not available for testing on a permanent basis except as described below. In the *Alaska Connect Fund Order*, the Commission stated that “[h]ex-9s that are

¹³³ *Alaska Connect Fund Order*, 39 FCC Rcd at 12130, para. 66; *see id.* at 12147, para. 108 (“[T]o protect the success and integrity of the ACF, all support areas must be verifiable, and areas that cannot be tested cannot be verified. Consequently, areas that cannot be tested practically and safely are ineligible.”).

¹³⁴ GCI ACF Petition at 9. GCI requests that the Commission “delete the rule provisions that address ineligibility for untestable hexes.” GCI ACF Petition Reply at 9.

¹³⁵ ARCC ACF Recon Comments at 3.

¹³⁶ ARCC ACF Recon Comments at 11.

¹³⁷ GCI ACF Petition at 8-9.

¹³⁸ GCI ACF Petition at 9-10; GCI ACF Petition Reply at 9.

¹³⁹ GCI ACF Petition at 9-10; GCI ACF Petition Reply at 9.

¹⁴⁰ GCI ACF Petition at 10.

¹⁴¹ GCI ACF Petition at 10; *see also* GCI ACF Petition Reply at 9 (“No rational carrier will build a network simply to cover empty territory: either people live, work, or travel in the untestable hexes, or those hexes are served from cell sites that also serve other hexes where people live, work, or travel.”).

¹⁴² GCI ACF Petition Reply, Appx. at A-3 to A-4.

¹⁴³ GCI ACF Petition Reply at 11.

¹⁴⁴ 47 CFR § 54.318(c)(1)(iii).

¹⁴⁵ *Alaska Connect Fund Order*, 39 FCC Rcd at 12147, para. 108 (“[T]o protect the success and integrity of the ACF, all support areas must be verifiable, and areas that cannot be tested cannot be verified. Consequently, areas that cannot be tested practically and safely are ineligible.”).

inaccessible *during all seasons* or are a safety hazard to test *at all times of the year* are ineligible for support.”¹⁴⁶ As such, temporarily blocked trails, the inability to test due to weather events, or the presence of construction projects do not render an area ineligible because those areas would become testable at a later date. If an area can be tested using a UA, then such areas would be deemed eligible for ACF support.¹⁴⁷ If an area is permanently restricted from speed testing and a UA also cannot be used to test the area, but the area is nonetheless an area where people live, work, or travel and would use the service, then we direct WTB to work with the ACF participant about the specific areas of concern (e.g., military bases) to determine whether they should be considered eligible for support. We also clarify that any hex-9 with a BSL would be defined as accessible. Finally, we respond to GCI’s request and confirm that outdoor/stationary data sets will be used for speed tests.

2. Categorization of Areas as Ineligible, Single-, or Duplicate-Support Areas Based on Broadband Data Collection Availability Data as of December 31, 2024

39. In its Petition, GCI requests that the Commission confirm that the categorization of hex-9s as ineligible, single-, or duplicate-support areas will be fixed based on BDC availability data as of December 31, 2024.¹⁴⁸ We grant the GCI ACF Petition in part, and will base our determination of all ineligible and duplicate-support areas on BDC availability data as of December 31, 2024. Given that single-support areas may evolve over the course of the ACF, we decline to determine single-support areas based solely on BDC availability data as of December 31, 2024.

40. Our rules provide that all areas of Alaska are eligible for ACF support except: (1) areas previously ineligible under the Alaska Plan;¹⁴⁹ (2) “competitive areas”¹⁵⁰ based on mobile providers’ BDC availability data as of December 31, 2024;¹⁵¹ and (3) “[a]reas deemed inaccessible or unsafe for testing by [WTB], in coordination with [OEA], and reflected in the Eligible-Areas Map.”¹⁵² Section 54.318(c)(2) permits WTB to “periodically update the map(s) throughout the course of the Alaska Connect Fund, as necessary.”¹⁵³ The *Alaska Connect Fund Order* requires WTB to “compare BDC availability data as of December 31, 2026 with subsequent BDC availability data to ensure that mobile voice and mobile broadband service levels [from the Alaska Plan] are maintained or improve in all previously served areas.”¹⁵⁴ We note that the Alaska Plan does not end until December 31, 2026,¹⁵⁵ and the cure period does

¹⁴⁶ *Alaska Connect Fund Order*, 39 FCC Rcd at 12148, para. 110 (emphasis added).

¹⁴⁷ *Alaska Connect Fund Order*, 39 FCC Rcd at 12147-48, para. 109.

¹⁴⁸ GCI ACF Petition at 5-7; GCI May 22, 2025 *Ex Parte* at 3; *see also* GCI ACF Petition Reply at 10.

¹⁴⁹ 47 CFR § 54.318(c)(1)(i). “Previously ineligible areas” are defined as (1) “[n]onremote areas, as defined in § 54.307(e)(3)(i); and (2) [a]reas as of December 31, 2014, that received 4G LTE service directly from mobile providers that were either unsubsidized or ineligible to claim the delayed phase down under § 54.307(e)(3) and covering, in the aggregate, at least 85 percent of the population of the census block.” *Id.*

¹⁵⁰ 47 CFR § 54.318(c)(1)(ii). “Competitive areas” are defined as (1) “[a]reas with an unsubsidized mobile provider offering 5G-NR service at minimum speeds of 7/1 Mbps in an outdoor stationary environment based on mobile providers’ Broadband Data Collection availability data as of December 31, 2024;” or (2) “[a]reas with three or more mobile providers—with at least one of those mobile providers being unsubsidized—offering at least 4G LTE service at minimum speeds of 5/1 Mbps in an outdoor stationary environment based on mobile providers’ Broadband Data Collection availability data as of December 31, 2024.” *Id.*

¹⁵¹ 47 CFR § 54.318(c)(1)(ii)(A), (B).

¹⁵² 47 CFR § 54.318(c)(1)(iii); *see also* 47 CFR § 54.318(h)(6) (“If a mobile provider discovers that some areas are inaccessible during required speed testing or during an audit, the mobile provider will be in noncompliance for those hex-9s, and potentially additional hex-9s if the inaccessible hex-9s were selected through random sampling.”).

¹⁵³ 47 CFR § 54.318(c)(2).

¹⁵⁴ *Alaska Connect Fund Order*, 39 FCC Rcd at 12152, para. 124.

not end until December 31, 2027.¹⁵⁶ WTB can require the filing of updated performance plans¹⁵⁷ and resolve Eligible-Areas classifications of hexes throughout the life of the ACF, as needed.¹⁵⁸

41. In its Petition, GCI argues that it is critical for the Commission to clarify that “an area cannot become ineligible, or become ‘duplicate,’ based on BDC availability data for service initiated after December 31, 2024.”¹⁵⁹ GCI contends that “if BDC updates can . . . convert a single-support area into a duplicate-support area, the planning basis for the two-support-area structure is lost” and hinders multi-year investment recovery planning.¹⁶⁰ GCI explains that providers plan deployments and order equipment upgrades up to five years in advance and need certainty as to the ACF support they will receive for serving specific areas.¹⁶¹

42. ARCC supports GCI’s request for a firm date in determining the eligibility status of hexes, although ARCC states it is still evaluating whether December 31, 2024, is the best date for the Commission to establish as the fixed date.¹⁶² ARCC asserts that providers need certainty to support efforts to invest and maintain facilities and be confident that the amount of support will not change over time.¹⁶³ Responding to ARCC, GCI states there is no clear alternative date to December 31, 2024, “if the Eligible-Areas Map(s) will be published with the relevant categorization by October 2025.”¹⁶⁴ GCI notes that June 30, 2025 BDC data is filed September 1, 2025, leaving Commission staff little time to analyze and vet the data, and create the maps.¹⁶⁵

43. Based on our review of the record, we grant in part GCI’s request and amend section 54.318(c)(1)(iii) and (d)(1)(ii) to set a firm date for determining all ineligible—including “untestable hexes”—and duplicate-support areas. We also grant GCI’s request in part that the Commission determine all untestable areas using BDC availability data as of December 31, 2024. All ineligible areas and duplicate-support areas would be determined using BDC availability data as of December 31, 2024.¹⁶⁶ Additionally, any area that is discovered to be “untestable” after the initial Eligible-Areas Map is finalized will count against the provider achieving its commitments, as all eligible areas of the ACF will be formally established after the initial Eligible-Areas Map is finalized. We are persuaded by GCI’s and ARCC’s arguments that providers need certainty in the amount of support they will receive and which

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¹⁵⁵ See 47 CFR § 54.317(d).

¹⁵⁶ See 47 CFR § 54.320(d)(2) (“[T]he eligible telecommunications carrier will have twelve months from the date of the final milestone deadline to come into full compliance with this milestone.”).

¹⁵⁷ 47 CFR § 54.318(f)(5); *see also* 47 CFR § 54.317(f) (having the same delegated authority for WTB in the context of the Alaska Plan).

¹⁵⁸ 47 CFR § 54.318(c)(2).

¹⁵⁹ GCI ACF Petition at 6.

¹⁶⁰ GCI ACF Petition at 7.

¹⁶¹ GCI ACF Petition at 6.

¹⁶² ARCC ACF Recon Comments at 10.

¹⁶³ *Id.*

¹⁶⁴ GCI ACF Petition Reply at 10.

¹⁶⁵ *Id.*

¹⁶⁶ 47 CFR § 54.318(c)(1). The BDC has mechanisms to improve the accuracy of the data, such as challenge, verification, and audit processes. Areas may be updated if the December 31, 2024 data are revised for accuracy. 47 U.S.C. §§ 642(a)(1)(B)(i), (iii), (b)(4)(B), (b)(5), 644(a); 47 CFR § 1.7006(a), (c), (e)-(f); *see* FCC, Broadband Data Collection Help Center, Data Specifications, <https://help.bdc.fcc.gov/hc/en-us/articles/6789299021723-Key-Reference-Documents> (providing data specification documents for various data correction mechanisms of the BDC).

areas are eligible for that support for their future network planning.¹⁶⁷ Most of the types of ineligible areas were already locked as of December 31, 2024,¹⁶⁸ and with the addition of the untestable areas, which were the only ineligible areas that were previously not locked using BDC availability data as of December 31, 2024, all of the ineligible areas will be known when the ACF begins for network planning purposes. While duplicate-support areas will be set using BDC availability data as of December 31, 2024, these areas could become single-support areas after December 31, 2029, after the Commission takes action on the Further Notice.¹⁶⁹ We find that setting all ineligible areas and duplicate support areas with BDC availability data as of December 31, 2024, removes the possibility of the hex-9s where a provider could lose support from becoming subject to change or found ineligible during the course of the ACF. For example, a provider could plan deployments only to later find some of its support threatened based on the subsequent change of a hex-9 from eligible to ineligible, or find that an area is ineligible or unexpectedly included in the competitive process because of information revealed later.¹⁷⁰ Ultimately, as most ineligible areas were either known from the Alaska Plan¹⁷¹ or set with December 31, 2024 data,¹⁷² we find that adding the financial certainty of setting a firm date for the only two remaining types of areas where a provider could lose support—untestable areas and duplicate support areas—outweighs the advantages of allowing classifications of those hex-9s to remain subject to change.

44. Finally, because we grant GCI's request, we delete section 54.318(i)(4), and we amend sections 54.318(h)(6) and 54.318(k)(3) of our rules.¹⁷³ It will no longer be possible for untestable areas to become ineligible after the ACF begins.¹⁷⁴ We delete section 54.318(i)(4) because that paragraph wholly addressed a situation which can no longer arise: areas found to be ineligible because they were found to be untestable after the ACF had begun. We amend section 54.318(h)(6) by deleting the sentence: "If this noncompliance is discovered for the interim milestone testing, the mobile provider may identify, in an updated performance plan, comparable hex-9s that it will serve." This language is part of the comparable area process that allowed providers to retain support if they were serving areas that later became ineligible. Because all untestable areas will now be defined before the ACF begins, this language is no longer necessary. We amend section 54.318(k)(3) to allow for areas that are later discovered to be untestable to be deemed noncompliant without also becoming ineligible. While section 54.320(d), which mandates loss of support for the failure of an eligible telecommunications carrier to meet build-out milestones,¹⁷⁵ remains applicable to any noncompliance, a potential permanent reduction of support can no longer be triggered by an area becoming ineligible after the ACF begins.¹⁷⁶

¹⁶⁷ ARCC ACF Recon Comments at 10; GCI ACF Petition Reply at 10.

¹⁶⁸ 47 CFR § 54.318(c)(1)(i)-(ii).

¹⁶⁹ *Alaska Connect Fund Order*, 39 FCC Rcd at 12184-91, paras. 206-29.

¹⁷⁰ See ARCC ACF Recon Comments at 10; GCI ACF Petition Reply at 10.

¹⁷¹ See 47 CFR § 54.318(c)(1)(i) (making ineligible previously ineligible areas of the Alaska Plan).

¹⁷² See 47 CFR § 54.318(c)(1)(ii) (making competitive areas ineligible based on "mobile providers' Broadband Data Collection availability data as of December 31, 2024.").

¹⁷³ See 47 CFR § 54.318(i)(4), (h)(6), (k)(3).

¹⁷⁴ The untestable areas will be set with BDC availability data as of December 31, 2024, and the ACF begins January 1, 2027.

¹⁷⁵ 47 CFR § 54.320(d).

¹⁷⁶ Section 54.318(k)(3) previously read: "If a hex-9 is determined to be untestable and, thus, ineligible and this is discovered during speed testing of a provider's commitments, the hex-9—and any surrounding hex-9s also deemed to be untestable—will be counted as noncompliant with the provider's commitments. The provider's support may be reduced accordingly, consistent with the compliance tiers set forth in § 54.320(d)." It will now read: "If a hex-9 is determined to be untestable and this is discovered during speed testing of a provider's commitments, the hex-9—and any hex-9s represented by that hex-9—will be counted as noncompliant with the provider's commitments." In

(continued....)

45. We, however, deny GCI's request with respect to single-support areas. ACF single-support areas will need to be updated with more recent data, given that the initial map of a mobile provider's Alaska Plan coverage may not be known until December 31, 2026, or later,¹⁷⁷ at which point "uncovered areas [which could] become 'single-support areas' under the comparable service area mechanism" may also need to be adjusted as mobile providers cannot claim as comparable areas the areas they were already covering pursuant to the Alaska Plan.¹⁷⁸ As such, we do not affix the single-support areas to use of BDC availability data as of December 31, 2024.

3. Modifications to "Competitive Areas" Eligible for Support

46. The ACF has two types of "competitive areas"—i.e., areas that offer unsubsidized 5G-NR service and areas with three or more providers offering at least 4G LTE mobile service with at least one unsubsidized 4G LTE provider—and mobile providers are prohibited from using ACF support in those competitive areas.¹⁷⁹ GCI requests that the Commission make competitive areas with unsubsidized 4G and areas served by AT&T's FirstNet eligible to use ACF support.¹⁸⁰ We deny GCI's petition to reconsider the ineligibility of competitive areas and reaffirm the decision in the *Alaska Connect Fund Order* to deem "competitive areas" ineligible for use of extended support.

a. Areas with Three 4G LTE Providers with At Least One Unsubsidized Provider

47. For competitive 4G LTE areas, GCI argues that one unsupported 4G LTE provider should not render a hex-9 ineligible because the Commission's *5G Fund Second Report & Order* did not similarly make 4G areas ineligible.¹⁸¹ The Commission in the *Alaska Connect Fund Order* determined that competitive areas should be ineligible because they would receive mobile service without any ACF support.¹⁸² We reaffirm the Commission's decision, and we deny GCI's request to deem these hex-9s eligible for ACF support.¹⁸³

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addition to removing language related to untestable areas becoming ineligible at a later date, we also changed "any surrounding hex-9s" to "any hex-9s represented by that hex-9" for clarity consistent with the wording in the *Alaska Connect Fund Order*. See *Alaska Connect Fund Order*, 39 FCC Rcd at 12173, para. 174 ("If a hex-9 is determined to be untestable, and, thus, ineligible and this is discovered during speed testing of a provider's commitments, the hex-9 will be counted as noncompliant with the provider's commitments. It should be noted that as a result of a random sampling methodology, such a hex-9 will likely represent other, unselected hex-9s.")

¹⁷⁷ *Alaska Connect Fund Order*, 39 FCC Rcd at 12152, para. 124.

¹⁷⁸ *Alaska Connect Fund Order*, 39 FCC Rcd at 12149, para. 112. Where single-support areas expand by claiming "comparable areas," "other eligible areas" may be changed to a provider's single-support area throughout the course of the ACF. See 47 CFR § 54.318(d)(1)(i), (d)(1)(iii), (h).

¹⁷⁹ 47 CFR § 54.318(c)(ii); *Alaska Connect Fund Order*, 39 FCC Rcd at 12130, 12145-46, paras. 66, 103-05.

¹⁸⁰ GCI ACF Petition at ii, 11, 12.

¹⁸¹ See GCI ACF Petition at 11 ("The Order does not explain why it deviates from the approach the Commission recently took in the *5G Fund 2d Report and Order*, which categorically declines to consider existing 4G LTE service when determining whether an area is eligible for the upcoming 5G Fund auction, nor does the *Order* explain why Alaska would require a different approach. . . . Consistent with the *5G Fund 2d Report and Order*, the Commission should modify eligibility to consider only whether a hex-9 is already served by unsubsidized 5G at 7/1 Mbps or was ineligible under the Alaska Plan."); GCI May 22, 2025 *Ex Parte*, Appx. at A-7. To effectuate its proposed change, GCI recommends deleting section 54.318(c)(1)(ii)(B) entirely. GCI May 22, 2025 *Ex Parte* at 3, Appx. at A-7; GCI ACF Petition Reply at 16, Appx. at A-6.

¹⁸² *Alaska Connect Fund Order*, 39 FCC Rcd at 12145, para. 103 ("[A]reas that already have an unsubsidized mobile provider that offers at least 5G-NR at 7/1 Mbps or three or more mobile providers that offer at least 4G LTE at 5/1 Mbps in an outdoor stationary environment—with at least one of those providers being unsubsidized—are

(continued....)

48. The *Alaska Connect Fund Order* deems “competitive,” and thus ineligible for use of support, “[a]reas with three or more mobile providers—with at least one of those mobile providers being unsubsidized—offering at least 4G LTE service at minimum speeds of 5/1 Mbps in an outdoor stationary environment based on mobile providers’ Broadband Data Collection availability data as of December 31, 2024.”¹⁸⁴

49. GCI asks the Commission to “modify eligibility to consider only whether a hex-9 is already served by unsubsidized 5G at 7/1 Mbps or was ineligible under the Alaska Plan.”¹⁸⁵ GCI argues that, in the *Alaska Connect Fund Order*, the Commission “does not explain why it deviates from the approach the Commission recently took in the *5G Fund 2d Report and Order*, . . . nor does the *Order* explain why Alaska would require a different approach,”¹⁸⁶ but we note that the 5G Fund follows a different approach. The 5G Fund considers 4G LTE service in weighing bids during the auction and, most importantly, determined that the Commission should not provide high-cost support for the deployment of 4G LTE networks,¹⁸⁷ which is not the case in Alaska. Unlike the 5G Fund, the ACF supports 4G LTE deployments by extending support of the Alaska Plan, which supports 4G LTE service through December 31, 2026.¹⁸⁸ Moreover, the ACF, unlike the 5G Fund, supports 4G LTE commitments.¹⁸⁹ These are material differences from the *5G Fund Second Report and Order* that warrant exclusion of areas with 4G LTE competition from eligibility for ACF support.

50. GCI’s argument that “[a] single, unsupported 4G provider should not render a hex ineligible,”¹⁹⁰ misstates the ACF “competitive area” rule. If an ACF provider and a “single, unsupported 4G LTE provider”¹⁹¹ both provide service to a hex-9, and no other mobile provider offers service to that hex, then the hex-9 would not meet the definition of “competitive area” and could be eligible for support.¹⁹² The area is deemed competitive, and therefore ineligible for support, if at least *three* providers serve that hex-9, with each providing at least 4G LTE service at 5/1 Mbps and one being an unsubsidized mobile provider.¹⁹³ The presence of several mobile providers, including at least one unsubsidized mobile provider, providing at least 4G LTE at 5/1 Mbps is evidence that there is a private-sector case for the area.¹⁹⁴ The *Alaska Connect Fund Order* reasoned that where “three mobile providers of at least 4G LTE service at 5/1 Mbps in an area—with at least one of those mobile providers being unsubsidized—there are

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evidence that the area does not need support to yield private-sector investment—there is already competition in that area.”).

¹⁸³ GCI ACF Petition at 11.

¹⁸⁴ 47 CFR § 54.318(c)(1)(ii)(B); *Alaska Connect Fund Order*, 39 FCC Rcd at 12130, 12145, 12146, paras. 66, 103, 105.

¹⁸⁵ GCI ACF Petition at 11.

¹⁸⁶ GCI ACF Petition at 11.

¹⁸⁷ See *Establishing a 5G Fund for Rural America*, GN Docket No. 20-32, Second Report and Order, Order on Reconsideration, and Second Further Notice of Proposed Rulemaking, 39 FCC Rcd 9874, 9887-88, 9923, paras. 21-22, 96-97 (2024).

¹⁸⁸ *Alaska Plan Order*, 31 FCC Rcd at 10172-73, para. 102.

¹⁸⁹ 47 CFR § 54.318(f)(6).

¹⁹⁰ GCI May 22, 2025 *Ex Parte*, Appx. at A-7 (seeking deletion of section 54.318(c)(1)(ii)(B)).

¹⁹¹ GCI May 22, 2025 *Ex Parte*, Appx. at A-7.

¹⁹² See 47 CFR § 54.318(c)(1)(ii)(B).

¹⁹³ 47 CFR § 54.318(c)(1)(ii)(B).

¹⁹⁴ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12146, para. 105.

private sector incentives to offer advanced mobile services to those areas.”¹⁹⁵ For these reasons, we deny GCI’s request.

b. Classification of AT&T’s FirstNet Areas

51. GCI asks the Commission to make areas served by AT&T’s FirstNet network eligible to use ACF support by treating the areas as “subsidized.”¹⁹⁶ As explained below, we believe GCI’s request would frustrate the goals outlined in the *Alaska Connect Fund Order*. We affirm that FirstNet is considered “unsubsidized” for purposes of the ACF and deny GCI’s request.

52. In the *Alaska Connect Fund Order*, the Commission stated that “[f]or purposes of the Alaska Connect Fund an ‘unsubsidized provider’ is one that does not receive Alaska Plan support.”¹⁹⁷ Even though the Commission has never defined AT&T’s FirstNet service areas as “subsidized” for high-cost purposes, GCI contends that the Commission’s decision is arbitrary and capricious for concluding that such areas should be deemed “unsubsidized” for purposes of the ACF because FirstNet was constructed with public funds and receives uniform nationwide user fees as implicit support.¹⁹⁸ GCI also argues that FirstNet should not be considered to be an unsubsidized provider because its service would be potentially unavailable in the case of emergencies, given that first responders receive priority access to the network over consumers.¹⁹⁹ ARCC supports GCI’s position, stating that GCI “corrects a misunderstanding in Alaska with the assertion that ‘FirstNet should not be considered “unsubsidized” or otherwise remove an area from eligibility.”²⁰⁰

53. We deny GCI’s request to deem FirstNet areas “subsidized” and, thus, continue to prohibit the use of ACF support in areas where AT&T provides FirstNet service, including 5G-NR service. First and most simply, these areas would receive service without ACF support, so making them eligible for support is not a prudent use of high-cost support. Second, allowing ACF support to be used in FirstNet areas would effectively allow high-cost support to subsidize ACF mobile providers’ competition with AT&T, and, as the Commission observed in the *Alaska Connect Fund Order*, “the universal service program [is] not intended to subsidize competition.”²⁰¹ Finally, if we considered AT&T’s FirstNet areas to be “subsidized” for the ACF, it would entirely undermine the 5G-NR “competitive areas” exclusion,²⁰² which excludes all areas with an unsubsidized mobile provider offering 5G-NR at minimum speeds of 7/1 Mbps based on mobile providers’ BDC availability data as of December 31, 2024, because AT&T was the only unsubsidized mobile provider of 5G-NR at 7/1 Mbps service in Alaska as of December 31, 2024. For all of these reasons, we deny GCI’s request.

4. No Removal of Support in Newly Ineligible Areas Until the Commission Adopts the Methodology for Support Per Hexagon

54. GCI requests that the Commission reconsider and not direct the removal of any portion of mobile providers’ support attributed to hex-9s determined to be ineligible due to the presence of an

¹⁹⁵ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12146, para. 105.

¹⁹⁶ GCI ACF Petition at 12. To effectuate its request, GCI asks the Commission to amend section 54.318(c)(1) to add a new paragraph (iv), as follows: “For the purpose of this subsection, an ‘unsubsidized mobile provider’ is a mobile provider that did not receive Alaska Plan support, or that provides service utilizing the license issued pursuant to 47 U.S.C. 1421(a), as it may be renewed from time to time.” GCI ACF Petition Reply, Appx. at A-4.

¹⁹⁷ *Alaska Connect Fund Order*, 39 FCC Rcd at 12130, para. 66 n.175.

¹⁹⁸ GCI ACF Petition at 12.

¹⁹⁹ GCI ACF Petition at 12; GCI May 22, 2025 *Ex Parte* at 3.

²⁰⁰ ARCC ACF Recon Comments at 14 (quoting GCI ACF Petition at 12).

²⁰¹ *Alaska Connect Fund Order*, 39 FCC Rcd at 12145, para. 103.

²⁰² 47 CFR § 54.318(c)(1)(ii)(A).

unsubsidized competitor, as it is premature until the Commission adopts a deaveraging methodology to determine the support-per-hex-9 for such areas.²⁰³ To clarify that the Commission will delay the removal of support until it adopts a deaveraging methodology, GCI requests a revision to the comparable areas requirement²⁰⁴ by amending section 54.318(h) and deleting section 54.318(i)(3) in order to make the comparable areas requirement permissive instead of mandatory.²⁰⁵ We grant GCI's requests in part and deny in part as follows.

55. In the *Alaska Connect Fund Order*, the Commission determined that it would allow mobile-provider participants that will no longer receive support for a newly ineligible area to continue receiving the same level of support if they cover a comparable number of hex-9s elsewhere.²⁰⁶ Mobile providers that are unable to have comparable areas approved by WTB through their performance plans will have a proportional amount of the support that the mobile provider was receiving in the newly ineligible areas phased down.²⁰⁷ In the *Alaska Connect Fund FNPRM*, the Commission sought comment on a methodology to determine a support amount for areas where more than one mobile provider had been receiving support for overlapping areas.²⁰⁸ The Commission also noted that this methodology could be used to determine support amounts to claw back for areas that it deemed ineligible in the event that support did not shift to a comparable area.²⁰⁹ The Commission delegated authority to WTB to resolve

²⁰³ GCI ACF Petition at 13-15; *see also Alaska Connect Fund FNPRM*, 39 FCC Rcd at 12182-84, paras. 194, 198-205 (requesting comment on how to determine support amounts by area for the mobile portion of the ACF). GCI further argues that the Commission should assume that none of a mobile provider's support is being provided to such ineligible areas and thus refrain from removing any support for hexes that are ineligible due to unsubsidized competitors. GCI ACF Petition at 13; GCI ACF Petition Reply at 7-8. While we will address GCI's request in this Order inasmuch that it asks for a delay of the removal of ACF support attributed to such ineligible areas until the deaveraging methodology is determined, we find that GCI's further argument speaks to how much support should be attributed to said ineligible areas and is better addressed in the *Alaska Connect Fund FNPRM* proceeding. Finally, GCI argues that the Commission also should not eliminate support from Alaska as a result of competitive selection among duplicate providers. GCI ACF Petition at 13. For the same reasons, we will address this in the *Alaska Connect Fund FNPRM* proceeding.

²⁰⁴ 47 CFR § 54.318(h). "To be considered 'comparable,' we expect a provider to cover the same number of uncovered hex-9s as the number of hex-9s that were ineligible, unless the mobile-provider participant of the Alaska Connect Fund can provide justification that a lower number of hex-9s that it would be covering elsewhere is 'comparable' to the number of newly ineligible hex-9s" *Alaska Connect Fund Order*, 39 FCC Rcd at 12150, para. 115. "Specifically, each mobile provider must remove the ineligible hex-9s from its commitment, and in a separate category in the performance plan, specify how many comparable hex-9s it commits to cover, by census tract" *Id.* at 12150, para. 116. "A provider [that] commits to cover the same number of uncovered hex-9s . . . will be considered . . . safe harbor[ed], and a provider will have such coverage deemed 'comparable' to the coverage where it no longer has support." *Id.* "WTB, in coordination with OEA, [will] work with providers in their submissions of 'comparable number of hex-9s' to meet the requirements" *Id.*

²⁰⁵ GCI May 22, 2025 *Ex Parte*, Appx. at A-3; GCI ACF Petition Reply, Appx. at A-3.

²⁰⁶ *Alaska Connect Fund Order*, 39 FCC Rcd at 12149, para. 113; *accord* 47 CFR § 54.318(h) ("Mobile providers that received support under the Alaska Plan for coverage of newly ineligible areas and that wish to retain their support level must use their Alaska Connect Fund support to cover a comparable number of otherwise uncovered hex-9s elsewhere, subject to claw back in their support if they do not do so.").

²⁰⁷ 47 CFR § 54.318(i)(3).

²⁰⁸ *Alaska Connect Fund FNPRM*, 39 FCC Rcd at 12182, para. 194.

²⁰⁹ *Id.*

support amounts per area after the comment cycle of the Further Notice concluded,²¹⁰ which occurred on March 4, 2025.²¹¹ WTB has not yet resolved this issue.

56. GCI states that the Commission “should not direct removal of support for hexes that become ineligible due to unsubsidized competitors,” “[p]ending determination of the deaveraging methodology in the *FNPRM*.”²¹² GCI also states, “the Commission also should not eliminate support from Alaska as a result of competitive selection among duplicate providers.”²¹³

57. We do not prejudge the outcome of the Further Notice, and WTB cannot remove support before the support amounts per hex-9 are known. We grant GCI’s petition to the extent that it asks for a delay in the removal of support for newly ineligible areas until the Commission adopts a deaveraging methodology to determine the support-per-hex-9 for such areas.²¹⁴ We agree with GCI that such a delay is reasonable because the Commission will need to know the amount of support per hex before it can direct that such support be removed. We also partially grant GCI’s recommended addition to the comparable areas rule—i.e., section 54.318(h)²¹⁵—because it clarifies that the only support that will be subject to claw back is the support attributed to areas deemed newly ineligible. GCI’s edits make explicit that the rule only applies to support that the mobile provider was receiving in the areas deemed newly ineligible for the mobile provider.²¹⁶

58. We deny GCI’s other suggested edits to the Commission’s rules related to its request for reconsideration. GCI recommends deleting the rule that would phase down support if a mobile provider’s comparable areas are not approved—section 54.318(i)(3)²¹⁷—and GCI also recommends changing the word “must” to “may” in the comparable areas rule.²¹⁸ We find that these changes would upend the ACF

²¹⁰ *Alaska Connect Fund Order*, 39 FCC Rcd at 12136, para. 80.

²¹¹ Connect America Fund; Alaska Connect Fund, Connect America Fund—Alaska Plan, ETC Annual Reports and Certifications, Telecommunications Carriers Eligible To Receive Universal Service Support, Universal Service Reform—Mobility Fund, 233 Fed. Reg. 96166, Proposed Rule (Dec. 31, 2024).

²¹² GCI May 22, 2025 *Ex Parte*, Appx. at A-3; *see also* GCI ACF Petition at 13-15; GCI ACF Petition Reply at 7-8; GCI May 22, 2025 *Ex Parte* at 3.

²¹³ *See* GCI ACF Petition at 13-15.

²¹⁴ GCI May 22, 2025 *Ex Parte*, Appx. at A-3; *see also* GCI ACF Petition at 13-15; GCI ACF Petition Reply at 7-8; GCI May 22, 2025 *Ex Parte* at 3.

²¹⁵ 47 CFR § 54.318(h). After partially accepting this edit, section 54.318(h) would now read: “Mobile providers that received support under the Alaska Plan for coverage of newly ineligible areas and that wish to retain their support level must, for any support attributed to such newly ineligible areas, use their Alaska Connect Fund support to cover a comparable number of otherwise uncovered hex-9s elsewhere, subject to claw back in their support if they do not do so.” GCI May 22, 2025 *Ex Parte*, Appx. at A-3.

²¹⁶ If the Commission allows the comparable areas system to be applied to duplicate-support areas, where a provider loses support because it is deemed the duplicating provider, the area would be ineligible for use of ACF support for the duplicating provider. *See, e.g.*, 47 CFR § 54.318(a)(2) (“The Wireless Telecommunications Bureau may determine whether an Alaska Plan mobile provider is . . . ineligible for specific coverage areas . . .”); *see also Alaska Connect Fund Order*, 39 FCC Rcd at 12191, para. 229; GCI ACF Petition at 15 (“The Commission . . . should not eliminate support from Alaska as a result of competitive selection among duplicate providers.”). The amount of support at issue for the duplicating provider would be the amount of support attributed to the newly ineligible area for that provider (i.e., the previous duplicate-support area). Where this happens, the “duplicate-support” area would become a single-support area, and the area would be ineligible for use of ACF support for other providers, including the duplicating provider. The process for determining which provider should receive the support in areas where it is being duplicated was a part of the Further Notice and has not yet been acted on. *See Alaska Connect Fund Order*, 39 FCC Rcd at 12184-91, paras. 205-29.

²¹⁷ 47 CFR § 54.318(i)(3).

²¹⁸ 47 CFR § 54.318(h).

comparable areas process, making the need to provide service to comparable areas in the ACF optional in order to receive the same level of support. If the Commission were to delete section 54.318(i)(3), then a mobile provider would not have its support phased down if it did not have comparable areas approved in its performance plan.²¹⁹ GCI's proposed change would allow the mobile provider to retain its Alaska Plan support and allow it to provide less service and coverage for the same amount of support. Moreover, because GCI did not adequately raise the issue of effectively eliminating or making permissive the comparable areas regime in its Petition, we also dismiss this request as untimely.²²⁰ We accordingly deny the request to delete 54.318(i)(3) of the Commission's rules.²²¹ GCI's proposed edit to the comparable areas rule, changing "must" to "may" in section 54.318(h) is also an attempt to make the comparable areas process optional instead of mandatory, and we deny that requested change as well. These changes are also unnecessary to effectuate grant of GCI's request to delay any phase down in support until the methodology for determining each mobile provider's support per hex-9 is determined.²²²

D. Clarification Regarding Service Obligations for Areas Ineligible for ACF Support

59. GCI requests clarification that mobile providers do not have ACF service obligations in areas where they are prohibited from using ACF support.²²³ GCI recommends that the Commission make clear that the *Alaska Connect Fund Order* does not require a mobile provider to continue to serve areas where it is not eligible for ACF support,²²⁴ and it argues that removal of this requirement would comport with the Commission's recent practice for other high-cost programs.²²⁵ We grant GCI's request for clarification that mobile providers do not have service obligations for areas where they cannot use ACF support.

60. Under the *Alaska Connect Fund Order*, mobile support recipients must continue to maintain the minimum service levels—to the same areas—that they achieved under the Alaska Plan, in order to maintain the progress made under the Alaska Plan.²²⁶ This requirement includes all Alaska Plan public interest obligations, such as continuing to provide voice service, as required by all ETCs,²²⁷ to

²¹⁹ See 47 CFR § 54.318(i)(3).

²²⁰ See GCI ACF Petition at 13-15 ("The ACF Order implies, and the FNPRM proposes, that a portion of an Alaska Plan provider's statewide support will be deemed to be associated with ineligible areas starting in 2027, and then decremented, unless WTB approves a sufficient number of "comparable areas" to substitute for the ineligible ones. To the extent the ACF Order directs this result, it should be reconsidered, as it is premature pending the determination in the FNPRM . . ."); 47 CFR § 1.429(d).

²²¹ 47 CFR § 54.318(i)(3).

²²² See GCI May 22, 2025 *Ex Parte*, Appx. at A-3 (suggesting changes to the rule as part of the request to delay phase down until the support-per-hex-9 methodology is created).

²²³ GCI ACF Petition at 18-19.

²²⁴ *Id.* at 18.

²²⁵ See GCI ACF Petition at 18-19 (citing *Connect America Fund et al.*, Report and Order, 29 FCC Rcd 15644, 15663, paras. 51-52 (2014); *Rural Digital Opportunity Fund*; *Connect America Fund*, Report and Order, 35 FCC Rcd 686, 743, para. 134 (2020); *Establishing a 5G Fund for Rural America*, Report and Order, 35 FCC Rcd 12174, 12225, para. 124 n.317 (2020)).

²²⁶ *Alaska Connect Fund Order*, 39 FCC Rcd at 12152, para. 124; see also 47 CFR § 54.308(e) ("Mobile providers receiving support from the Alaska Connect Fund must provide service at the same minimum service levels as required under the Alaska Plan and may not provide less coverage or provide service using a less advanced technology than the provider committed to under the Alaska Plan.").

²²⁷ All ACF recipients must be designated as an ETC before receiving high-cost support, including ACF support. *Alaska Connect Fund Order*, 39 FCC Rcd at 12106-07, paras. 13-14; see *id.* at 12107, para. 14 ("[B]ecoming an ETC carries with it certain obligations, such as a requirement to provision voice service . . ."); 47 U.S.C. §§ 214(e), 254(e); 47 CFR §§ 54.201-207 (explaining the requirements for eligible telecommunications carrier designation).

maintain at least the same level of data service they are providing to their previous coverage areas as of the end of the Alaska Plan, and to improve service consistent with their approved performance plans through the end of ACF.²²⁸ Where mobile providers no longer receive support, they are to remove those areas from their performance plans.²²⁹

61. In its Petition, GCI expresses confusion about whether the *Alaska Connect Fund Order* imposes any obligation on a mobile provider to continue serve areas where it no longer receives support.²³⁰ GCI states that although the *Alaska Connect Fund Order* “implies that it does not impose any obligation on a mobile provider to continue to serve areas for which it no longer receives support,” it also “suggests that a provider electing to receive ACF support must ‘continue to maintain the minimum service levels—to the same areas—that they achieved under the Alaska Plan.’”²³¹ GCI argues the Commission should follow its practice with other high-cost initiatives and expressly state that a provider is not required to continue serving areas where it no longer receives support.²³²

62. We agree with GCI that mobile providers do not have ACF service obligations in areas where they are prohibited from using ACF support and find that clarification to be in the public interest by resolving any confusion on the part of ACF mobile providers.²³³ Accordingly, we amend section 54.308(e) of our rules to clarify that mobile providers that receive ACF support “must provide service at the same minimum service levels as required under the Alaska Plan and may not provide less coverage or provide service using a less advanced technology than the provider committed to under the Alaska Plan. For areas supported under the Alaska Plan that are ineligible for support under the Alaska Connect Fund, providers must continue to provide service to the extent of their Alaska Plan commitments, but do not have Alaska Connect Fund service obligations for those areas and are prohibited from using Alaska Connect Fund support to serve those areas.”²³⁴ We also amend our rules to add a new sentence to the end of section 54.318(e), stating: “A mobile provider does not have Alaska Connect Fund obligations in areas where it is prohibited from using Alaska Connect Fund support for service, and it is prohibited from using Alaska Connect Fund support to provide service in areas other than its own single-support or duplicate-support areas or other eligible areas, as defined in paragraph (d)(1)(iii) of this section.”

E. Modification of Implementation and Compliance Obligations of the ACF

1. Elimination of Annual Infrastructure Data Filing Requirement

63. GCI requests modification of the ACF rules to eliminate the annual infrastructure data filing requirement for ACF mobile providers.²³⁵ We find elimination of this requirement to be in the public interest and thus grant GCI’s request. The *Alaska Connect Fund Order* requires recipients of mobile support to annually submit all the infrastructure data that providers would submit as part of the BDC mobile verification process to verify their coverage in areas for which they receive support.²³⁶ GCI

²²⁸ *Alaska Connect Fund Order*, 39 FCC Rcd at 12152, para. 124.

²²⁹ 47 CFR § 54.318(h)(1).

²³⁰ GCI ACF Petition at 18; *accord* GCI ACF Petition Reply at 14.

²³¹ GCI ACF Petition at 18 (quoting *Alaska Connect Fund Order*, 39 FCC Rcd at 12152, para. 124).

²³² GCI ACF Petition at iii (“Similarly, the Commission should make clear that Alaska Plan providers will not be required to serve areas where a provider loses support either due to areas being designated as ineligible, or as a result of the competitive selection process.”); GCI ACF Petition at 18-19.

²³³ Alaska Plan obligations are unaffected by the *Alaska Connect Fund Order*. *Alaska Connect Fund Order*, 39 FCC Rcd at 12175, para. 180. To the extent that mobile providers have facilities supported by the Alaska Plan in newly ineligible areas of the ACF, they may continue to provide service, but they may not use ACF support for those areas.

²³⁴ *Infra* Appx. A, § 54.308(e) (emphasis added).

²³⁵ GCI ACF Petition at 23-24.

²³⁶ *Alaska Connect Fund Order*, 39 FCC Rcd at 12170, paras. 164-65; *accord* 47 CFR § 54.318(j)(1).

asks the Commission to reconsider this annual requirement because it “is unduly burdensome” and the *Alaska Connect Fund Order* does not justify the requirement other than citing “‘FCC staff’s experience in implementing the mobile BDC processes’” and “‘accountability of high-cost funds.’”²³⁷ GCI argues that, “if these reasons justified the annual [data submission] requirement, the Commission would also have adopted the requirement for the 5G Fund, which it did not.”²³⁸ To effectuate this request, GCI recommends that the Commission either amend the language of section 54.318(j)(1) to accord with section 1.7006(c) of the Commission’s rules—i.e., to state that a mobile service provider must submit infrastructure information only in response to a verification request from the Commission—or delete section 54.318(j) in its entirety.²³⁹ GCI asserts that the “upon request” approach under the BDC rules already permits Commission staff to request verification data if there is a concern about a provider’s coverage.²⁴⁰

64. After considering GCI’s proposals, we grant GCI’s request and delete section 54.318(j) of the Commission’s rules. We find that modifying the language of 54.318(j) to use the “upon request” approach of section 1.7006(c) as GCI proposes simply restates the authority Commission staff already has to request data from broadband mobile providers subject to BDC audits and verifications.²⁴¹ We believe that the more prudent approach is to delete section 54.318(j) to eliminate the annual filing requirement for ACF mobile providers. In addition, granting GCI’s request to delete 54.318(j) is consistent with the spirit of the Commission’s *Delete, Delete, Delete* proceeding, which the Commission initiated to alleviate duplicative or unnecessary regulations that impose disproportionate costs on businesses, particularly small businesses.²⁴²

2. Reconsideration of the ACF Mobile Speed Test Deadline

65. GCI asks the Commission to modify the ACF speed test requirement by adjusting the deadline to submit speed test data to five months after providers receive their sample grid cells to be tested.²⁴³ We grant GCI’s petition to adopt language clarifying that the deadline for providers to submit required mobile speed test data under the ACF is no later than five months from the date they receive their final hex-9 grid samples.

66. Pursuant to the *Alaska Connect Fund Order*, mobile providers receiving more than \$5 million annually in ACF funds are required to conduct drive tests and submit those data to the Commission when they submit their required milestone certifications,²⁴⁴ which are due no later than 60 days after the end of each mobile provider’s commitment milestone deadline.²⁴⁵ GCI petitions the Commission to instead “requir[e] speed tests results to be submitted five months after providers receive their samples.”²⁴⁶ GCI notes that it would be impossible for providers to submit their speed test results

²³⁷ GCI ACF Petition at 23-24 (quoting *Alaska Connect Fund Order*, 39 FCC Rcd at 12170-71, paras. 165-66).

²³⁸ GCI ACF Petition at 24.

²³⁹ GCI ACF Petition Reply, Appx. at A-6; *see also* GCI ACF Petition at 24.

²⁴⁰ GCI ACF Petition Reply at 17, Appx. at A-6; *see* GCI ACF Petition at 24.

²⁴¹ *See* ACF Petition Reply, Appx. at A-6; 47 CFR § 1.7006.

²⁴² *IN RE: DELETE, DELETE, DELETE*, GN Docket No. 25-133, Public Notice, 40 FCC Rcd 1601 (2025).

²⁴³ GCI ACF Petition at 23; GCI ACF Petition Reply at 11, Appx. at A-4.

²⁴⁴ *Alaska Connect Fund Order*, 39 FCC Rcd at 12172, para. 170; *accord* 47 CFR § 54.318(k)(1). These speed tests will generally conform to the BDC Data Specifications for Mobile Speed Test Data. *See* 47 CFR § 54.318(k)(2).

²⁴⁵ 47 CFR § 54.318(f)(10).

²⁴⁶ GCI ACF Petition at 23.

“along with” their milestone certifications,²⁴⁷ given that certifications are required no later than two months after milestones are due,²⁴⁸ but the hex-9 samples needed to begin testing may be provided up to four months after milestones are due.²⁴⁹ To effectuate this request, GCI asks the Commission to amend section 54.318(k)(1) of its rules as follows: “A mobile provider receiving more than \$5 million annually in Alaska Connect Fund support must submit speed test data within five months of receipt of the final sample grid cells for speed testing.”²⁵⁰

67. We agree that adopting GCI’s proposed language for mobile speed tests, making the deadline for submitting speed test data five months after obligated providers receive their hex-9 samples, is in the public interest, and we grant reconsideration on this point. We find that a five-month deadline will ensure mobile providers obligated to meet this requirement have the time they need to adequately perform their drive tests without prejudicing the Commission’s ability to assess carriers’ compliance. Further, we find that GCI’s proposed amendment to section 54.318(k) of our rules is consistent with the speed testing requirement process that was carried out in the Alaska Plan. Though the Commission adopted an identical speed testing requirement in the *Alaska Plan Order*,²⁵¹ WTB subsequently waived the original March 1, 2022 deadline for submitting Alaska Plan drive-test data and extended it six months to September 30, 2022, in response to arguments that providers would not have enough time to test their random sample of grids once WTB provided them.²⁵² We note that several circumstances were present that contributed to the six-month extension in the *Alaska Drive Test Extension Order* that do not apply here,²⁵³ and therefore agree with GCI that five months is a more appropriate deadline in this case. We avoid that result here by granting GCI’s request and adopting its suggested amendment to section 54.318(k).

3. Reconsideration of the Reasonably Comparable Price Requirement To Permit Providers to Use Their Own Anchorage Plans to Meet the Comparable Pricing Benchmark

68. GCI seeks reconsideration of the prohibition on ACF mobile providers citing their own service plans in Anchorage as evidence of their compliance with the reasonably comparable rate requirement.²⁵⁴ GCI claims that this prohibition effectively only applies to GCI, as it is the only Alaska

²⁴⁷ See GCI ACF Petition at 23 (citing *Alaska Connect Fund Order*, 39 FCC Rcd at 12171-73, paras. 167, 170, 172; 47 CFR § 54.318(k)(1)).

²⁴⁸ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12174, para. 175; 47 CFR § 54.318(f)(10).

²⁴⁹ See *Alaska Connect Fund Order*, 39 FCC Rcd at 12173, para. 172; GCI ACF Petition at 23 (citing *Alaska Connect Fund Order*, 39 FCC Rcd at 12171-73, paras. 167, 170, 172; 47 CFR § 54.318(k)(1)).

²⁵⁰ GCI ACF Petition Reply, Appx. at A-4.

²⁵¹ See *Alaska Plan Order*, 31 FCC Rcd at 10173, para. 103 (requiring milestone certifications from mobile providers who received more than \$5 million annually in high-cost support to be supported by data from drive tests showing mobile transmissions to and from the provider’s network that meet or exceed the minimum download and upload speeds included in the service provider’s approved performance plan); accord 47 CFR § 54.321(a) (“For Alaska Plan participants receiving more than \$5 million annually in support, this certification shall be accompanied by data received or used from drive tests analyzing network coverage for mobile service covering the population for which support was received and showing mobile transmissions to and from the carrier’s network meeting or exceeding the minimum expected download and upload speeds delineated in the approved performance plan.”); see also *Connect America Fund—Alaska Plan*, WC Docket No. 16-271, Order, 36 FCC Rcd 15569 (2021) (*Alaska Drive Test Extension Order*).

²⁵² *Alaska Drive Test Extension Order*, 36 FCC Rcd at 15570-71, paras. 4-6.

²⁵³ The Commission recognized issues such as the delay in adoption of pertinent regulatory requirements for the drive testing and a recent surge in COVID-19 cases in Alaska, as contributing complications to meeting the March 1, 2022 speed test deadline. *Alaska Drive Test Extension Order*, 36 FCC Rcd at 15570-71, para. 5.

²⁵⁴ GCI ACF Petition at 20-21.

Plan mobile carrier that serves Anchorage, and requests an amendment to section 54.308(f)(4) to remove this prohibition.²⁵⁵ We grant the request to remove the prohibition.

69. In the *Alaska Connect Fund Order*, providers are prohibited from citing their own plans in Anchorage as evidence that they are providing reasonably comparable rates.²⁵⁶ Section 254(b)(3) of the Communications Act of 1934, as amended, establishes the universal service principle that consumers in all regions of the nation, including “rural, insular, and high-cost areas,” should have access to advanced communications that are reasonably comparable to those services and rates available in urban areas.²⁵⁷ In the *Alaska Connect Fund Order*, the Commission required every participating mobile provider to certify its compliance with this statutory obligation in annual compliance filings and to demonstrate its compliance by showing that it publishes, on its publicly accessible website, at least one mobile broadband plan and at least one stand-alone voice plan that are: (1) substantially similar to a service plan offered by at least one different mobile wireless service provider in the Cellular Market Area (CMA) for Anchorage, Alaska, and (2) offered for the same or a lower rate than the matching plan in the CMA for Anchorage.²⁵⁸ However, the Commission included the caveat that providers could not cite to their own plans in Anchorage as evidence of meeting the reasonably comparable rate condition.²⁵⁹

70. GCI argues that prohibiting a mobile provider from citing to its own plans as evidence of compliance with the reasonably comparable requirement is inconsistent with other high-cost support programs, such as the Alaska Plan, as well as the requirements for ACF fixed providers.²⁶⁰ GCI claims that this prohibition effectively only applies to GCI, as it is the only Alaska Plan mobile carrier that serves Anchorage.²⁶¹ GCI also argues that the prohibition is unneeded, considering Anchorage market conditions are highly competitive.²⁶² GCI maintains that its plans “are offered statewide, so by definition its rates in supported areas are the same as its rates in Anchorage.”²⁶³ We received no other feedback on this prohibition or GCI’s proposal.

71. We grant GCI’s request to reconsider the prohibition on mobile providers citing their own plans in Anchorage as evidence of compliance with the reasonably comparable rate condition. To the extent that the Commission was concerned with incentivizing artificially high pricing throughout the state, any mobile provider’s plan will face competitive pressures in Anchorage.²⁶⁴ If a mobile provider were to raise its rates in Anchorage, which contains more than one third of Alaska’s population, then it increases the risk of losing subscribers in Alaska’s most populated market.²⁶⁵ As evidence that competition in the Anchorage market is sufficient to restrain prices, when the reasonably comparable rate demonstration was due in the Alaska Plan in 2022,²⁶⁶ GCI could have cited to its own plan, but instead,

²⁵⁵ GCI ACF Petition at 20; GCI ACF Petition Reply at 13, Appx. A at A-4 to A-5.

²⁵⁶ *Alaska Connect Fund Order*, 39 FCC Rcd at 12166, para. 154; *accord* 47 CFR § 54.308(f)(4).

²⁵⁷ 47 U.S.C. § 254(b)(3); *see also Alaska Connect Fund Order*, 39 FCC Rcd at 12165, para. 152.

²⁵⁸ *Alaska Connect Fund Order*, 39 FCC Rcd at 12165-66, paras. 152, 154; *accord* 47 CFR § 54.308(f).

²⁵⁹ *Alaska Connect Fund Order*, 39 FCC Rcd at 12166, para. 154; *accord* 47 CFR § 54.308(f)(4) (“Participants in the Alaska Connect Fund may not cite their own plans in Anchorage as evidence of meeting the reasonably comparable rate condition.”).

²⁶⁰ GCI ACF Petition at 20.

²⁶¹ GCI ACF Petition at 20; GCI ACF Petition Reply at 13.

²⁶² GCI ACF Petition at 20.

²⁶³ GCI ACF Petition at 20, 21; *accord* GCI ACF Petition Reply at 13, 14.

²⁶⁴ GCI ACF Petition at 20.

²⁶⁵ *See* GCI ACF Petition at 20.

²⁶⁶ *See* 47 CFR § 54.308(d).

demonstrated that it was offering plans with reasonably comparable rates by submitting a competitor's Anchorage mobile-service plans. Moreover, while the first reasonably comparable rate demonstration is not due until December 31, 2029,²⁶⁷ at the moment, GCI, as it observes, is the only mobile provider affected by this rule and may continue to be the only mobile provider affected by this condition throughout the course of the ACF.²⁶⁸ Consequently, we find persuasive GCI's arguments permitting mobile providers to use their own Anchorage service plans as evidence of compliance with the reasonably comparable requirements and grant GCI's request for reconsideration of this condition. Accordingly, we strike this requirement from section 54.308(f)(4).

F. Treatment of Transactions Between ACF Supported Providers

72. GCI seeks clarification of how ACF support will be impacted by transactions among ACF mobile providers, and requests that the acquiring mobile provider be guaranteed to receive the acquired mobile provider's ACF support.²⁶⁹ Specifically, GCI argues that the Commission should make two clarifications to give mobile providers certainty to make performance commitments and ensure that there is a continuation of service after the transaction.²⁷⁰ First, GCI proposes that for situations "where a transaction closes before the resolution of a duplicate-support area, the acquiring company should continue to receive all of the ACF support for the formerly duplicate-support area."²⁷¹ GCI claims that this proposal would be consistent with the Commission's approach for the Alaska Plan.²⁷² GCI also proposes that "if duplicate-support areas are eliminated due to a merger or other transaction, the area should be reclassified as [a] single-support [area]" because it no longer needs a competitive selection process to determine a single mobile provider.²⁷³ Under this proposal, the provider would submit a revised performance plan that reflects the requirements for the reclassified areas.²⁷⁴ Second, for situations where "a transaction closes after the competitive selection process," GCI proposes that "the successor mobile provider should be permitted to continue to receive ACF support at the competitively selected level, subject to the commitments entered into by its predecessor."²⁷⁵ To effectuate these clarifications, GCI proposes adding a new paragraph at the end of section 54.318 of the Commission's rules.²⁷⁶ We

²⁶⁷ *Alaska Connect Fund Order*, 39 FCC Rcd at 12165, para. 152.

²⁶⁸ GCI ACF Petition at 20.

²⁶⁹ GCI ACF Petition at 7-8 (discussing transaction impacts for the mobile-based duplicate-support areas and competitive-selection process); *see also* 47 CFR § 54.306(d) ("Notwithstanding any provisions of § 54.305 or other sections in this part, to the extent an Alaska Plan participant (as defined in § 54.306 or § 54.317) transfers some or all of its customers in Alaska to another eligible telecommunications carrier, it may also transfer a proportionate amount of its Alaska Plan support and any associated performance obligations as determined by the Wireline Competition Bureau or Wireless Telecommunications Bureau if the acquiring eligible telecommunications carrier certifies it will meet the associated obligations agreed to in the approved performance plan.").

²⁷⁰ GCI ACF Petition at 7-8.

²⁷¹ GCI ACF Petition at 8; GCI ACF Petition Reply at 15.

²⁷² GCI ACF Petition at 8; GCI ACF Petition Reply at 15.

²⁷³ GCI ACF Petition at 8; *accord* GCI ACF Petition Reply at 15.

²⁷⁴ GCI ACF Petition at 8; GCI ACF Petition Reply at 15.

²⁷⁵ GCI ACF Petition at 8; *accord* GCI ACF Petition Reply at 15.

²⁷⁶ GCI ACF Petition Reply, Appx. at A-5. The proposed rule amendment would read as follows: "Transfers. Notwithstanding any provisions of § 54.305 or other sections in this part, to the extent an Alaska Connect Fund participant (as defined in § 54.2100 or § 54.318) transfers some or all of its customers in eligible areas or locations in Alaska to another eligible telecommunications carrier, it may also transfer a proportionate amount of its Alaska Connect Fund support and any associated performance obligations as determined by the Wireline Competition Bureau or Wireless Telecommunications Bureau if the acquiring telecommunications carrier certifies it will meet the associated obligations agreed to in the approved performance plan." *Id.* (emphasis omitted).

deny GCI's request to provide blanket guarantees of post-transaction support transfers. We, instead, maintain that such transfers of ACF support between participating Alaska ETCs will be addressed on a case-by-case basis as such transactions come before the Commission for review.

73. Although the Commission had considered the effects of transactions between participating mobile providers on their Alaska Plan support,²⁷⁷ the *Alaska Connect Fund Order* was silent on the matter. Under the Alaska Plan, WTB was authorized to permit a participating provider transferring some or all of its Alaska customers to another ETC to also transfer a "proportionate amount of its Alaska Plan support" to that ETC, and to determine the extent of the proportionate amount of support and specific performance obligations to be transferred.²⁷⁸

74. We deny GCI's request and find no need to amend the rules for transactions involving the potential transfer of ACF support and obligations, as the Commission's statutory transaction review authority already provides the means to sufficiently address these matters as they arise.²⁷⁹ Unlike the Alaska Plan, the ACF does not just acknowledge that there could be duplicate support, but makes different rules for duplicate-support areas.²⁸⁰ As part of this different treatment, there are unresolved issues regarding how to address duplicate-support in the Further Notice that could be affected if we were to grant GCI's request.²⁸¹ Given the different regulatory regime of the duplicate support areas and the unsettled resolution of the related issues from the Further Notice, we deny GCI's request for clarification regarding transactions between ACF providers. As such, we emphasize that the Commission will determine the extent to which ACF support and obligations will transfer among providers on a fact-specific, case-by-case basis for each transaction.

IV. ALASKA PLAN WAIVER ORDER

75. Shortly after filing its Petition for Clarification and Reconsideration of the *Alaska Connect Fund Order*, GCI filed a Petition for Modification or Waiver of two Alaska Plan methodologies—the Alaska Population Distribution Model and the Alaska Plan Waterfall Methodology—that affect evaluation of a mobile support recipient's performance of its commitments under its individual plan.²⁸² Specifically, GCI asks the Commission to: (1) modify or waive the Alaska Population Distribution Model by applying a six-step Fabric-based methodology before applying the Model, which GCI claims "can further improve the Model's approximation of where Alaskans are actually located,"²⁸³ and (2) modify or waive the Alaska Plan Waterfall Methodology,²⁸⁴ which credits

²⁷⁷ 47 CFR § 54.306(d).

²⁷⁸ *Alaska Plan Order*, 31 FCC Rcd at 10166, para. 84; *see also* 47 CFR § 54.306(d).

²⁷⁹ *See* 47 U.S.C. §§ 214(a), 310(d); *see also, e.g., Frontier Communications Parent, Inc. and Verizon Communications, Inc. Application for Consent to Transfer Control*, WC Docket No. 24-445, Memorandum Opinion and Order, DA 25-421, at 2-4, paras. 6-7 (WCB/OIA/WTB May 16, 2025) (involving transfer of licensees receiving USF support, including high-cost support).

²⁸⁰ *See, e.g.,* 47 CFR §§ 54.318(d)(1)(ii), (2)(ii), (f)(6); *see also Alaska Plan Order*, 31 FCC Rcd at 10170, 10174-75, paras. 94, 106-12 (evaluating if 4G LTE overlap developed over plan—but not requiring different actions from the providers—and seeking further comment about action if this were to occur).

²⁸¹ *Alaska Connect Fund Order*, 39 FCC Rcd at 12184-91, paras. 206-29.

²⁸² *See* GCI AK Plan Petition at 1 (citing 47 CFR § 1.3); 47 CFR § 1.3 ("The provisions of this chapter may be suspended, revoked, amended, or waived for good cause shown, in whole or in part, at any time by the Commission, subject to the provisions of the Administrative Procedure Act and the provisions of this chapter."); *see also* GCI AK Plan Petition Reply.

²⁸³ GCI AK Plan Petition at 1; *see also id.* at 8-15; Letter from Annick M. Banoun, Counsel for GCI, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos 23-328, 16-271 (filed Aug. 19, 2025); Letter from John T. Nakahata et al., Counsel for GCI, to Marlene H. Dortch, WC Docket Nos. 23-328, 16-271 (filed June 20, 2025).

²⁸⁴ GCI AK Plan Petition at 1-2, 15-16, 17-20.

overperformance of higher-level technology commitments toward satisfaction of the next-lowest level of technology commitments.²⁸⁵

76. We grant in part GCI's request to waive the Alaska Plan's Alaska Population Distribution Model as applied to one specifically identified coastal community location where further evaluation indicates that the Model poorly approximates where the population lives, but otherwise deny GCI's request to completely replace the current Model. We also grant GCI's request to waive the Alaska Plan Waterfall Methodology to allow mobile providers' overperformance at a higher-level speed commitment to be counted toward their next-lowest level of speed commitment.

A. Alaska Population Distribution Model

77. As discussed above, in the *Alaska Plan Order* the Commission established a plan for the provision of high-cost support to broadband providers in Alaska for a period of ten years, with providers' final milestones for their individual performance plans due December 31, 2026.²⁸⁶ To determine how many Alaskans each provider covers under the Alaska Plan, WTB adopted the Alaska Population Distribution Model (Model) in 2020.²⁸⁷ The Model was necessary because the Alaska Plan needed a system for objectively attributing the number of people covered by providers.²⁸⁸ While 100% coverage of a census block means that 100% of that population is covered, 75% coverage of a geographic area of a census block, for example, does not necessarily mean that 75% of the population is covered, given that population generally is not evenly distributed through a census block in remote areas of Alaska and census blocks may be very large and sparsely populated.²⁸⁹ The Model identifies areas within a census block where people are likely to live and then evenly distributes the population throughout the livable area of the census block.²⁹⁰ For example, the Model draws polygons extending 100 meters on either side of local roads, identifying those areas as the areas within the census block that are the populated areas, and evenly distributes the population within those polygons.²⁹¹ When FCC Form 477 mobile-coverage

²⁸⁵ *Alaska Drive Test Order*, 37 FCC Rcd at 5907, para. 57 (“[W]here a provider has committed to multiple tiers of technology (i.e., 2G, 3G, and 4G LTE), any excess coverage would be applied to the next lower tier of technology.”).

²⁸⁶ *Alaska Plan Order*, 31 FCC Rcd at 10159-60, paras. 66-67; *see Alaska Connect Fund Order*, 39 FCC Rcd at 12131, paras. 68, 70; 47 CFR § 54.317(d); *see also* 47 CFR § 54.318(b) (“Mobile providers receiving support pursuant to § 54.317(e) that do not opt into extended ACF support will have their support end with the Alaska Plan on December 31, 2026 . . .”).

²⁸⁷ *Alaska Population Distribution Order*, 35 FCC Rcd at 10373, para. 1.

²⁸⁸ *Id.* at 10374, para. 4.

²⁸⁹ *Id.* at 10377, para. 10.

²⁹⁰ *See Alaska Population Distribution Order*, 35 FCC Rcd at 10374, 10376, paras. 4, 9. The Alaska Population Distribution Model was based on a model that GCI developed and was adopted after extensive engagement with the Alaska Telecom Association. *See, e.g.*, Letter from Christine O'Connor, Executive Director, ATA, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271, at 1, Attach. (filed Feb. 8, 2019) (ATA Feb. 8, 2019 *Ex Parte*) (suggesting edits to the proposed Alaska population-distribution methodology); *Wireless Telecommunications Bureau Seeks Comment on Population Distribution Model and Eligible Census Block List to Be Applied in the Alaska Plan*, WC Docket No. 16-271, Public Notice, 35 FCC Rcd 1520, 1521-24, paras. 4-12 (WTB 2020) (*Alaska Population Model Public Notice*); *Wireless Telecommunications Bureau Extends Comment Deadlines for Alaska Plan Population Distribution Methodology*, WC Docket No. 16-271, Public Notice, 35 FCC Rcd 2917, 2917 (WTB 2020).

²⁹¹ *Alaska Population Distribution Order*, 35 FCC Rcd at 10375, para. 5 (“Specifically, the model uses a multi-step process to identify areas within a census block most likely to be populated and combines those results with service coverage maps to estimate the number of people with mobile wireless service in a partially-served census block. The model uses TIGER road data overlaid onto populated census blocks, under the premise that local roads (not highways or expressways) are a reliable predictor of population locations. Next, the model draws polygons extending 100 meters on either side of those roads, with areas further out assumed to be uninhabited. The model

(continued....)

data is superimposed onto the Model, WTB and OEA are able to determine how many people the providers are covering and, thus, whether providers are meeting their commitments.²⁹² In four areas—in and around Unalaska, near Nome and Unalakleet, in the Prudhoe Bay area, and in the Copper Valley area—the Model uses other location information, such as address-level data from the local government and aerial imagery from Google Earth, to determine the location of the population.²⁹³

78. The Commission may waive its rules for good cause shown.²⁹⁴ Good cause exists where “special circumstances warrant a deviation for the general rule and such deviation will serve the public interest.”²⁹⁵ The good cause standard is a “high hurdle,” as the “very essence of waiver is the assumed validity of the general rule,” and when one seeks “a waiver of a rule, it must plead with particularity the facts and circumstances that warrant such action.”²⁹⁶ The Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis.²⁹⁷ The Commission may deny waivers that it finds overly broad and, if granted, would provide relief beyond any harms shown or alleged.²⁹⁸

79. In its Petition, GCI proposes application of an additional six-step Fabric-based methodology before using the Model methodology.²⁹⁹ GCI “believes that the Fabric—although imperfect—will, in certain identifiable areas, provide a more accurate estimate of where Alaskans actually live, and thus allow for a better measurement and evaluation of whether Alaska Plan mobile participants have met their commitments to offer qualifying voice and broadband services to specified numbers of population.”³⁰⁰ GCI argues that the Fabric-based methodology (1) would “bring[] within the scope of providers’ coverage more BSLs—and thus population—that the Model assumes are currently outside of the provider’s polygons for coverage”; and (2) “would eliminate the need to build infrastructure in some areas that have no people in them, just to achieve compliance with the Model.”³⁰¹ GCI contends that “[i]ncorporating the Fabric into the Model to assess GCI’s compliance with its commitments in these areas will serve the public interest by better targeting Alaska Plan mobile

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also overlays General Land Status data maintained by the State of Alaska and removes areas where people are unlikely to reside, such as National Forest Service land. Finally, the model evenly distributes the population of each census block within the remaining polygons to reflect the geographic areas where people are likely to live. For those census blocks where no populated areas are identified, the methodology evenly distributes the Census-reported population of each block across land within that block owned by municipalities, private entities, or Alaska Natives. If there is no land owned by those groups, then the population is distributed across the entire census block.”).

²⁹² *Alaska Population Distribution Order*, 35 FCC Rcd at 10377, para. 11.

²⁹³ *Id.* at 10375-76, 10377, paras. 6, 12.

²⁹⁴ 47 CFR § 1.3.

²⁹⁵ *Nat’l Ass’n of Broad. v. FCC*, 569 F.3d 416, 426 (D.C. Cir. 2009).

²⁹⁶ *WAIT Radio v. FCC*, 418 F.2d 1153, 1157-58 (D.C. Cir. 1969) (*WAIT Radio*).

²⁹⁷ *Connect America Fund*, Order, 37 FCC Rcd 6271, 6272, para. 7 (citing *WAIT Radio*, 418 F.2d at 1159; *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990)).

²⁹⁸ See, e.g., *Closed Captioning of Internet Protocol-Delivered Video Programming: Implementation of the Twenty-First Century Communications and Video Accessibility Act of 2010; Petitions for Temporary Partial Exemption or Limited Waiver*, Memorandum Opinion and Order, 27 FCC Rcd 9630, 9638-40, paras. 16-17 (2012).

²⁹⁹ GCI AK Plan Petition at 9-13.

³⁰⁰ *Id.* at 8.

³⁰¹ *Id.* at 14.

deployment obligations to where remote Alaskans live, consistent with the Commission’s intent in the *Alaska Plan Order*.³⁰² GCI’s proposed additional steps are as follows:

1. Identify the [BSLs] in the Fabric that fall within Alaska Plan-supported census blocks, other than census blocks where the Bureau already adopted exceptions to the Model as proposed by [Alaska Telecom Association (ATA)] (after exclusion, “Model Census Blocks”)[;]
2. For the remaining BSLs, within each Model Census Block, identify the total number of units (“BSL Units”)[;]
3. For each Model Census Block, compare the number of BSL Units to the number of housing units as identified in the 2010 census (“Census Housing Units”)[;]
4. Within a Model Census Block, use the BSL Units instead of the Model to identify the location of population if:
 - a. The total BSL Units in a census block are greater than or equal to the Census Housing Units;
 - b. The 2010 census population of the Model Census Block (“Block Population”) divided by the number of BSL Units is four or less; or
 - c. The census GEOID is ‘021800001001139’ (Little Diomedé)[;]
5. For Model Census Blocks where the BSL Units are used to identify the location of population, draw a 25-meter polygon around the BSL Units and distribute the Block Population evenly within the polygon(s)[; and]
6. For all other Model Census Blocks, continue to use the current Model.³⁰³

80. GCI states that applying its proposed steps “would result in using the Fabric to update the Model in 3,764 of the 4,782 Alaska Plan-supported census blocks” for all mobile providers.³⁰⁴ GCI also notes that “[g]iven that this is the ninth year of a ten-year mechanism, if necessary to prevent prejudice to a provider that relied on the existing Model, such a provider could be permitted to elect to continue to use the old Model, rather than the Model as modified per this request.”³⁰⁵

81. ARCC and OptimERA urge the Commission to reject GCI’s modification of the Model. ARCC argues “it is appropriate to hold GCI to the commitments they agreed to base[d] on the model that they insisted on be[ing] used for the first ten years of the Alaska Plan. It appears to the ARCC this is[] yet another delay tactic used by GCI to ignore hard to reach customers that GCI has already been paid to reach every year for the first nine years of the Alaska Plan.”³⁰⁶ OptimERA agrees and claims that GCI

³⁰² *Id.* at 8 (footnote omitted) (citing *Alaska Plan Order*, 31 FCC Rcd *passim* (discussing population but not roads); *Alaska Population Distribution Order*, 35 FCC Rcd at 10374, 10375, paras. 4, 5).

³⁰³ GCI AK Plan Petition at 9 (footnote omitted); *see also id.* at 10-13. GCI refers to a correction of an anomaly. We interpret GCI’s Petition as referring to Little Diomedé, as is evidenced by GCI’s separate treatment of Little Diomedé in its proposed steps. *See id.* at 1. We grant relief to address this anomaly.

³⁰⁴ GCI AK Plan Petition at 9. GCI notes that it “does not intend to disturb the distribution of population where the Bureau has already adopted exceptions to the Model.” *Id.* at 9 n.30.

³⁰⁵ GCI AK Plan Petition at 1 n.2 (“[I]f necessary to prevent prejudice to a provider that relied on the existing Model, such a provider could be permitted to elect to continue to use the old Model, rather than the Model as modified per this request.”). However, GCI also states that the requested relief would apply only to itself and that other providers must submit their own requests. *Id.* at 8 n.27 (“To the extent that any other Alaska Plan mobile participants agree that the Fabric is a better tool for assessing their compliance than the Model, they are free to submit similar waiver requests.”).

³⁰⁶ ARCC AK Plan Comments at 5.

“now wants to dodge [the Model] at the eleventh hour, when it is imminently facing penalties for failing to comply with its ten-year build-out milestone.”³⁰⁷

82. Based on GCI’s Petition and the record, we find it is in the public interest to waive the application of the Alaska Population Distribution Model with respect to one of the specific locations GCI has identified in its filings.³⁰⁸ In all other respects, we deny GCI’s Petition to modify or waive the Model, because GCI has failed to demonstrate good cause or hardship.³⁰⁹ We find the arguments from other Alaska providers that GCI should not be seeking to change the methodology regarding how the population is attributed to commitments in year nine of a ten-year plan to be persuasive.³¹⁰ We also find that GCI’s proposal does not take into account the Alaska Plan’s universal service goals. Contrary to GCI’s arguments, the *Alaska Plan Order* was not solely concerned with covering where people live; it also aimed to further the goal of ensuring “universal stability of modern networks capable of providing mobile voice and broadband service where Americans live, work, and travel.”³¹¹ This continues to be an

³⁰⁷ OptimERA AK Plan Opposition at 4. In its opposition, OptimERA urges the Commission to adopt its “Support Follows Consumers” (SFC) plan, as a “completely new approach to high-cost mobile support in Alaska.” *Id.* at 7. We note that OptimERA previously raised this Support Follows Consumers plan in both its initial comments and reply to the *Alaska Connect Fund FNPRM*. OptimERA Comments, WC Docket Nos. 10-90, 23-328, 14-58, and 09-197; WT Docket No. 10-208, at 12-17 (rec. Feb. 4, 2025) (OptimERA ACF FNPRM Comments), <https://www.fcc.gov/ecfs/document/10204131714981/1>; OptimERA Reply, WC Docket Nos. 10-90, 23-328, 14-58, and 09-197; WT Docket No. 10-208, at 8-9 (rec. Mar. 5, 2025) (OptimERA ACF FNPRM Reply), <https://www.fcc.gov/ecfs/document/10305947314260/1>; *see also* Letter from Brooks E. Harlow, Counsel for OptimERA, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328 (filed May 7, 2025); Letter from Brooks E. Harlow, Counsel for OptimERA, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328 (filed May 1, 2025); Letter from Brooks E. Harlow, Counsel for OptimERA, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 23-328 (filed Apr. 29, 2025). Under its SFC plan, each carrier in a service area (designated as an “FCC Tracking Area Code” or “FTAC”) would receive a proportional share of the total support attributed to each area. OptimERA ACF FNPRM Comments at 12; *see also* OptimERA AK Plan Opposition at 7-8; OptimERA Aug. 19, 2025 *Ex Parte*. A carrier’s support percentage would increase or decrease based on the change in its market share in the service area. OptimERA ACF FNPRM Comments at 12-13; *see also* OptimERA AK Plan Opposition at 7-8. If a carrier drops below a minimum threshold of the market share for that FTAC, it would no longer receive support; and likewise, if a new carrier began to serve a minimum threshold of the market for a defined period of time, it would begin receiving a proportion of that FTAC’s support total. OptimERA ACF FNPRM Comments at 12-13; *see also* OptimERA AK Plan Opposition at 7-8. We find that the SFC plan effectively constitutes an alternative to the ACF, rather than a response to GCI’s Petition regarding its specific requested changes to the Alaska Plan methodologies, and thus would more appropriately be addressed in a future Report and Order for ACF Phase II. We will therefore respond to the merits of OptimERA’s SFC plan at a later time. To the extent OptimERA intends its SFC plan to be an alternative approach to the Alaska Plan, however, we reject it as a procedurally deficient, late-filed petition for reconsideration under Section 1.429 of our rules. *See* 47 CFR § 1.429.

³⁰⁸ GCI AK Plan Petition at 6. In this Petition, GCI provides five examples demonstrating how its Fabric-based proposal would better estimate where Alaskans live, that is, where the population is located, than the Model. On July 23, 2025, GCI filed an *ex parte* presentation stating that, “[i]f the Commission would prefer to approve specific census blocks in which Broadband Serviceable Location (“BSL”) data would be used, rather than adopting a methodological approach that could be applied across census blocks, we submit additional census blocks that address the bulk of the issue. Attached to this letter are all 23 blocks for which we are requesting a modification.” (footnotes omitted). *See* Letter from John T. Nakahata et al., Counsel, GCI, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 16-271, at 1-2 (filed July 23, 2025) (GCI July 23 *Ex Parte*). The GCI July 23 *Ex Parte* removes one of the five census blocks that was included in the GCI AK Plan Petition, and adds 19 additional census blocks, bringing the total number of specifically identified census blocks to 23. *Id.* at 3-4, n.16 & Appx. B. Our decision includes consideration of GCI’s withdrawal of the one specifically identified census block and the addition of nineteen other specifically identified census blocks in the GCI July 23 *Ex Parte*.

³⁰⁹ *WAIT Radio*, 418 F.2d at 1157-58.

³¹⁰ ARCC AK Plan Comments at 5; OptimERA AK Plan Opposition at 4.

³¹¹ *Alaska Plan Order*, 31 FCC Rcd at 10174, para. 106.

important goal of the universal service program. Indeed, in the *Alaska Connect Fund Order*, the Commission found that one of the shortcomings of the Alaska Plan was that “the population-based approach . . . can be too limiting to effectively meet the program’s mandate to ensure mobile network coverage is available where Alaskans live, work, and travel.”³¹² GCI’s argument that its proposal would bring in more BSLs does not account for the detrimental impact the change would have by reducing service commitments in areas where people work and travel. Similarly, GCI’s argument that the Model would eliminate the need to build infrastructure in areas with no people does not consider the fact that areas where people work and travel may not have BSLs.³¹³ We note that the relief GCI requests would affect at least 78% of its Alaska Plan supported census blocks, by its own estimate,³¹⁴ and we find it contrary to the public interest to extensively modify this compliance assessment methodology in year nine of the ten-year plan. As noted in the *2020 Alaska Population Distribution Model Order* “[u]sing two different methodologies for the 5- and 10-year evaluations would result in inconsistent evaluation of the commitments and could jeopardize the Commission’s ability to enforce those commitments.”³¹⁵

83. Moreover, GCI has not adequately demonstrated that the methodological change to the Model it proposes is warranted. Given that the Model was adopted in 2020³¹⁶ after years of discussion with ATA³¹⁷ and was based on GCI’s own model used for the 2016 *Alaska Plan Order*,³¹⁸ we find GCI has had sufficient notice regarding where it is required to deploy service under the Model using Alaska Plan support. If GCI were deploying in accordance with the Model, then the BSLs in its cited examples would mostly be covered as well.³¹⁹ In four of the examples provided by GCI in its Petition—Akutan, Gambell, Cordova, and Kachemak Selo³²⁰—the Model already requires coverage of most of the BSLs in the census block.³²¹ In the case of Akutan and Gambell, the Model also requires coverage of additional

³¹² *Alaska Connect Fund Order*, 39 FCC Rcd at 12162, para. 147; see also *id.* at 12130, 12143, 12147-48, 12161, 12162, 12163, paras. 64, 98, 109, 145, 147, 148 (“[C]overing certain bodies of water is important to meet the ‘work and travel’ aspect of our universal service goals for Alaskans . . .”).

³¹³ Examples of buildings or structures that are not BSLs are “[a] building that includes one or multiple businesses that would subscribe to enterprise-grade, non-mass-market broadband Internet service . . . includ[ing] large office buildings, corporate campuses, and warehouses” and “[m]ost community anchor institutions (CAIs), such as schools, libraries, community centers, and government buildings.” See FCC Broadband Data Collection Help Center, *About the Fabric: What a Broadband Serviceable Location (BSL) Is and Is Not* (July 31, 2025), <https://help.bdc.fcc.gov/hc/en-us/articles/16842264428059-About-the-Fabric-What-a-Broadband-Serviceable-Location-BSL-Is-and-Is-Not>.

³¹⁴ GCI AK Plan Petition at 9.

³¹⁵ See *Alaska Population Distribution Order*, 35 FCC Rcd at 10376-77, para. 9.

³¹⁶ See generally *Alaska Population Distribution Order*, 35 FCC Rcd 10373.

³¹⁷ See, e.g., ATA Feb. 8, 2019 *Ex Parte* at 1.

³¹⁸ See *Alaska Population Model Public Notice*, 35 FCC Rcd at 1520-21, paras. 4-6 (describing GCI’s population-distribution methodology).

³¹⁹ See, e.g., GCI AK Plan Petition at A-1, B-1, C-1, D-1, Exhs. A-D (showing BSLs mostly in the area required to be covered by the Model).

³²⁰ GCI AK Plan Petition at A-1, B-1, C-1, D-1, Exhs. A-D. GCI notes that while the populations in Akutan, Gambell, Cordova, and Little Diomed are undercounted by the Model, the population in Kachemak Selo is overcounted by the Model. *Id.* at 8-9. GCI subsequently withdrew its request for Kachemak Selo. GCI July 23 *Ex Parte* at 4, n.16. Although GCI refers to twenty additional census blocks, it appears to have mistakenly identified Cordova as an additional location, an area previously identified as an example in the GCI AK Plan Petition. *Id.* at 8, Appx. B; GCI AK Plan Petition at C-1, Exh. C.

areas not seemingly near BSLs—including along roads in the case of Gambell—but as application of the Model would still cover where the population lives, we do not find these examples to be enough evidence to support completely replacing the Model in year nine of the ten-year plan. Similarly, GCI's July 23 *Ex Parte* requests modification of the Model for 19 additional census blocks that would clearly reduce its obligation to provide coverage to roads in the affected areas.³²² GCI does not address how its proposal is consistent with the universal service goals of providing service where people work and travel.³²³ It also fails to address the Commission's concern that using different standards at the five- and ten-year compliance dates would result in "inconsistent evaluation of the commitments" and enforcement of the compliance.³²⁴

84. Not only has GCI failed to demonstrate that significant harm would accrue from using the current Model, but based on the examples GCI provides, the current Model is superior to what GCI proposes. As part of its methodology, the Model "draws polygons extending 100 meters on either side of [local] roads,"³²⁵ which is consistent with the goals of high-cost mobile support to cover where Americans live, work, and travel.³²⁶ As such, the Model's population distribution was a useful interpretation of areas to be drive tested³²⁷ without limiting vehicle testing to too small an area, which may occur if, instead of testing for service continually along a road, testing is done within the 25 meter polygons of BSLs.³²⁸ Even if there are areas beyond building locations in the Model's population-distribution areas, these are areas likely to have a human presence, which captured possible work and travel, and it was worth ensuring that where the population was distributed evenly throughout the census block it had mobile

(Continued from previous page)

³²¹ See GCI AK Plan Petition, Exhs. A-D; GCI AK Plan Petition Reply at 8. On July 23, 2025, GCI submitted additional examples, but like the initial examples, these reveal that where the Model is followed, most of the BSLs would be covered. See GCI July 23 *Ex Parte*, Appx. A. GCI subsequently withdrew Kachemak Selo from consideration.

³²² GCI July 23 *Ex Parte* at 3-4, n.16 & Appx. B

³²³ GCI is mistaken that the *Alaska Plan Order* was not concerned with covering where people live, work, and travel, merely because the Alaska Plan focused on covering populations. See, e.g., *Alaska Plan Order*, 31 FCC Rcd at 10174, para. 106; see also GCI AK Plan Petition at 8-10. The Alaska Population Distribution Model had useful steps to ensure coverage of travel areas to that end, as the model distributed population along roads, which are useful for covering areas where populations travel. The *Alaska Plan Order* required drive testing to ensure coverage while people were mobile. See, e.g., *Alaska Plan Order*, 31 FCC Rcd at 10173, para. 103 (requiring drive tests); Connect America Fund—Alaska Plan; GCI Communication Corp. Petition for Limited Expedited Waiver in the Alaska Plan for Drive-Test Data Collection, WC Docket No. 16-271, Order, 38 FCC Rcd at 6694 (WTB 2023) (affirming "that a speed of at least 15 mph is, in general, a necessary floor for in-motion drive testing for Alaska Plan participants"). GCI's counter proposal no longer rewards greater coverage for these areas, including along roads, and would tighten coverage solely to the locations that are to receive fixed broadband. See GCI AK Petition Reply at 6-7. This reward for less coverage is less effective at meeting the universal service goals of "live, work, and travel" than the application of the Model as is.

³²⁴ See *Alaska Population Distribution Order*, 35 FCC Rcd at 10376-77, para. 9.

³²⁵ See *id.* at 10375, para. 5; GCI AK Plan Petition at 9 (requesting that the Commission limit the coverage requirement to 25-meter polygons around the BSL Units). The Model granted exceptions to this methodology in four areas. *Alaska Population Distribution Order*, 35 FCC Rcd at 10375, para. 6.

³²⁶ See, e.g., *Alaska Connect Fund Order*, 39 FCC Rcd at 12143, para. 98; *Alaska Plan Order*, 31 FCC Rcd at 10174, para. 106; *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 17680, para. 48 (2011) (*USF/ICC Transformation Order*).

³²⁷ *Alaska Plan Order*, 31 FCC Rcd at 10173, para. 103.

³²⁸ GCI AK Plan Petition at 9 ("For Model Census Blocks where the BSL Units are used to identify the location of population, draw a 25-meter polygon around the BSL Units and distribute the Block Population evenly within the polygon(s).").

coverage.³²⁹ While the Bureau granted some exceptions to the Model when it was adopted, these were not intended to generally establish how the Model ordinarily required coverage.³³⁰ GCI's counter proposal does not reward greater coverage of populated areas, including along roads,³³¹ and would limit required coverage which would reduce coverage in the populated areas.³³² Commission staff finds that GCI's proposal significantly decreases the amount of coverage providers are accountable for in the Alaska Plan. Such a change at this late stage of the proceeding would do little to help with mobile providers' network planning. Consequently, we decline to adopt GCI's proposed additional six-step methodology as a general matter.

85. Nonetheless, we waive application of the Model for one location where GCI has demonstrated good cause and grant of the waiver will not undermine the goals of the Commission's rules. We find that for one of these areas—Little Diomedé—the Model does not sufficiently capture where the population lives, as 100% of the locations are outside of the modeled area.³³³ In Little Diomedé, the Model distributes population to the three quarters of the island that lack BSLs entirely and does not account for any population in the only quadrant of the island where people live. We waive application of the Model for this particular location. Instead, WTB may use BSLs, aerial imagery, or other data for determination of population location in Little Diomedé, consistent with the current exceptions to the Model to determine the population's location.³³⁴ We find this limited waiver of the Model appropriately tailored for fairness to all providers, because this limited waiver preserves the Alaska Population Distribution Model while improving the results of covering populated areas. By waiving the Model as applied to Little Diomedé, providers will be accountable for covering the populated area, which should be the result under the Model, but due to an anomaly, the Model creates the opposite result for Little Diomedé. Consequently, a limited waiver of the Model for Little Diomedé creates more accountability of area that should be covered and is in the public interest.³³⁵

B. Alaska Plan Waterfall Methodology

86. GCI next asks the Commission to modify or waive the Alaska Plan Waterfall Methodology,³³⁶ which credits overperformance of higher-level last-mile *technology* commitments toward satisfaction of lower-level *technology* commitments.³³⁷ GCI seeks instead to have such overperformance credited toward satisfaction of lower-level *speed* commitments of LTE service, and then lower-level technology commitments, such as 3G, in the event that there is surplus LTE coverage.³³⁸ We conclude that most of the advantages of the current version of the Alaska Plan Waterfall Methodology were more

³²⁹ See *Alaska Population Distribution Order*, 35 FCC Rcd at 10375, para. 5.

³³⁰ See *id.* at 10377-78, paras. 10-13.

³³¹ See, e.g., GCI AK Plan Petition at B-1, Exh. B (showing roads in the modeled coverage area, which would be excluded, based on GCI's six-step addition to the Model).

³³² A BSL is "a business or residential location in the United States at which mass-market fixed broadband Internet access service is, or can be, installed." *Alaska Connect Fund Order*, 39 FCC Rcd at 12162, para. 147 n.383.

³³³ GCI AK Plan Petition, Exh. E (showing green-highlighted BSLs entirely outside of the Model coverage area in red).

³³⁴ See, e.g., *Alaska Population Distribution Order*, 35 FCC Rcd at 10375-76, para. 6 ("In and around Unalaska, in an area covering 31 census blocks, address and other population location information from the local government could be used to create polygons around addresses (with a 50-meter buffer) in residential areas to represent the location of the population.").

³³⁵ This relief applies to all providers' coverage in Little Diomedé.

³³⁶ GCI AK Plan Petition at 1-2, 15-16, 17-20.

³³⁷ *Alaska Drive Test Order*, 37 FCC Rcd at 5907, para. 57.

³³⁸ GCI AK Plan Petition at 1-2, 15, 17-20.

relevant for assessment of the interim milestone commitments. Moreover, we find that the advantages of changing the rule outweigh the disadvantages. Accordingly, we grant GCI's request for relief.

87. The Commission may waive any provision of the rules on its own motion or on petition “for good cause shown.”³³⁹ In order to meet the “good cause shown” standard, the Commission must find that: (1) “special circumstances warrant a deviation from the general rule”; and (2) “such deviation will serve the public interest.”³⁴⁰ A rule waiver may serve the public interest when the relief would not undermine the policy objectives of the rule.³⁴¹ Blanket waivers are justified in certain limited situations.³⁴² In granting such a blanket waiver, the Commission should ensure the arguments in favor “are substantially different from those which have been carefully considered at the rulemaking proceeding.”³⁴³

88. WTB adopted the Alaska Plan Waterfall Methodology to give credit to providers that overperform higher level commitments by having the satisfaction of those commitments “waterfall” down toward satisfaction of the lower-level commitments.³⁴⁴ For the current version of the Alaska Plan Waterfall Methodology, “higher level” commitments were considered by the last-mile generation technology that the provider deployed.³⁴⁵ As such, “where a provider has committed to multiple tiers of technology (i.e., 2G, 3G, and 4G LTE), any excess coverage would be applied to the next lower tier of technology.”³⁴⁶ For example, “if a provider has committed to cover 25,000 people with 4G LTE and the upper limit of the confidence interval shows adequate coverage for 30,000 people, then the remaining 5,000 [population] coverage can be applied to its 3G commitment.”³⁴⁷ However, because performance plan commitments are broken down by the available middle-mile infrastructure,³⁴⁸ a provider may have three different speed commitments for 4G LTE based on the type of backhaul: one commitment for fiber-based, another for microwave-based, and a third for satellite-based.

89. For the ten-year benchmark, GCI argues that “[t]he fundamental objectives of the Alaska Plan mobile commitments are best achieved if overperformance ‘waterfalls’ from the higher performance

³³⁹ 47 CFR § 1.3.

³⁴⁰ See, e.g., *Ne. Cellular Tel. Co.*, 897 F.2d at 1166; see *WAIT Radio*, 418 F.2d at 1157-59.

³⁴¹ See *WAIT Radio*, 418 F.2d at 1155, 1157.

³⁴² See, e.g., *Petition of DIRECTV Group, Inc. and EchoStar LLC for Expedited Rulemaking to Amend Section 1.2105(a)(2)(xi) and 1.2106(a) of the Commission's Rules and/or for Interim Conditional Waiver*, RM-11395, AU Docket No. 14-78, Order, 29 FCC Rcd 10828 (2014).

³⁴³ *Indus. Broad. Co. v. FCC*, 437 F.2d 680, 683 (D.C. Cir. 1970).

³⁴⁴ *Alaska Drive Test Order*, 37 FCC Rcd at 5907, para. 57.

³⁴⁵ *Alaska Plan Order*, 31 FCC Rcd at 10166, para. 85; *Wireless Telecommunications Bureau Approves Performance Plans of the Eight Wireless Providers That Elected to Participate in the Alaska Plan*, WC Docket No. 16-271, Public Notice, 31 FCC Rcd 13317, 13320-23, Appx. A (WTB 2016) (2016 AK Plan Mobile Provider Initial Commitments Public Notice) (approving the initial performance plans).

³⁴⁶ *Alaska Drive Test Order*, 37 FCC Rcd at 5907, para. 57. The terms “level” and “tier” are used interchangeably as they refer to technology, for the purposes of the waterfall methodology. Compare *Alaska Plan Order*, 31 FCC Rcd at 10166, para. 58 (referring to “the level of technology (2G, 3G, 4G LTE, etc.)” (emphasis added)) with *Alaska Drive Test Order*, 37 FCC Rcd at 5907, para. 57 (referring to “multiple tiers of technology (i.e., 2G, 3G, and 4G LTE)” (emphasis added)). To address any confusion, we shall proceed by using the term “level” to refer to technologies, except when quoting another source.

³⁴⁷ *Alaska Drive Test Order*, 37 FCC Rcd at 5907, para. 57 (quoting *Wireless Telecommunications Bureau Seeks Comment on Drive Test Parameters and Model for Alaska Plan Participants*, WC Docket No. 16-271, Public Notice 36 FCC Rcd 11279, 11295, Appx. B, Sec. VII (WTB 2021) (*Alaska Drive Test Public Notice*)).

³⁴⁸ *Alaska Plan Order*, 31 FCC Rcd at 10166, para. 85; *Alaska Drive Test Order*, 37 FCC Rcd at 5891-92, para. 18.

tier to the next lowest performance tier[,] irrespective of backhaul technology, rather than dropping to the next lower tier within the same backhaul technology.”³⁴⁹ In particular, GCI asks the Commission to confirm that “overperformance at fiber-based LTE (which has a minimum speed of 10/1 Mbps) will waterfall to microwave-based LTE (which has a minimum speed of 2/.8 Mbps)[] and [that] overperformance in the microwave-based LTE category will waterfall to satellite-based LTE (which has a minimum speed of 1/.256 Mbps).”³⁵⁰ In other words, GCI requests that overperformance of, for example, 4G LTE at 10/1 Mbps, be counted toward the next lower speed commitment (i.e., 4G LTE at 2/.8 Mbps), not toward the next lower technology commitment (i.e., 3G).³⁵¹ GCI claims that the current Alaska Plan Waterfall Methodology “undercount[s] the achieved data speeds delivered to Alaskans, and thereby potentially impose[s] unwarranted penalties and the claw back of support.”³⁵²

90. ARCC and OptimERA disagree that the Alaska Plan Waterfall Methodology should be altered and argue that GCI has had sufficient notice to meet its commitments under the Alaska Plan rules.³⁵³ ARCC and OptimERA argue that the current Alaska Plan Waterfall Methodology has an implicit geographic component that ensures that upgraded service be provided beyond the areas that have or would have fiber backhaul.³⁵⁴ According to ARCC, GCI’s requests represent “the ‘next step’ in the campaign of GCI to change the rules late in the Alaska Plan timeline.”³⁵⁵ ARCC warns that granting GCI’s request could impact overlap comparisons for ARCC’s mobile service areas, and argues that there should be reasonable boundaries on any impact on other Alaska Plan mobile providers.³⁵⁶ OptimERA argues that GCI has failed to demonstrate special circumstances or good cause for waiver, noting that there is nothing unique about GCI’s build-out obligations and that no other provider requested a waiver.³⁵⁷ OptimERA also notes that “[a]pproving GCI’s waiver requests would establish a precedent that would undercut efforts ‘to advance, to the extent possible, the number of locations in Alaska that have access to at least 10/1 Mbps 4G LTE.’”³⁵⁸

³⁴⁹ GCI AK Plan Petition at 17.

³⁵⁰ GCI AK Plan Petition at 18. GCI explicitly asks the Commission to modify paragraph 39 of the *Alaska Drive Test Order* in the Introduction and Executive Summary of its Petition. *Id.* at 1 (“GCI also requests, for the Alaska Plan ten-year benchmarks, that the Commission modify Paragraph 39 of the Wireless Telecommunications Bureau’s (‘Bureau’) *Drive Test Order* to revise the overperformance waterfall” (footnote omitted)). However, GCI cites paragraph 57 of the *Alaska Drive Test Order* when making its argument. *Id.* at 18, 19.

³⁵¹ GCI AK Plan Petition at 18.

³⁵² GCI AK Plan Petition at 15-16.

³⁵³ See ARCC AK Plan Comments at 7-11; OptimERA AK Plan Opposition at 4, 5; see also Letter from Jeffrey H. Smith, VP of Public Policy, VPS, ARCC, to Marlene H. Dortch, WC Docket Nos. 23-328, 16-271, at 2 (filed May 5, 2025).

³⁵⁴ ARCC AK Plan Comments at 8 (“The implicit geographic overlay is a different way to address middle mile budget issues and compel an Alaska Plan carrier to focus its resources on a particular population target area.” (emphasis omitted)); OptimERA AK Plan Opposition at 5 (“The public interest would also not be served by GCI’s request for a waiver of the Commission’s ‘waterfall’ methodology, which would allow GCI to use the areas where it has chosen to build fiber optic cable with grant funds as a fungible token allowing GCI to provide lower levels of service than it committed to in areas where GCI did not receive the grant of funds to build fiber.”); OptimERA AK Plan Opposition at 6-7 (“GCI should not receive credit for over-building with fiber in the more convenient and easier to serve areas as a way to avoid its obligations to actual[ly] build a network in other areas. Applying credit from one community to another community so GCI can claim it satisfied its commitments ignores the Alaska communities that most desperately need a higher level of service.”).

³⁵⁵ ARCC AK Plan Comments at 8.

³⁵⁶ *Id.* at 3, 5, 8-10.

³⁵⁷ OptimERA AK Plan Opposition at 4.

³⁵⁸ *Id.* at 5 (quoting *Alaska Drive Test Order*, 37 FCC Rcd at 5891, para. 17).

91. We grant GCI's request to waive the Alaska Plan Waterfall Methodology, and we grant a waiver of the last-mile technology-based aspect of the Alaska Plan Waterfall Methodology. Providers' Alaska Plan commitments to serve a specified number of Alaskans are based on last-mile technology and minimum speeds, subject to an allowance of lesser commitments if middle mile is limited.³⁵⁹ The last-mile technology basis of the Waterfall Methodology provided significant incentives at the interim milestone. However, at this stage of the Alaska Plan the advantages of granting GCI's request outweigh the disadvantages. At the interim milestone, four of the eight providers had commitments of less than 4G LTE.³⁶⁰ Encouraging overperformance of 4G LTE at the interim milestone incentivized overperforming with 4G LTE deployments, modernizing the technology in more legacy areas. At the final milestone, much of those technology improvements have been implemented, and only two providers—GCI and TelAlaska—have remaining 2G or 3G commitments.³⁶¹ By waiving the last-mile technology basis of the assessment leaves only the speed component of the commitment remaining. When speed is analyzed, for example, a provider that satisfied a 10/1 Mbps commitment necessarily has met its 5/1 Mbps commitment as well. The formulation GCI proposed, therefore, would incentivize the five mobile providers with different speed commitments to overperform their higher speed commitment versus receiving no benefit for that overperformance at the final milestone.³⁶² Granting this waiver, accordingly, is in the public interest.

92. Moreover, the fact that most of the lower technology tiers have been upgraded by the final milestone and the goal of rewarding overperformance of high-speed mobile broadband make waiver of the last mile technology-based portion of the Waterfall Methodology in the public interest. While there are three types of middle-mile backhaul—fiber-based, microwave-based, and satellite-based—the reason for granting GCI's Petition is best illustrated through a discussion of its fiber-based backhaul commitment.³⁶³ At the five-year interim milestone, GCI had 4G LTE, 3G, and 2G technology commitments within its fiber-based-backhaul commitment.³⁶⁴ As such, by targeting the next-lowest level of technology, the Alaska Plan Waterfall Methodology was rewarding overperformance of the fiber-based 4G LTE commitment by awarding credit toward satisfaction of lower-level technologies within that backhaul-commitment category, as this would count toward the early achievement of the final milestone. After all, if GCI converted more Alaskans from 3G to 4G LTE in the fiber-based category at the interim

³⁵⁹ See *Alaska Plan Order*, 31 FCC Rcd at 10166-67, 10172-73, paras. 85, 102 (adding requirements where a mobile provider cannot commit to 4G LTE at 10/1 Mbps and new backhaul becomes available).

³⁶⁰ ASTAC, GCI, TelAlaska, and Windy City had less than 4G LTE commitments at the interim milestone. See *2016 AK Plan Mobile Provider Initial Commitments Public Notice*, 31 FCC Rcd at 13320-23, Appx. (accepting all of the Alaska Plan mobile providers' initial performance plans); *Wireless Telecommunications Bureau Approves ASTAC's and GCI's Revised Performance Plans Pursuant to the Alaska Plan Order*, WC Docket No. 16-271, Public Notice, 34 FCC Rcd 12183, 12185, Appx. (WTB 2019) (*2019 ASTAC Revised AK Plan Performance Plan Public Notice*) (accepting ASTAC's operative performance plan); *Wireless Telecommunications Bureau Approves GCI's Revised Performance Plan Pursuant to the Alaska Plan Order*, 35 FCC Rcd 9539, 9541, Appx. (WTB 2020) (accepting GCI's performance plan that was operative at the interim milestone).

³⁶¹ See *2025 GCI Revised AK Plan Performance Plan Public Notice* at 3, Appx. A; *2024 Three Alaska Plan Revised Performance Plans Approved*, 39 FCC Rcd at 5901, Appx. A (showing technology codes 86 and 80, which are GSM and WCDMA/UMTS/HSPA, respectively).

³⁶² In addition to GCI and TelAlaska, ASTAC, Bristol Bay, and OTZ Wireless have multiple 4G LTE speed tier commitments. See *2016 AK Plan Mobile Provider Initial Commitments Public Notice*, 31 FCC Rcd at 13320-23, Appx.; *2019 ASTAC Revised AK Plan Performance Plan Public Notice*, 34 FCC Rcd at 12185, Appx.; *2025 GCI Revised AK Plan Performance Plan Public Notice* at 3, Appx. A; *2024 Three Alaska Plan Revised Performance Plans Approved*, 39 FCC Rcd at 5901, Appx. A (providing Bristol Bay's operative performance plan).

³⁶³ See *2025 GCI Revised AK Plan Performance Plan Public Notice* at 3, Appx. A.

³⁶⁴ *Id.* at 3, Appx. A.

milestone, then it should be rewarded for that effort, not penalized for having less 3G than it had committed to because those Alaskans now had 4G LTE.

93. For the final milestone, GCI committed to upgrade all fiber-based-backhaul areas to 4G LTE.³⁶⁵ If GCI overperforms under the current Alaska Plan Waterfall Methodology, it would only receive credit for satisfying 3G and 2G commitments in the microwave-based and satellite-based areas because GCI does not have any remaining 3G or 2G commitments in fiber-based areas for the final milestone. Unless the Commission grants GCI's request, GCI would not receive credit for overperforming in fiber-based areas and it would be penalized for "missing" currently approved targets in microwave-based areas. For example, if GCI performs more than 100% of its fiber-based commitment at the final milestone and some of its formerly microwave-based customers are attributed to the fiber-based category, GCI would be underperforming in its 4G LTE microwave-based commitment at 2/.8 Mbps, even though it overperforms with its 4G LTE fiber-based commitment at 10/1 Mbps. Such a result would be antithetical to the incentives in the Alaska Plan. We therefore grant GCI's waiver request.

94. We are unpersuaded by ARCC's and OptimERA's concerns about altering the current Alaska Plan Waterfall Methodology. Though ARCC expresses concern with the impact of granting GCI's request for the Waterfall Methodology, it fails to explain how a waterfall based on speed commitments would create more harm to other providers and the populations they serve than a waterfall based on technology.³⁶⁶ While the Alaska Plan performance plans are made at the statewide level, even if we were to assess the local-level effects of granting GCI's change to the Alaska Plan Waterfall Methodology, any resulting non-fiber-based areas that would not receive buildout would be offset overall by an equal number of Alaskans in areas elsewhere receiving a higher-level of service that they may not otherwise have received. Moreover, by waiving the last mile technology-basis of the Alaska Plan Waterfall Methodology, but requiring satisfaction of speed commitments, GCI is incentivized to overperform its 4G LTE at 10/1 Mbps commitment, which will result in higher speeds in the microwave-based areas that are upgraded as a result of the waterfall effect. As such, we do not agree with OptimERA's argument that "[a]pproving GCI's waiver requests would establish a precedent that would undercut efforts 'to advance, to the extent possible, the number of locations in Alaska that have access to at least 10/1 Mbps 4G LTE,'"³⁶⁷ as GCI would need to increase its coverage of 10/1 Mbps to receive a benefit from overperformance of fiber-based 4G LTE. However, maintaining the current version of the Alaska Plan Waterfall Methodology may cause the harm OptimERA claims because if GCI fully meets its fiber-based 4G LTE commitment and fully meets 3G and 2G commitments, it may not have any additional incentive under the Alaska Plan to deploy more 4G LTE at 10/1 Mbps. Moreover, because more providers are now incentivized to exceed their higher-level commitments, more people should benefit from higher speeds in more areas throughout Alaska.

95. For these reasons, we waive the last-mile technology-basis of the Alaska Plan Waterfall Methodology. Because we waive the last-mile technology-based portion of the method, over-satisfaction of commitments will have to be made as a speed-based consideration. For the final milestone, mobile providers' overperformance of a higher-level speed commitment—after the commitment is satisfied³⁶⁸—

³⁶⁵ 2025 GCI Revised AK Plan Performance Plan Public Notice at 3, Appx. A.

³⁶⁶ ARCC AK Plan Comments at 9-10.

³⁶⁷ OptimERA AK Plan Opposition at 5. ARCC also expresses concern that granting the requested change to the Alaska Plan Waterfall Methodology could impact ARCC's hex eligibility in the ACF and overlap comparisons. See ARCC AK Plan Comments at 3, 5, 8-10. As all ineligible areas and duplicate-support areas in the ACF will be set with BDC availability data as of December 31, 2024, this will not be a concern to the extent that it was the gravamen of ARCC's comments. See *supra* section III.C.2 (discussing locked ineligible areas). For the Alaska Plan, the Commission did not implement overlap rules. See *id.*

³⁶⁸ Failed tests of a higher-level commitment that are faster than a lower-speed tier commitment cannot be cited as proof of satisfaction of the lesser commitment. Only a provider's testing that overperforms a given commitment can waterfall to the lesser commitment. Although we grant a blanket waiver of the last-mile technology basis of the

(continued....)

will be credited to the next-highest speed tier; the “waterfall” will continue until all overperformance is applied to lower levels of speed commitments. In other words, if a provider satisfies its 10/1 Mbps commitment, it necessarily also satisfies its 5/1 Mbps commitment, if that is its next speed-tier commitment. For GCI, this would mean that if it overperforms its fiber-based 4G LTE commitment at 10/1 Mbps, the overperformance would “waterfall” to the microwave-based 4G LTE commitment at 2/.8 Mbps, and if that leads to overperformance, that in turn would waterfall to the satellite-based 1/.256 Mbps, and so on. We find this is in the public interest, as it incentivizes five mobile providers to overperform their higher-level commitments at the final milestone, instead of just two.³⁶⁹

V. ARCC’S CORRECTIVE AREA RETENTION RESERVE PROPOSAL

96. ARCC filed a set of pleadings pertaining to both the ACF and Alaska Plan. In each proceeding, ARCC filed a pleading asking the Commission to adopt, among other things, a “Corrective Area Retention Reserve” plan (ARCC Reserve Plan) for mobile support recipients that are not in compliance with their Alaska Plan requirements.³⁷⁰ ARCC subsequently filed a reply.³⁷¹ For the reasons discussed below, we decline to adopt the ARCC Reserve Plan on both procedural and substantive grounds.

97. ARCC submitted its proposal as a “middle ground” solution for noncompliant mobile support recipients “that is short of ACF exclusion for a non-compliant carrier” and “an acknowledgment of error.”³⁷² In the *Alaska Connect Fund Order*, the Commission stated that a mobile support recipient’s noncompliance with its Alaska Plan requirements will result in one of three penalties with respect to the provider’s participation in the ACF: (1) ineligibility for the ACF as a whole; (2) ineligibility for the ACF in specific coverage areas (and an associated reduction in ACF support); or (3) delayed ACF support until the recipient meets its outstanding Alaska Plan requirements.³⁷³ While being noncompliant with Alaska Plan commitments therefore could lead to a mobile support recipient becoming ineligible for the ACF, ARCC asks the Commission to adopt ARCC Reserve Plan as an alternative to a noncompliant mobile support recipient’s ineligibility to participate in the ACF.³⁷⁴ The ARCC Reserve Plan would require the Commission to amend the ACF rules to allow the noncompliant provider to participate in the ACF if the “out of compliance carrier places 20% of its annual ACF funding in escrow, for up to two years, until on its own, or in conjunction with another ACF carrier, it can meet those original Alaska Plan commitments.”³⁷⁵ In other words, ARCC proposes that the Commission should adopt a new type of penalty for a mobile support recipient that fails to meet the 10-year Alaska Plan milestone.³⁷⁶ Because Alaska Plan compliance can affect ACF eligibility, the proposal, if adopted, would require changes to both the Alaska Plan (new penalty) and ACF (new eligibility requirements).

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methodology, providers nonetheless may choose to have the original formulation of the Waterfall Methodology apply to that company.

³⁶⁹ Where a mobile provider has a speed tier that has a lower download speed, but a higher upload speed than the previous tier, the download speed will be considered for tier purposes.

³⁷⁰ ARCC AK Plan Comments at 3, 11; ARCC AK Plan Reply at 10 n.16. The ARCC AK Plan Comments were filed in the ACF docket, WC Docket No. 23-328, but did not list the ACF docket among the dockets in the caption. *See id.* at 1.

³⁷¹ ARCC AK Plan Reply at 1. The ARCC AK Plan Reply lists the ACF docket in the caption. *See id.*

³⁷² ARCC AK Plan Comments at 3, 11.

³⁷³ *See Alaska Connect Fund Order*, 39 FCC Rcd at 12142-43, paras. 95, 97; *accord* 47 CFR § 54.318(a)(1)-(2).

³⁷⁴ ARCC AK Plan Comments at 3, 11.

³⁷⁵ ARCC AK Plan Comments at 11 (footnote omitted); *accord id.* at 3.

³⁷⁶ ARCC AK Plan Comments at 3, 11.

98. We dismiss ARCC’s request that we adopt the ARCC Reserve Plan to the extent that it requires amendment of the ACF rules as an untimely petition for reconsideration. Section 405(a) of the Communications Act provides that “[a] petition for reconsideration must be filed within thirty days from the date [of public notice of the underlying action],” as calculated in accordance with section 1.4(b) of the Commission’s rules.³⁷⁷ Section 1.429(d) of the Commission’s rules likewise provides that “[t]he petition for reconsideration and any supplement thereto shall be filed within 30 days from the date of public notice of such action.”³⁷⁸ As discussed *supra*, with the ARCC Reserve Plan, ARCC effectively seeks reconsideration of the Commission’s decision in the *Alaska Connect Fund Order* to adopt three potential ACF-related penalties for a mobile support recipient’s noncompliance with its Alaska Plan commitments. However, the ARCC Reserve Plan is an untimely petition for reconsideration because ARCC failed to file it by the statutory and regulatory deadline.³⁷⁹ The Commission provided public notice of the *Alaska Connect Fund Order* by publishing it in the Federal Register on December 31, 2024, which means that the deadline for filing a petition for reconsideration was January 30, 2025.³⁸⁰ Thus, because ARCC filed its proposed plan more than three months after that deadline (i.e., on May 19, 2025) and did not identify any extraordinary circumstances that prevented it from filing by the deadline,³⁸¹ the ARCC Reserve Plan must be rejected as untimely.

99. In the alternative, we dismiss the ARCC Reserve Plan to the extent it constitutes an untimely opposition to GCI’s Petition for Clarification and Reconsideration of the *Alaska Connect Fund Order*. Section 1.429(f) of the Commission’s rules provides that “[o]ppositions to a petition for reconsideration shall be filed within 15 days after the date of public notice of the petition’s filing.”³⁸² ARCC does not directly support GCI’s requested amendments to the ACF-related penalties for a mobile support recipient’s noncompliance with its Alaska Plan requirements—such as GCI’s request for a *de minimis* threshold that, if met, would allow a noncompliant Alaska Plan provider to not be disqualified from participating in the ACF³⁸³—and instead proposes the ARCC Reserve Plan as “an intermediate step before applying the level of penalty of ACF exclusion for a non-compliant carrier.”³⁸⁴ The ARCC Reserve Plan is its solution for allowing providers that are noncompliant with their Alaska Plan commitments to continue to participate in the ACF.³⁸⁵ As such, the ARCC Reserve Plan can also be

³⁷⁷ 47 U.S.C. § 405(a); *Gardner v. FCC*, 530 F.2d 1086, 1091-92 (D.C. Cir. 1976) (*Gardner*) (stating that, except in extraordinary circumstances, where the Commission failed to provide the required notice, the Commission may not waive the thirty-day period to seek reconsideration).

³⁷⁸ 47 CFR § 1.429(d).

³⁷⁹ See, e.g., *Wireless E911 Location Accuracy Requirements*, PS Docket No. 07-114, Sixth Report and Order and Order on Reconsideration, 35 FCC Rcd 7752, 7765, para. 27 (2020).

³⁸⁰ Connect America Fund, Alaska Connect Fund, Connect America Fund—Alaska Plan, ETC Annual Reports and Certifications, Telecommunications Carriers Eligible To Receive Universal Service Support, Universal Service Reform—Mobility Fund, 89 Fed. Reg. 107196, 107196, Final Rule (Dec. 31, 2024); see 47 CFR § 1.4(b)(1).

³⁸¹ See *Gardner*, 530 F.2d at 1091-92.

³⁸² 47 CFR § 1.429(f).

³⁸³ See GCI ACF Petition at 16-17 (stating that “the Commission should establish a *de minimis* threshold for meeting the 10-year performance commitments, below which an Alaska Plan provider will not be disqualified” and that “if a provider has a compliance gap of under five percent of its Alaska Plan population-based performance commitments, its participation in the ACF should be unaffected”).

³⁸⁴ ARCC AK Plan Reply at 10 n.16; accord ARCC AK Plan Comments at 3, 11.

³⁸⁵ ARCC AK Plan Comments at 3 (“Alaska Remote Carrier Coalition (‘ARCC’) offers comments on the key petition issues, including the apparent attempt to avoid accountability and avoid becoming ineligible for Alaska Connect Fund (‘ACF’) support. While the FCC’s decision, we recommend a middle ground for the Commission to consider that is short of ACF exclusion for a non-compliant carrier with our Corrective Area Retention Reserve (‘CARR’) in Section VII. As an acknowledgment of error, a carrier could opt for an alternative to being determined

(continued....)

interpreted as an untimely opposition, filed after the close of the designated pleading cycle for GCI's Petition for Clarification and Reconsideration of the *Alaska Connect Fund Order*. The Commission provided public notice of the GCI Petition for Clarification and Reconsideration by publishing it in the Federal Register on April 2, 2025, which means that the deadline for filing oppositions was April 17 and the deadline for filing replies was April 28.³⁸⁶ Thus, because ARCC filed its proposal in the ACF docket on May 19, 2025—i.e., more than one month after the deadline for oppositions and three weeks after the deadline for replies—the Commission may reject the proposal as untimely.³⁸⁷

100. In any event, as a separate and independent basis for rejecting the ARCC Reserve Plan, we deny it on the merits. In particular, we find that the ARCC Reserve Plan is not in the public interest because it is not narrowly tailored to the harm it attempts to address. The ARCC Reserve Plan would require withholding 20% of a provider's annual ACF support regardless of the percentage of the Alaska Plan provider's noncompliance with its Alaska Plan requirements.³⁸⁸ The ARCC Reserve Plan introduces the possibility of a noncompliant Alaska Plan provider “work[ing] with another [ACF] carrier” to meet its Alaska Plan commitments.³⁸⁹ The ARCC Reserve Plan does not include any recommendation as to how the Commission would allocate support among ACF providers in such a situation, and resolution of that issue would necessarily need to be resolved prior to implementation. Moreover, we agree with OptimERA's admonition, advising against the Commission “further burdening its resources with the even more complex alternative, the Corrective Area Retention Reserve.”³⁹⁰

101. Insofar as the ARCC Reserve Plan would require alteration of the length of the Alaska Plan “cure year,” we also find it subject to dismissal as an untimely petition for reconsideration. In year nine of a ten-year plan, the ARCC Reserve Plan would effectively alter the “cure year”—which allows noncompliant providers one year to come into compliance without penalty—by instead giving the provider two years to come into compliance.³⁹¹ This proposal would broadly apply to any Alaska Plan provider that is noncompliant with the Alaska Plan, is incompatible with the Alaska Plan rules, and is therefore an untimely request for reconsideration of the 2016 *Alaska Plan Order*.³⁹² While we understand

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as ineligible for the Alaska Connect Fund. A Corrective Area Retention Reserve (‘CARR’) is a proposed middle ground.”).

³⁸⁶ Wireless Telecommunications Bureau Seeks Comment on Petition Seeking Clarification and Reconsideration of the Alaska Connect Fund Order, 90 Fed. Reg. 14429, 14429 (Apr. 2, 2025) (“Oppositions and Comments are due on or before April 17, 2025, and Replies to Opposition and Reply Comments are due April 28, 2025.”); accord *GCI ACF Recon Petition Public Notice* at 1; see 47 CFR § 1.429(f); see also, e.g., *Amendment of Section 73.3555(e) of the Commission's Rules, National Television Multiple Ownership Rule*, Order on Reconsideration, 32 FCC Rcd 3390, 3398, para. 17 n.59 (2017) (rejecting an *ex parte* filing as an untimely opposition to a petition for reconsideration when the filing was submitted after the end of the designated pleading cycle).

³⁸⁷ ARCC AK Plan Comments at 1. Although the pleading was styled, “ARCC GCI Waterfall Petition Reply Comments,” ARCC also filed it in the ACF as part of the reconsideration proceeding and made ACF specific arguments. See, e.g., ARCC AK Plan Comments at 3.

³⁸⁸ See ARCC AK Plan Comments at 3, 11.

³⁸⁹ See *id.*

³⁹⁰ OptimERA AK Plan Opposition at 5.

³⁹¹ 47 CFR § 54.320(d)(2) (“Upon notification that the eligible telecommunications carrier has not met a final milestone, the eligible telecommunications carrier will have twelve months from the date of the final milestone deadline to come into full compliance with this milestone.”); ARCC AK Plan Comments at 3, 11.

³⁹² See 47 CFR § 1.429(d); see also *Alaska Plan Order*, 31 FCC Rcd at 10186 (adopting the cure year rule and final milestone rule generally at section 54.320(d)(2)). The *Alaska Plan Order* was published in the Federal Register on October 7, 2016, and any petitions for reconsideration were due by November 6, 2016. See *Connect America Fund, Connect America Fund—Alaska Plan; Universal Service Reform—Mobility Fund*, 81 Fed. Reg. 69696, 69696 (Oct. 7, 2016).

that the need for this proposal may not have occurred to ARCC until GCI filed its Petition for Modification or Waiver, the ARCC Reserve Plan would be applicable to any provider that is noncompliant, regardless of whether we grant GCI's AK Plan Waiver Petition, which would make it a generally applicable process and rule change.³⁹³ When assessed on the merits in the context of the Alaska Plan, the ARCC Reserve Plan would delay Alaska Plan accountability, as it allows two years to come into compliance with the Alaska Plan, instead of the one cure year that currently allowed by rule. The extra year allowed by ARCC's proposal would allow an extra year of noncompliance and, therefore, less accountability, which would seem to be the opposite of what ARCC seeks to achieve with its proposal.³⁹⁴ For all these reasons, we decline to adopt ARCC's proposed changes with respect to either the ACF or the Alaska Plan.

VI. ORDER

102. Section 54.318(d)(1)(i) of the Commission's rules currently reads: "Support areas are areas covered by one Alaska Plan mobile-provider participant." The *Alaska Connect Fund Order*, however, specifically defined areas that are covered by only one Alaska Plan mobile-provider participant in Alaska as "single-support areas."³⁹⁵ The text of Section 54.318(d)(1)(i), in its current form, is inconsistent with the Commission's intent and the structure and content of Section 54.318(d).³⁹⁶ Section 54.318 also generally does not employ the term "support area" in other paragraphs, without a modifier, but rather uses either "single-support area," or "duplicate-support area."³⁹⁷ Further, the *Alaska Connect Fund Order* comprehensively articulates the geographic-area approach to ACF mobile support and uses specific modifiers for the three types of areas.³⁹⁸

103. To ensure that the existing rule is fully consistent with the text and intent of the *Alaska Connect Fund Order*, we find good cause to amend it without notice and comment by adding the inadvertently omitted word "single" before "support."³⁹⁹ The revised rule would read: "Single-support areas are areas covered by one Alaska Plan mobile-provider participant." Because the rule as currently

³⁹³ Based on the record, commenters are concerned that GCI is petitioning for modification or waiver of the Alaska Plan because it is likely noncompliant. ARCC AK Plan Comments at 8; OptimERA AK Plan Opposition at 5. And, based on the commenters' arguments, GCI seeks these modifications or waivers to make itself more compliant. ARCC AK Plan Comments at 8; OptimERA AK Plan Opposition at 5. This would mean that granting GCI's AK Plan Petition would make it more likely to be compliant, and this would make the ARCC Reserve Plan proposal less likely to come into effect. As such, ARCC's proposal is really not specific to the GCI Petition, as it is more applicable when preserving the status quo than if GCI's AK Plan Petition were granted.

³⁹⁴ See ARCC AK Plan Comments at 3 ("[ARCC] offers comments on the key petition issues, including the apparent attempt to avoid accountability . . .").

³⁹⁵ See, e.g., *Alaska Connect Fund Order*, 39 FCC Rcd at 12102-03, para. 6 & n.6.

³⁹⁶ For example, the introductory sentence in paragraph (d) indicates that there are two types of support areas—i.e., single-support areas and duplicate-support areas. However, paragraph (d)(1) uses the term "support areas" in (d)(1)(i) and the term "duplicate-support areas" in (d)(1)(ii), which suggests that "single-" was inadvertently omitted from (d)(1)(i). Paragraph (d)(2) supports that conclusion because it was drafted in parallel format to (d)(1) and discusses "single-support areas" in (d)(2)(i) and "duplicate-support areas" in (d)(2)(ii).

³⁹⁷ See, e.g., 47 CFR § 54.318(c)(2), (f)(5)-(6), (h)(4)-(5).

³⁹⁸ See, e.g., *Alaska Connect Fund Order*, 39 FCC Rcd at 12133, para. 73 ("[M]obile support will have different support term lengths, or extension periods—as well as different requirements—based on whether an area is a single-support area or a duplicate-support area.") (footnote omitted).

³⁹⁹ 5 U.S.C. § 553(b)(B).

codified has been interpreted consistently with the text of the *Alaska Connect Fund Order* since its adoption, we find that this change would be of negligible impact.⁴⁰⁰

VII. PROCEDURAL MATTERS

104. *Regulatory Flexibility Act.* The Regulatory Flexibility Act of 1980, as amended (RFA),⁴⁰¹ requires that an agency prepare a regulatory flexibility analysis for notice and comment rulemakings, unless the agency certifies that “the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.”⁴⁰² Accordingly, the Commission has prepared a Final Regulatory Flexibility Analysis (FRFA) concerning the possible impact of the rule and policy changes contained in this Order on Reconsideration and Clarification, Waiver Order, and Order on small entities. The FRFA is set forth in Appendix B.

105. *Paperwork Reduction Act.* This document does not contain new or substantively modified information collections subject to the Paperwork Reduction Act of 1995 (PRA), 44 U.S.C. §§ 3501-3521. In addition, therefore, it does not contain any new or modified information collection burden for small business concerns with fewer than 25 employees, pursuant to the Small Business Paperwork Relief Act of 2002, 44 U.S.C. § 3506(c)(4).

106. *Congressional Review Act.* The Commission has determined, and the Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget, concurs, that this rule is “non-major” under the Congressional Review Act, 5 U.S.C. § 804(2). The Commission will send a copy of this *Order on Reconsideration and Clarification*, *Waiver Order*, and *Order* to Congress and the Government Accountability Office pursuant to 5 U.S.C. § 801(a)(1)(A).

107. *People with Disabilities.* To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at 202-418-0530 (voice).

108. *Additional Information.* For additional information on this proceeding, contact Matthew Warner of the Competition and Infrastructure Policy Division, Wireless Telecommunications Bureau at Matthew.Warner@fcc.gov or (202) 418-2419; ACF@fcc.gov; AK.Plan@fcc.gov.

VIII. ORDERING CLAUSES

109. Accordingly, IT IS ORDERED that, pursuant to the authority contained in sections 1-5, 254, 301, 332, and 405 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-155, 254, 301, 332, 405, and section 1.429 of the Commission’s rules, 47 CFR § 1.429, that the Petition for Clarification and Reconsideration filed by GCI Communications Corp. IS GRANTED IN PART, DENIED IN PART, AND DISMISSED IN PART, to the extent described herein.⁴⁰³

110. IT IS FURTHER ORDERED THAT the Petition for Modification or Waiver filed by GCI Communication Corp. IS GRANTED IN PART AND DENIED IN PART, to the extent described herein.

111. IT IS FURTHER ORDERED that, pursuant to the authority contained in sections 1-5, 254, 301, 332, and 405 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-155, 254,

⁴⁰⁰ See *Mack Trucks, Inc. v. EPA*, 682 F.3d 87, 94 (D.C. Cir. 2012) (explaining that courts have held that notice and comment are “unnecessary” when “the administrative rule is a routine determination, insignificant in nature and impact, and inconsequential to the industry and to the public.”).

⁴⁰¹ 5 U.S.C. § 601 *et seq.*, as amended by the Small Business Regulatory Enforcement and Fairness Act (SBREFA), Pub. L. No. 104-121, 110 Stat. 847 (1996).

⁴⁰² 5 U.S.C. § 605(b).

⁴⁰³ Pursuant to Executive Order 14215, 90 Fed. Reg. 10447 (Feb. 20, 2025), this regulatory action has been determined to be not significant under Executive Order 12866, 58 Fed. Reg. 68708 (Dec. 28, 1993).

301, 332, 405, and section 1.429 of the Commission's rules, 47 CFR § 1.429, that the "Corrective Area Retention Reserve" Proposal filed by Alaska Remote Carrier Coalition IS DISMISSED, as described herein.

112. IT IS FURTHER ORDERED that, pursuant to the authority contained in sections 1-5, 254, 301, and 332 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-155, 254, 301, 332, and 5 U.S.C. § 553(b), that the Order, IS ADOPTED.

113. IT IS FURTHER ORDERED that part 54 of the Commission's rules, 47 CFR pt. 54, IS AMENDED, as set forth in Appendix A.

114. IT IS FURTHER ORDERED that the Office of the Secretary SHALL SEND a copy of this Order on Reconsideration and Clarification, Waiver Order, and Order, including the Final Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

115. IT IS FURTHER ORDERED that the Commission SHALL SEND a copy of this Order on Reconsideration and Clarification, Waiver Order, and Order to Congress and the Government Accountability Office pursuant to the Congressional Review Act, see 5 U.S.C. § 801(a)(1)(A).

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

APPENDIX A

For the reasons discussed in the preamble, the Federal Communications Commission amends 47 CFR part 54 as follows:

PART 54—UNIVERSAL SERVICE

1. The authority citation for part 54 continues to read as follows:

Authority: 47 U.S.C. 151, 154(i), 155, 201, 205, 214, 219, 220, 229, 254, 303(r), 403, 1004, 1302, 1601-1609, and 1752, unless otherwise noted.

2. Amend § 54.308 by revising paragraphs (e) introductory text and (f)(4) to read as follows:

§ 54.308 Broadband public interest obligations for recipients of high-cost support.

* * * * *

(e) Mobile providers receiving support from the Alaska Connect Fund must provide service at the same minimum service levels as required under the Alaska Plan and may not provide less coverage or provide service using a less advanced technology than the provider committed to under the Alaska Plan. For areas supported under the Alaska Plan that are ineligible for support under the Alaska Connect Fund, providers must continue to provide service to the extent of their Alaska Plan commitments, but do not have Alaska Connect Fund service obligations for those areas and are prohibited from using Alaska Connect Fund support to serve those areas.

* * * * *

(f) * * *

(4) The Wireless Telecommunications Bureau may employ alternative benchmarks or dates appropriate for specific competitive Eligible Telecommunications Carriers in assessing carrier offerings.

* * * * *

3. Amend § 54.318 by removing and reserving paragraphs (i)(4) and (j) and revising paragraphs (a)(1), (c)(1)(iii), (d)(1)(i)-(ii), (e), (f)(6), (h), (h)(6), (k)(1), and (k)(3) to read as follows:

§ 54.318 Alaska Connect Fund for competitive eligible telecommunications carriers receiving mobile support.

(a) * * *

(1) An Alaska Plan mobile provider that opts into the Alaska Connect Fund may have its Alaska Connect Fund support delayed, or may be deemed ineligible to participate in the Alaska Connect Fund, if the Wireless Telecommunication Bureau determines, after December 31, 2027, but before December 15, 2028—subject to reasonable extensions by WTB, not to go beyond July 1, 2029—that the mobile provider has failed to comply with the public interest obligations or other terms and conditions of the Alaska Plan or its Alaska Plan commitments, or failed to meet its Alaska Plan build-out final milestone by greater than a *de minimis* amount.

* * * * *

(c) * * *

(1) * * *

(iii) Areas deemed inaccessible or unsafe for testing by the Wireless Telecommunications Bureau, in coordination with the Office of Economics and Analytics, and reflected in the Eligible-Areas Map, as described in paragraph (c)(2) of this section, based on mobile providers' Broadband Data Collection availability data as of December 31, 2024.

* * * * *

(d) * * *

(1) * * *

(i) Single-support areas are areas covered by one Alaska Plan mobile-provider participant.

(ii) Duplicate-support areas are areas covered by two or more Alaska Plan mobile provider participants, based on mobile providers' Broadband Data Collection availability data as of December 31, 2024.

* * * * *

(e) *Use of support.* Support allocated through the Alaska Connect Fund may only be used to provide mobile voice and mobile broadband service in eligible areas. Alaska Connect Fund recipients may use their support for both operating expenses and capital expenses for deploying, upgrading, and maintaining mobile voice and broadband-capable networks, including middle-mile improvements needed to those ends. As long as an Alaska Connect Fund recipient is providing service to its awarded area consistent with its public interest obligations service expenditures will be eligible for support. Expenditures for middle-mile facilities may occur outside of eligible areas, so long as they are necessary to provide mobile voice and broadband service in the areas where the Alaska Connect Fund recipient receives support. A mobile provider does not have Alaska Connect Fund obligations in areas where it is prohibited from using Alaska Connect Fund support for service, and it is prohibited from using Alaska Connect Fund support to provide service in areas other than its own single-support or duplicate-support areas or other eligible areas, as defined in paragraph (d)(1)(iii) of this section.

* * * * *

(f) * * *

(6) Alaska Connect Fund mobile providers are required to maintain and improve upon their Alaska Plan service in eligible single- and duplicate-support areas. Subject to exceptions, where a mobile provider previously committed to cover an area in the Alaska Plan, it is expected to upgrade that area to at least 5G-NR at 7/1 Mbps in areas that remain eligible in the Alaska Connect Fund. In addition, mobile providers in single-support areas are expected to provide 5G-NR at speeds of 35/3 Mbps only to portions of their anticipated coverage area that are within a 1.5-mile radius around their cell sites and only where the provider has access to fiber- or microwave-based backhaul and competitively priced transport rates. Further, for voice-only areas that exist beyond the cell edge of the mobile commitment areas—based on Alaska Plan service areas—mobile providers do not need to upgrade those areas to 5G-NR or commit to a minimum data speed and may maintain the facilities and voice service already in place, unless otherwise committed to in the Alaska Connect Fund. Providers in single-support areas are to report to WTB the progress they have made beyond Alaska Plan service levels by December 31, 2029, and to meet their commitments by the December 31, 2031 interim milestone and the December 31, 2034 final milestone. Providers in duplicate-support areas are expected to work to extend at least 4G LTE at 5/1 Mbps in an outdoor stationary environment to areas where they do not currently offer it by the end of December 2029. During performance plan discussions, mobile providers may also demonstrate to WTB other reasons why it is not technically and financially feasible to meet these expectations and may propose alternatives. Where cell sites are more than 50 miles away from a fiber or microwave node, this factor weighs heavily in favor of allowing a lesser commitment.

* * * * *

(h) *Comparable areas.* Mobile providers that received support under the Alaska Plan for coverage of newly ineligible areas and that wish to retain their support level must, for any support attributed to such newly ineligible areas, use their Alaska Connect Fund support to cover a comparable number of otherwise uncovered hex-9s elsewhere, subject to claw back in their support if they do not do so. Mobile providers

must incorporate their comparable areas into their performance plans under the Alaska Connect Fund for Wireless Telecommunications Bureau approval. Specifically, each mobile provider must remove the ineligible hex-9s from its commitment, and in a separate category in the performance plan, specify how many comparable hex-9s it commits to cover, by census tract.

* * * * *

(6) If a mobile provider discovers that some areas are inaccessible during required speed testing or during an audit, the mobile provider will be in noncompliance for those hex-9s, and potentially additional hex-9s if the inaccessible hex-9s were selected through random sampling.

* * * * *

(i) * * *

(4) [Reserved]

* * * * *

(j) [Reserved]

* * * * *

(k) * * *

(1) A mobile provider receiving more than \$5 million annually in Alaska Connect Fund support must submit speed test data within five months of receipt of the final sample grid cells for speed testing.

* * * * *

(3) If a hex-9 is determined to be untestable and this is discovered during speed testing of a provider's commitments, the hex-9—and any hex-9s represented by that hex-9—will be counted as noncompliant with the provider's commitments.

* * * * *

APPENDIX B

Final Regulatory Flexibility Analysis

1. As required by the Regulatory Flexibility Act of 1980, as amended (RFA),¹ the Federal Communications Commission (Commission) published an Initial Regulatory Flexibility Analysis (IRFA) in the *Alaska Connect Fund Notice of Proposed Rulemaking (Alaska Connect Fund Notice)*, released in October 2023.² The Commission sought written public comment on the proposals in the *Alaska Connect Fund Notice*, including comment on the IRFA. No comments were filed addressing the IRFA. In November 2024, the Commission released the *Alaska Connect Fund Report and Order and Further Notice of Proposed Rulemaking (Alaska Connect Fund Order)* and published a Final Regulatory Flexibility Analysis (FRFA), as well as an IRFA for the *Further Notice of Proposed Rulemaking*.³ On January 5, 2025, GCI Communication Corp. (GCI) filed a Petition for Clarification and Reconsideration of the *Alaska Connect Fund Order* (GCI ACF Petition), which included issues impacting small entities.⁴ The Wireless Telecommunications Bureau (WTB) then sought public comment on GCI's petition in a *Public Notice* released March 19, 2025.⁵ One party filed comments in response to the GCI ACF Petition.⁶ No relevant issues impacting small entities were raised in comments to the GCI ACF Petition. This FRFA incorporates the FRFA for the *Alaska Connect Fund Order*, and reflects the actions we take in the *Order on Reconsideration and Clarification* to revise certain rules established by the *Alaska Connect Fund Order*, conforms to the RFA, and it (or summaries thereof) will be published in the Federal Register.⁷

A. Need for, and Objectives of, the Rules

2. In the *Alaska Connect Fund Order*, the Commission adopted new rules establishing a new high-cost support program—Alaska Connect Fund (ACF)—that would provide ongoing and certain support for fixed and mobile wireless services in Alaska through 2034.⁸ For mobile service, the Commission adopted two separate approaches, which set goals and terms based on whether an area eligible for funding has one single or multiple subsidized providers.⁹ The ACF initially extends support for a set period for mobile providers that (1) participated in the prior high-cost funding program, the

¹ 5 U.S.C. §§ 601 *et seq.*, as amended by the Small Business Regulatory Enforcement and Fairness Act (SBREFA), Pub. L. No. 104-121, 110 Stat. 847 (1996).

² *Connect America Fund; Alaska Connect Fund; Connect America Fund—Alaska Plan; Universal Service Reform—Mobility Fund; ETC Annual Reports and Certifications; Telecommunications Carriers Eligible to Receive Universal Service Support*, WC Docket Nos. 10-90, 23-328, 14-58, and 09-197; WT Docket No. 10-208, Notice of Proposed Rulemaking and Report and Order, 38 FCC Rcd 9982 (2023) (*Alaska Connect Fund Notice*).

³ *Connect America Fund; Alaska Connect Fund; Connect America Fund—Alaska Plan; Universal Service Reform—Mobility Fund; ETC Annual Reports and Certifications; Telecommunications Carriers Eligible to Receive Universal Service Support*, WC Docket Nos. 10-90, 23-328, 16-271, 14-58, and 09-197; WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, 39 FCC Rcd 12099 (2024) (*Alaska Connect Fund Order*).

⁴ GCI Communication Corp., Petition for Clarification and Reconsideration of the Alaska Connect Fund Report and Order, WC Docket Nos. 23-238, 16-271, 10-90, 14-58, 09-197, WT Docket No. 10-128 (filed Jan. 20, 2025) (GCI ACF Petition).

⁵ *Wireless Telecommunications Bureau Seeks Comment on a Petition Seeking Clarification and Reconsideration of the Alaska Connect Fund Order*, WC Docket Nos. 23-328 *et al.*, Public Notice, DA 25-242 (WTB 2025).

⁶ During the pleading cycle which ended on April 28, 2025, Alaska Remote Carrier Coalition filed comments.

⁷ 5 U.S.C. § 604.

⁸ *Alaska Connect Fund Order*, 39 FCC Rcd at 12102-03, para. 6. The *Alaska Connect Fund Order* also sought further comment on the implementation of the second phase of ACF mobile support. *Id.* at 12103, para. 7.

⁹ *Alaska Connect Fund Order*, 39 FCC Rcd at 12102-03, para. 6.

Alaska Plan, and (2) choose to opt into the ACF, subject to conditions set forth in the *Alaska Connect Fund Order*.¹⁰ For eligible areas where there is only one subsidized provider (single-support areas), the current provider will continue receiving support through the end of 2034 and will be expected to enter into a new performance plan providing for 5G service where technically and financially feasible.¹¹ For eligible areas with multiple subsidized providers (duplicate-support areas), the Commission adopted a two-phased approach to resolve duplicative support: (1) an ACF Mobile Phase I that extends support for the mobile providers receiving support in these duplicate-support areas under the current Alaska Plan until December 31, 2029; and (2) an ACF Mobile Phase II that would provide a single provider in those areas with support through the end of 2034.¹² The *Alaska Connect Fund Order* also delegated authority to the WTB to implement and administer various components of the mobile portion of the ACF.¹³ These actions were taken to address the inherent challenges in providing service to remote areas of Alaska.¹⁴ The Commission also recognized that there are areas of Alaska that still lack high-quality affordable broadband, where residents may be deprived of the opportunity to keep up with the advancements in technology that Americans living elsewhere benefit from.¹⁵ This framework allows for a period of certainty of support so that the mobile-provider participants of the Alaska Plan can continue their network planning and making their contractual arrangements in the short term, thereby continuing to build on the progress and momentum of the Alaska Plan.

3. In response to GCI's requests, this *Order on Reconsideration and Clarification* modifies and provides further clarification on the ACF rules for mobile providers. We clarify several aspects of mobile providers' performance plan requirements and commitments, including: whether providers can have multiple technology and speed commitments within a census tract; the circumstances where WTB may approve the use of older technologies in a provider's performance plan; and whether and to what extent WTB will consider the availability of backhaul capacity when negotiating individualized performance plans with providers. We grant GCI's requests in part to reconsider the deployment goals of 5G-NR at 35/3 Mbps for single-support areas and 5/1 Mbps for duplicate-support areas by providing additional clarification on the expectations for meeting these goals and on exceptions allowing for lesser commitments. We also clarify WTB's delegated authority to find a provider ineligible for ACF participation due to noncompliance with its Alaska Plan commitments. In addition, the *Order on Reconsideration and Clarification* modifies and clarifies rules governing the categorization of eligible and ineligible areas, and confirms that providers have no service obligations for areas that are determined to be ineligible for ACF support. We also address GCI's requests to modify several compliance obligations by eliminating the annual infrastructure data filing requirement for ACF mobile providers, revising the ACF speed test data submission deadline to the date five months after a provider receives its sample grid cells to be tested, and removing a prohibition on the reasonably comparable rate requirement to allow ACF providers to cite their own Anchorage plans as evidence of compliance with the reasonably comparable rate requirement. Finally, the *Order on Reconsideration and Clarification* clarifies that the Commission will consider how ACF support and obligations are affected by transactions between ACF supported providers on a case-by-case basis for each transaction. These modifications and clarifications to our rules will meet the Commission's long-standing objectives of alleviating confusion and reducing difficulties resulting from participating in or complying with the ACF and its requirements, while still ensuring the continued deployment of affordable, reliable, high-speed broadband services to communities throughout Alaska in a fiscally responsible manner. Additionally, this item also furthers the

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ *Alaska Connect Fund Order*, 39 FCC Rcd at 12100-01, para. 1.

¹⁵ *Id.*

Commission's overarching goal to reduce regulatory burden on telecommunications providers.

B. Summary of Significant Issues Raised by Public Comments in Response to the IRFA and Public Notice

4. No comments were filed addressing the impact of the proposed rules on small entities.

C. Response to Comments by the Chief Counsel for Advocacy of the Small Business Administration

5. Pursuant to the Small Business Jobs Act of 2010, which amended the RFA,¹⁶ the Commission is required to respond to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration (SBA), and provide a detailed statement of any change made to the proposed rules as a result of those comments.¹⁷ The Chief Counsel did not file any comments in response to the proposed rules in this proceeding.

D. Description and Estimate of the Number of Small Entities to Which the Rules Will Apply

6. The RFA directs agencies to provide a description of, and where feasible, an estimate of the number of small entities that may be affected by the rules adopted herein.¹⁸ The RFA generally defines the term "small entity" as having the same meaning as under the Small Business Act.¹⁹ In addition, the term "small business" has the same meaning as the term "small business concern" under the Small Business Act.²⁰ A "small business concern" is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.²¹

7. Our actions, over time, may affect small entities that are not easily categorized at present. We therefore describe three broad groups of small entities that could be directly affected by our actions.²² In general, a small business is an independent business having fewer than 500 employees.²³ These types of small businesses represent 99.9% of all businesses in the United States, which translates to 34.75 million businesses.²⁴ Next, "small organizations" are not-for-profit enterprises that are independently owned and operated and not dominant their field.²⁵ While we do not have data regarding the number of

¹⁶ Small Business Jobs Act of 2010, Pub. L. No. 111-240, 124 Stat. 2504 (2010).

¹⁷ 5 U.S.C. § 604 (a)(3).

¹⁸ *Id.* § 604 (a)(4).

¹⁹ *Id.* § 601(6).

²⁰ *Id.* § 601(3) (incorporating by reference the definition of "small-business concern" in the Small Business Act, 15 U.S.C. § 632). Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies "unless an agency, after consultation with the Office of Advocacy of the Small Business Administration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the Federal Register."

²¹ 15 U.S.C. § 632.

²² 5 U.S.C. § 601(3)-(6).

²³ See SBA, Office of Advocacy, *Frequently Asked Questions About Small Business* (July 23, 2024), https://advocacy.sba.gov/wp-content/uploads/2024/12/Frequently-Asked-Questions-About-Small-Business_2024-508.pdf.

²⁴ *Id.*

²⁵ 5 U.S.C. § 601(4).

non-profits that meet that criteria, over 99 percent of nonprofits have fewer than 500 employees.²⁶ Finally, “small governmental jurisdictions” are defined as cities, counties, towns, townships, villages, school districts, or special districts with populations of less than fifty thousand.²⁷ Based on the 2022 U.S. Census of Governments data, we estimate that at least 48,724 out of 90,835 local government jurisdictions have a population of less than 50,000.²⁸

8. The actions taken in the *Order on Reconsideration and Clarification* will apply to small entities in the industries identified in the chart below by their six-digit North American Industry Classification System²⁹ codes and corresponding SBA size standard.³⁰

Regulated Industry	NAICS Code	SBA Size Standard	Total Firms ³¹	Small Firms ³²	% Small Firms in Industry
All Other Information Services ³³	519190	1,500 employees	704	556	78.98
All Other Telecommunications ³⁴	517810	\$40 million	1,079	1,039	96.29
Cable and Other Subscription Programming ³⁵	515210	\$47 million	378	149	39.42
Media Streaming Distribution Services, Social Networks, and Other Media Networks and Content Providers ³⁶	516210	\$47 million	6,417	5,710	88.98

²⁶ See SBA, Office of Advocacy, *Small Business Facts, Spotlight on Nonprofits* (July 2019), <https://advocacy.sba.gov/2019/07/25/small-business-facts-spotlight-on-nonprofits/>.

²⁷ 5 U.S.C. § 601(5).

²⁸ See U.S. Census Bureau, 2022 Census of Governments –Organization, <https://www.census.gov/data/tables/2022/econ/gus/2022-governments.html>, tables 1-11.

²⁹ The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. See www.census.gov/NAICS for further details regarding the NAICS codes identified in this chart.

³⁰ The size standards in this chart are set forth in 13 CFR 121.201 by six digit NAICS code.

³¹ See U.S. Census Bureau, *2017 Economic Census of the United States, Employment Size of Firms for the U.S.: 2017*, Table ID: EC1700SIZEEMPFI, and *2017 Economic Census of the United States, Selected Sectors: Sales, Value of Shipments, or Revenue Size of Firms for the U.S.: 2017*, Table ID: EC1700SIZEREFVFI.

³² *Id.*

³³ Per the 2022 NAICS update, the industry name is now “Web Search Portals and All Other Information Services,” with a NAICS Code of 519290.

³⁴ Affected Entities in this industry include Internet Service Providers (Non-Broadband).

³⁵ The available U.S. Census Bureau data does not provide a more precise estimate of the number of firms that meet the SBA size standard. We note that the U.S. Census Bureau withheld publication of the number of firms that operated with sales/value of shipments/revenue in all categories of revenue less than \$500,000 to avoid disclosing data for individual companies (see Cell Notes for the sales/value of shipments/revenue in these categories). Therefore, the number of firms with revenue that meet the SBA size standard would be higher than noted herein. We also note that according to the U.S. Census Bureau glossary, the terms receipts and revenues are used interchangeably, see https://www.census.gov/glossary/#term_ReceiptsRevenueServices.

³⁶ This industry description and NAICS code were added by the U.S. Census Bureau in 2022. Affected Entities in this industry include Cable System Operators (Telecom Act Standard) and Cable Companies and Systems (Rate Regulation).

Regulated Industry	NAICS Code	SBA Size Standard	Total Firms ³¹	Small Firms ³²	% Small Firms in Industry
Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing	334220	1,250 employees	656	624	95.12
Satellite Telecommunications	517410	\$47 million	275	242	88.00
Telecommunications Resellers ³⁷	517121	1,500 Employees	1,386	1,375	99.21
Wired Telecommunications Carriers ³⁸	517111	1,500 employees	3,054	2,964	97.05
Wireless Telecommunications Carriers (except Satellite) ^{39 40}	517112	1,500 employees	2,893	2,837	98.06

9. Based on currently available U.S. Census data regarding the estimated number of small firms in each identified industry, we conclude that the adopted rules will impact a substantial number of small entities. Where available, we provide additional information regarding the number of potentially affected entities in the above identified industries, and information for other affected entities, as follows.

2024 Universal Service Monitoring Report Telecommunications Service Provider Data ⁴¹ (Data as of December 2023)	SBA Size Standard (1500 Employees)		
Affected Entity	Total # FCC Form 499A Filers	Small Firms	% Small Entities
Competitive Local Exchange Carriers (CLECs)	3,729	3,576	95.90
Incumbent Local Exchange Carriers (Incumbent LECs)	1,175	917	78.04
Interexchange Carriers (IXCs)	113	95	84.07
Local Exchange Carriers (LECs).	4,904	4,493	91.62
Local Resellers	222	217	97.75

³⁷ Affected Entities in this industry include Local Resellers, Toll Resellers, and Prepaid Calling Providers.

³⁸ Affected Entities in this industry include Competitive Local Exchange Carriers (CLECs), Incumbent Local Exchange Carriers (Incumbent LECs), Interexchange Carriers (IXCs), Local Exchange Carriers (LECs), Other Toll Carriers, and Wired Broadband Internet Access Service Providers.

³⁹ Affected Entities in this industry include Fixed Microwave Services, Wireless Broadband Internet Access Service Providers, Wireless Carriers and Service Providers, Wireless Communications Service, and Wireless Telephony.

⁴⁰ Affected Entities in this industry that also have a Commission small business size standard involving eligibility for bidding credits and installment payments in the auction of licenses codified in the Commission's rules include: Wireless Communications Services (47 CFR §§ 27.201 – 27.1601).

⁴¹ Federal-State Joint Board on Universal Service, Universal Service Monitoring Report at 26, Table 1.12 (2024), <https://docs.fcc.gov/public/attachments/DOC-408848A1.pdf>.

2024 Universal Service Monitoring Report Telecommunications Service Provider Data ⁴¹ (Data as of December 2023)	SBA Size Standard (1500 Employees)		
	Affected Entity	Total # FCC Form 499A Filers	Small Firms % Small Entities
	Other Toll Carriers	74	71 95.95
	Prepaid Card Providers	47	47 100.00
	Toll Resellers	411	398 96.84
	Telecommunications Resellers	633	615 97.16
	Wired Telecommunications Carriers	4,682	4,276 91.33
	Wireless Telecommunications Carriers (except Satellite)	585	498 85.13

10. *Cable Companies and Systems (Rate Regulation)*. The Commission has developed its own small business size standard for the purpose of cable rate regulation. Under the Commission's rules, a "small cable company" is one serving 400,000 or fewer subscribers nationwide.⁴² Based on industry data, there are about 420 cable companies in the U.S.⁴³ Of these, only seven have more than 400,000 subscribers.⁴⁴ In addition, under the Commission's rules, a "small system" is a cable system serving 15,000 or fewer subscribers.⁴⁵ Based on industry data, there are about 4,139 cable systems (headends) in the U.S.⁴⁶ Of these, about 639 have more than 15,000 subscribers.⁴⁷ Accordingly, the Commission estimates that the majority of cable companies and cable systems are small under this size standard.

11. *Cable System Operators (Telecom Act Standard)*. The Communications Act of 1934, as amended, contains a size standard for a "small cable operator," which is "a cable operator that, directly or through an affiliate, serves in the aggregate fewer than one percent of all subscribers in the United States and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed \$250,000,000."⁴⁸ For purposes of the Telecom Act Standard, the Commission determined that a cable system operator that serves fewer than 498,000 subscribers, either directly or through affiliates, will meet the definition of a small cable operator.⁴⁹ Based on industry data, only six cable system operators have

⁴² 47 CFR § 76.901(d).

⁴³ S&P Global Market Intelligence, S&P Capital IQ Pro, U.S. MediaCensus, *Operator Subscribers by Geography* (last visited May 26, 2022).

⁴⁴ S&P Global Market Intelligence, S&P Capital IQ Pro, *Top Cable MSOs 12/21Q* (last visited May 26, 2022); S&P Global Market Intelligence, *Multichannel Video Subscriptions, Top 10* (April 2022).

⁴⁵ 47 CFR § 76.901(c).

⁴⁶ S&P Global Market Intelligence, S&P Capital IQ Pro, U.S. MediaCensus, *Operator Subscribers by Geography* (last visited May 26, 2022).

⁴⁷ S&P Global Market Intelligence, S&P Capital IQ Pro, *Top Cable MSOs 12/21Q* (last visited May 26, 2022).

⁴⁸ 47 U.S.C. § 543(m)(2).

⁴⁹ *FCC Announces Updated Subscriber Threshold for the Definition of Small Cable Operator*, Public Notice, DA 23-906 (MB 2023) (2023 Subscriber Threshold Public Notice). In this Public Notice, the Commission determined that there were approximately 49.8 million cable subscribers in the United States at that time using the most reliable source publicly available. *Id.* This threshold will remain in effect until the Commission issues a superseding Public Notice. See 47 CFR § 76.901(e)(1).

more than 498,000 subscribers.⁵⁰ Accordingly, the Commission estimates that the majority of cable system operators are small under this size standard.

12. *Wired Broadband Internet Access Service Providers (Wired ISPs).*⁵¹ According to Commission data on Internet access services as of June 30, 2024, nationwide there were approximately 2,204 providers of connections over 200 kbps in at least one direction using various wireline technologies.⁵²

13. *Wireless Broadband Internet Access Service Providers (Wireless ISPs or WISPs).*⁵³ According to Commission data on Internet access services as of June 30, 2024, nationwide there were approximately 1,157 fixed wireless and 52 mobile wireless providers of connections over 200 kbps in at least one direction.⁵⁴

E. Description of Economic Impact and Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities

14. The RFA directs agencies to describe the economic impact of proposed rules on small entities, as well as projected reporting, recordkeeping and other compliance requirements, including an estimate of the classes of small entities which will be subject to the requirement and the type of professional skills necessary for preparation of the report or record.⁵⁵

15. The reconsiderations and clarifications to the *Alaska Connect Fund Order* that we make in today's *Order on Reconsideration and Clarification* will modify the reporting, recordkeeping, and/or other compliance obligations on small entities. The *Alaska Connect Fund Order*, in part, adopted public interest obligations, performance requirements, and reporting and certification requirements for small and other mobile participants of the ACF that are described in the FRFA published with the *Alaska Connect Fund Order*.⁵⁶ We incorporate by reference those requirements, with the following modifications. While recipients of ACF support for mobile services shall continue to be subject to the reporting obligations set forth in sections 54.308, 54.313, 54.314, 54.320(d), 54.321 of the Commission's rules, as amended, section 54.318, and be subject to the requirements in sections 54.9, 54.10, and 54.11 of the Commission's rules, such recipients are no longer required to submit on an annual basis all of the infrastructure data that providers would submit as part of the BDC mobile verification process for all cell sites and antennas that serve an ACF mobile support recipient's supported area for coverage. Further, ACF mobile participants are no longer prohibited from citing to their own plans in Anchorage as evidence of compliance with the reasonably comparable rate requirement. An Alaska Plan mobile provider that opts into the ACF may have its fund support delayed, or may be deemed ineligible to participate in the ACF, if the WTB determines, after December 31, 2027 but before December 15, 2028 (subject to reasonable extensions by

⁵⁰ S&P Global Market Intelligence, S&P Capital IQ Pro, *Top Cable MSOs 06/23Q* (last visited Sept. 27, 2023); S&P Global Market Intelligence, *Multichannel Video Subscriptions, Top 10* (April 2022).

⁵¹ Formerly included in the scope of the Internet Service Providers (Broadband), Wired Telecommunications Carriers and All Other Telecommunications small entity industry descriptions.

⁵² See Federal Communications Commission, *Internet Access Services: Status as of June 30, 2024* at 40, Fig. 41 (*IAS Status 2024*), Industry Analysis Division, Office of Economics & Analytics (May 2025). As of June 30, 2022, FCC Form 477 classifies all fixed wired connections into three mutually exclusive technology categories: (1) Copper Wire, (2) Coaxial Cable (hybrid fiber-coaxial), and (3) Optical Carrier (fiber to the premises). The report can be accessed at <https://www.fcc.gov/economics-analytics/industry-analysis-division/iad-data-statistical-reports..>

⁵³ Formerly included in the scope of the Internet Service Providers (Broadband), Wireless Telecommunications Carriers (except Satellite) and All Other Telecommunications small entity industry descriptions.

⁵⁴ See *IAS Status 2024*, Fig. 41.

⁵⁵ 5 U.S.C. § 604(a)(5).

⁵⁶ *Alaska Connect Fund Order*, 39 FCC Rcd at 12239-40, paras. 42-46, Appx. B.

WTB, not to go beyond July 1, 2029), that the mobile provider has failed to comply with the public interest obligations or other terms and conditions of the Alaska Plan or its Alaska Plan commitments, or failed to meet its Alaska Plan build-out final milestone by greater than a *de minimis* amount. Additionally, mobile providers required to submit speed test data for ACF support must submit such data within five months of receipt of the final sample grid cells for speed testing.

16. Accordingly, the modifications to the requirements and rules of the ACF made in this *Order on Reconsideration and Clarification* did not change or impact the cost of compliance analysis and estimates for small and other providers made in the *Alaska Connect Fund Order*.⁵⁷ As such, we anticipate that the modifications to be implemented will have minimal cost implications, because we expect that much of the required information is already collected to ensure compliance with the terms and conditions of support for other high-cost programs. We further note that at this time, the record does not provide sufficient information to allow the Commission to determine whether small entities will be required to hire additional attorneys, engineers, consultants or other professionals to comply with the modified rules adopted today.

F. Discussion of Steps Taken to Minimize the Significant Economic Impact on Small Entities, and Significant Alternatives Considered

17. The RFA requires an agency to provide, “a description of the steps the agency has taken to minimize the significant economic impact on small entities...including a statement of the factual, policy, and legal reasons for selecting the alternative adopted in the final rule and why each one of the other significant alternatives to the rule considered by the agency which affect the impact on small entities was rejected.”⁵⁸

18. The Commission has taken several steps in the *Order on Reconsideration and Clarification* to minimize the economic impact of compliance with the *Alaska Connect Fund Order* for small entities. We provide further clarification on several ACF requirements for mobile providers, thereby reducing potential confusion on the part of small and other providers that may have occurred if the requests were denied. These include clarification on performance plan goals and obligations, eligibility standards for ACF participation, categorization of support areas, service obligations for areas deemed ineligible for support, and treatment of transactions between ACF supported providers. Additionally, we modify the existing ACF rules to make compliance easier for providers, by eliminating the infrastructure annual data filing requirement, providing a reasonable deadline for the mobile speed test requirements, and also allowing an additional category of evidence to be used to demonstrate compliance with the reasonably comparable price requirement. Alternatively, we considered, for example, retaining the existing rules regarding the filing requirement, however, our decision to eliminate this requirement reduces compliance burdens for small and other entities and is also in keeping with the objectives of the Commission’s *Delete, Delete, Delete* initiative to reduce unnecessary regulations that would strain the limited resources of ACF mobile providers.⁵⁹ The updated rules have thus reduced the compliance burden for small and other providers, particularly when compared to taking the alternative of maintaining the rules that were originally adopted in the *Alaska Connect Fund Order*. The system adopted for the ACF was inherently designed with consideration to small businesses, as the eligible participants for ACF extended support fall under the SBA size standard for small businesses as wireless telecommunications carriers.

G. Report to Congress

19. The Commission will send a copy of the *Order on Reconsideration and Clarification*, including this Final Regulatory Flexibility Analysis, in a report to Congress pursuant to the Congressional

⁵⁷ *Alaska Connect Fund Order*, 39 FCC Rcd at 12239-40, paras. 47, Appx. B.

⁵⁸ 5 U.S.C. § 604(a)(6).

⁵⁹ *IN RE: DELETE, DELETE, DELETE*, Public Notice, GN Docket No. 25-133, DA 25-219 (2025).

Review Act.⁶⁰ In addition, the Commission will send a copy of the *Order on Reconsideration and Clarification*, including this Final Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the SBA and will publish a copy of the *Order on Reconsideration and Clarification*, and this Final Regulatory Flexibility Analysis (or summaries thereof) in the Federal Register.⁶¹

⁶⁰ 5 U.S.C. § 801(a)(1)(A).

⁶¹ *Id.* § 604(b).

**STATEMENT OF
CHAIRMAN BRENDAN CARR**

Re: *Connect America Fund; Alaska Connect Fund; et al.*, WC Docket Nos. 10-90, 23-328, 16-271, 14-58, and 09-197; WT Docket No. 10-208, Order on Reconsideration and Clarification, Waiver Order, and Order.

No part of the country is more remote and faces bigger connectivity challenges than Alaska. In my most recent visit to Alaska in 2022, I saw, first-hand, the challenge of bringing high-speed internet service to The Last Frontier. One of my stops was to the Matanuska Valley, north of Anchorage, where I met with people who were only able to access the Internet because of the FCC's Alaska Plan.

The Alaska Plan was established in 2016 to provide certain, long-term financial support to overcome the distinct challenges of connecting the hardest-to-serve parts of the State. In November 2024, the Commission extended this program through 2034 and re-named it the Alaska Connect Fund.

With today's action, we are fine-tuning the Alaska Connect Fund to ensure that it is more appropriately tailored to the topography and needs of Alaska. For example, this item further clarifies the program's deployment goals of 5G-NR at 35/3 Mbps. We are also ensuring that the obligations associated with the ACF are commensurate to the benefits provided and have eliminated a burdensome filing requirement that is unnecessary to measure compliance in the program.

Today's action also addresses marketplace changes that have occurred since the Alaska Plan was first adopted nearly a decade ago. In that vein, it grants targeted waivers of compliance measurement methodologies to more appropriately reward providers for their deployment accomplishments and incentivize them to continue improving and deploying service as they transition from the Alaska Plan to the ACF.

These actions will improve and further stabilize the FCC's long-standing commitment to supporting connectivity for Alaskans.

**STATEMENT OF
COMMISSIONER OLIVIA TRUSTY**

Re: *Connect America Fund; Alaska Connect Fund; et al.*, WC Docket Nos. 10-90, 23-328, 16-271, 14-58, and 09-197; WT Docket No. 10-208, Order on Reconsideration and Clarification, Waiver Order, and Order.

The FCC was established with the goal of ensuring that all Americans have access to rapid, efficient communications networks. Section 254 of the Communications Act built on that foundation by emphasizing the need for advanced services in rural, insular, and high-cost areas.

Alaska is a prime example of territory where assistance is needed to achieve and maintain universal connectivity. In my recent visit to Alaska, I saw first-hand what it takes to bring broadband to some of the nation's most remote and difficult-to-serve areas. I also saw first-hand the benefits that come from broadband access for Alaskans' education, healthcare, commerce, and economic opportunity.

The FCC has recognized the unique needs of Alaska, as well. In 2016, the Commission adopted the Alaska Plan, making support available for most of Alaska's carriers in exchange for tailored deployment commitments. And in 2024, the Commission established a framework for the Alaska Connect Fund to provide predictable, ongoing high-cost support through 2034 for mobile and fixed carriers at increased support levels with higher performance goals.

In this order, we make targeted adjustments to the Alaska Plan and Alaska Connect Fund for mobile providers. The order rightly takes action where the record shows the need for clarifications or adjustments to reflect the technological realities of providing mobile broadband in Alaska's challenging environment. At the same time, the order maintains rules and requirements necessary to ensure that providers keep their promises to Alaska consumers when using high-cost funds.

By ensuring predictable and sufficient support to meet the challenges expected of providers while meeting the Alaska Connect Fund's purpose of expanding and enhancing broadband access where Alaskans live, work, and travel, the Commission is directly advancing its longstanding statutory mission of universal connectivity. I thank the Wireless Telecommunications Bureau for its excellent work on this important issue.