NOTICE OF REQUEST FOR SUPPLEMENTAL INTERNET GRANT FUNDING

The REGULATORY COMMISSION of ALASKA (Commission) hereby gives notice that United Utilities, Inc. (UUI) has filed a request for supplemental funding under the Rural Alaska Broadband Internet Access Grant Program (Program). This Program is funded by the USDA and administered by the Commission to allocate \$15 million to promote the deployment of broadband Internet service in rural Alaska. To date, \$4.5 million has been awarded and committed, leaving \$10.5 million available for supplemental funding of broadband programs throughout Alaska.

In August 2004, UUI was awarded a grant of approximately \$2.5 million to deploy broadband Internet service in the communities of Chefornak, Eek, Kipnuk, Kongiganak, Kwigillingok, Lower Kalskag, Newtok, Nightmute, Tununak, Tuntutuliak, and Upper Kalskag. UUI seeks an additional \$4.6 million to deploy broadband to these communities, citing increased construction costs as the basis for its supplemental funding request.

To date other grant recipients are GCI Communications Corp. (GCI) and Yukon Telephone Company/Supervisions Cable Television (Yukon). GCI was awarded approximately \$1.5 million for service to Allakaket, Crooked Creek, Dot Lake, Grayling, Holy Cross, Ivanof Bay, Mentasta Lake, Red Devil, Sleetmute, Stony River, Shageluk, and Tetlin. Yukon was awarded approximately \$117,000 for service to Tyonek.

UUI has indicated it may provide a presentation of its broadband grant proposal and related projects to interested parties. Any individuals who have an interest in such a presentation or wish to obtain information about the

supplemental funding request should contact Steve Hamlen, President and Chief

Executive Officer of UUI, at 5450 A Street, Anchorage, Alaska (800) 478-2020

extension 5210 or (907) 273-5210. In addition, both UUI's initial grant proposal

and its request for additional funding are available for inspection at the

Commission's office at 701 West Eighth Avenue, Suite 300, Anchorage, Alaska

99501; phone: (907) 276-6222 or on the web at www.state.ak.us/rca/.

The Commission is seeking written comments on UUI's supplemental

funding request to assist it in making a final determination on this matter. To

comment, please file your comments with the Commission by December 23,

2004, and also file a copy of your comments with UUI.

DATED at Anchorage, Alaska, this 2nd day of December, 2004.

REGULATORY COMMISSION OF ALASKA

Kate Giard Chairman